



Financial Plan #048-301

Elgin Area Primary Water Supply System

Safe Drinking Water Act, 2002
O.Reg. 453/07

Consolidated Financial Model for Municipal Drinking Water Licence Renewal

June 4, 2026

ELGIN AREA PRIMARY WATER SUPPLY SYSTEM
Statement of Financial Position

	Audited		Forecast (unaudited)							
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Financial assets										
Due from Corporation of the City of London ⁽¹⁾	19,616,763	21,078,669	25,130,038	28,092,504	31,386,134	35,682,596	40,891,959	47,386,558	54,289,529	62,809,854
Trade and other receivables	711,924	1,226,754	1,048,803	986,642	1,044,395	1,139,244	1,209,894	1,284,398	1,331,283	1,403,931
Long-term loan receivable ⁽²⁾	108,902	93,237	67,884	19,345	-	-	-	-	-	-
Total financial assets	20,437,589	22,398,660	26,246,725	29,098,490	32,430,529	36,821,840	42,101,853	48,670,956	55,620,812	64,213,785
Financial liabilities										
Accounts payable and accrued liabilities	1,700,865	716,065	1,527,838	1,426,780	1,476,727	1,528,656	1,582,655	1,638,822	1,697,257	1,758,067
Accrued interest on long-term debt	34,238	25,268	15,324	4,556	-	-	-	-	-	-
Net long-term debt	4,164,888	2,971,458	1,751,653	501,708	-	-	-	-	-	-
Asset Retirement Obligation	664,058	638,539	677,658	650,552	624,530	599,548	575,566	552,544	530,442	509,224
Total financial liabilities	6,564,049	4,351,330	3,972,473	2,583,596	2,101,257	2,128,204	2,158,221	2,191,366	2,227,699	2,267,291
Net financial assets / (debt)	13,873,540	18,047,330	22,274,252	26,514,894	30,329,272	34,693,636	39,943,632	46,479,590	53,393,113	61,946,493
Non-financial assets										
Tangible capital assets (net)	61,557,059	63,756,526	63,818,541	71,507,188	70,988,445	71,119,798	71,078,729	70,519,566	69,852,825	68,260,641
Prepaid expenses	256,291	316,323	292,939	316,374	341,684	369,019	398,541	430,424	464,858	502,047
Total non-financial assets	61,813,350	64,072,849	64,111,480	71,823,562	71,330,129	71,488,817	71,477,270	70,949,990	70,317,683	68,762,688
Accumulated surplus	75,686,890	82,120,179	86,385,732	98,338,456	101,659,401	106,182,453	111,420,902	117,429,580	123,710,796	130,709,181

* subject to rounding

Notes:

(1) The Corporation of the City of London maintains a separate general ledger on behalf of the EAPWSS. All funds are paid and received through the Corporation's bank account and are held for use by the EAPWSS.

(2) The Municipality of Dutton Dunwich has entered into a water supply agreement resulting in a buy-in charge of \$252,000. Dutton Dunwich requested and the Elgin PWSS Board agreed to payment of this buy-in charge over a 10 year term bearing interest on the outstanding amount.

Disclaimer

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ELGIN AREA PRIMARY WATER SUPPLY SYSTEM
Pro-forma Statement of Operations

	Audited		Forecast (unaudited)							
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenues										
User charges	15,422,481	16,269,715	17,580,925	17,236,594	18,162,822	19,615,834	20,583,988	21,590,802	22,641,314	23,739,757
Investment income	464,067	882,836	1,165,832	446,867	557,205	806,577	1,106,473	1,436,878	1,227,883	1,433,352
Other ⁽¹⁾	32,570	50,701	77,601	25,200	25,200	25,200	25,200	25,200	25,200	25,200
Total revenues	15,919,118	17,203,252	18,824,358	17,708,660	18,745,227	20,447,611	21,715,661	23,052,879	23,894,396	25,198,309
Expenses										
Salaries, wages and benefits	1,062,772	1,231,858	1,555,909	1,320,630	1,359,663	1,399,863	1,441,262	1,483,898	1,527,807	1,573,027
Materials and supplies	7,183,651	7,590,794	8,191,393	8,463,666	8,780,601	9,110,575	9,454,203	9,812,141	10,185,073	10,573,730
Contracted services ⁽²⁾	649,218	634,387	825,226	408,114	410,477	412,876	415,310	417,781	420,289	422,834
Rents and financial expenses	109,913	151,671	114,129	76,328	77,473	78,635	79,815	81,013	82,229	83,463
Interest on long-term debt	120,709	92,796	61,754	36,706	8,682	-	-	-	-	-
Amortization	3,710,048	3,675,793	3,636,893	4,526,082	4,615,334	4,746,549	4,906,547	5,065,275	5,209,664	5,354,716
Administrative charges	171,316	189,423	173,501	195,148	198,076	201,047	204,062	207,123	210,230	213,384
Total expenses	13,007,627	13,566,722	14,558,805	15,026,674	15,450,306	15,949,544	16,501,200	17,067,231	17,635,292	18,221,154
Annual surplus	2,911,491	3,636,530	4,265,553	2,681,987	3,294,921	4,498,066	5,214,461	5,985,648	6,259,104	6,977,155
Accumulated surplus, beginning of year	75,572,158	78,483,649	82,120,179	86,385,732	89,067,719	92,362,639	96,860,706	102,075,167	108,060,815	114,319,919
Accumulated surplus, end of year	78,483,649	82,120,179	86,385,732	89,067,719	92,362,639	96,860,706	102,075,167	108,060,815	114,319,919	121,297,074

