

**Corporation of the City of Kingston
Drinking Water Supply System
2019 - 2023 Financial Plan**

Approved by Kingston City Council on February 19, 2019

Endorsed by:



James A. Keech
President and CEO
1425445 Ontario Limited (o/a Utilities Kingston)

Corporation of the City of Kingston
Drinking Water Supply System
Statement of Financial Position
December 31

	Audited 2017	Planned 2018	Planned 2019	Planned 2020	Planned 2021	Planned 2022	Planned 2023
Assets							
Cash & Cash Equivalents	\$ 49,493,596	\$ 34,738,332	\$ 38,904,303	\$ 26,190,482	\$ 26,799,647	\$ 27,855,215	\$ 29,453,041
Accounts Receivable	2,215,190	2,215,190	2,215,190	2,215,190	2,215,190	2,215,190	2,215,190
Inventory	315,105	315,105	315,105	315,105	315,105	315,105	315,105
Total current assets	<u>\$ 52,023,890</u>	<u>\$ 37,268,627</u>	<u>\$ 41,434,598</u>	<u>\$ 28,720,776</u>	<u>\$ 29,329,942</u>	<u>\$ 30,385,510</u>	<u>\$ 31,983,336</u>
Tangible Capital Assets - Cost	\$ 414,622,180	\$ 444,383,518	\$ 454,583,243	\$ 481,060,173	\$ 494,905,841	\$ 509,173,282	\$ 523,567,533
(detail schedules attached) - Amortization	(