* subject to rounding

Notes:
(1) Other Revenue includes Miscellaneous Revenue and estimated one-time incentive payments from Independent Electricity System Operator (IESO) for High
(2) Contracted services includes capital expenditures which do not qualify as a Tangible Capital Asset under the PSAB

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ELGIN AREA PRIMARY WATER SUPPLY SYSTEM
Projected Statement of Change in Net Financial Assets/(Debt)

	Audited		Forecast (unaudited)							
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Annual surplus	2,911,491	3,636,530	4,265,553	2,681,987	3,294,921	4,498,066	5,214,461	5,985,648	6,259,104	6,977,155
Acquisition of tangible capital assets	(2,383,929)	(3,078,501)	(3,698,908)	(2,971,098)	(4,096,591)	(4,877,902)	(4,865,478)	(4,506,112)	(4,542,923)	(3,762,532)
Amortization of tangible capital assets	3,710,048	3,675,793	3,636,893	4,526,082	4,615,334	4,746,549	4,906,547	5,065,275	5,209,664	5,354,716
	4,237,610	4,233,822	4,203,538	4,236,971	3,813,664	4,366,713	5,255,530	6,544,811	6,925,845	8,569,339
Change in prepaid expenses	(26,238)	(60,032)	23,384	(23,435)	(25,310)	(27,335)	(29,522)	(31,883)	(34,434)	(37,189)
Change in net financial assets/(debt)	4,211,372	4,173,790	4,226,922	4,213,536	3,788,354	4,339,378	5,226,008	6,512,928	6,891,411	8,532,150
Net financial assets/(debt), beginning of year	9,662,168	13,873,540	18,047,330	22,274,252	26,487,788	30,276,141	34,615,520	39,841,528	46,354,456	53,245,867
Net financial assets/(debt), end of year	13,873,540	18,047,330	22,274,252	26,487,788	30,276,141	34,615,520	39,841,528	46,354,456	53,245,867	61,778,017

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ELGIN AREA PRIMARY WATER SUPPLY SYSTEM
Statement of Cash Flows

	Audited		Forecast (unaudited)							
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Cash provided by:										
Operating activities:										
Annual surplus	2,911,491	3,636,530	4,265,553	2,681,987	3,294,921	4,498,066	5,214,461	5,985,648	6,259,104	6,977,155
Items not involving cash:										
Amortization	3,710,048	3,675,793	3,636,893	4,526,082	4,615,334	4,746,549	4,906,547	5,065,275	5,209,664	5,354,716
Amortization of debt discount	7,810	7,810	7,810	5,417	1,511	-	-	-	-	-
Accretion expense										
Change in non-cash assets and liabilities:										
Due from Corporation of City of London	(3,971,521)	(1,461,906)	(4,051,369)	(2,962,466)	(3,293,630)	(4,296,462)	(5,209,363)	(6,494,599)	(6,902,971)	(8,520,324)
Prepaid expenses	(26,238)	(60,032)	23,384	(23,435)	(25,310)	(27,335)	(29,522)	(31,883)	(34,434)	(37,189)
Trade and other receivables	896	(514,830)	177,951	62,161	(57,753)	(94,849)	(70,650)	(74,504)	(46,885)	(72,648)
Accounts payable and accrued liabilities	879,590	(984,800)	811,773	(101,058)	49,947	51,929	53,999	56,167	58,435	60,810
Accrued interest on long-term debt	(8,409)	(8,970)	(9,944)	(10,768)	(4,556)	-	-	-	-	-
Asset Retirement Obligation	35,018	(25,519)	39,119							
Net change in cash from operating activities	3,538,685	4,264,076	4,901,171	4,177,920	4,580,465	4,877,900	4,865,475	4,506,108	4,542,918	3,762,526
Capital activities:										
Purchase of tangible capital assets	(2,383,929)	(3,078,501)	(3,698,908)	(2,971,098)	(4,096,591)	(4,877,902)	(4,865,478)	(4,506,112)	(4,542,923)	(3,762,532)
Cash used in capital activities	(2,383,929)	(3,078,501)	(3,698,908)	(2,971,098)	(4,096,590)	(4,877,900)	(4,865,475)	(4,506,108)	(4,542,918)	(3,762,526)
Financing activities:										
Proceeds of long term debt	-	-	-	-	-	-	-	-	-	-
Repayment of long-term debt	(1,176,125)	(1,201,240)	(1,227,615)	(1,255,362)	(503,219)	-	-	-	-	-
Loan Receivables	21,369	15,665	25,353	48,539	19,345	-	-	-	-	-
Cash used in financing activities	(1,154,756)	(1,185,575)	(1,202,262)	(1,206,822)	(483,875)	-	-	-	-	-
Net change in cash flows	-	-	-	-	-	-	-	-	-	-
Cash and short-term investments, beginning of year	-	-	-	-	-	-	-	-	-	-
Cash and short-term investments, end of year	-	-	-	-	-	-	-	-	-	-

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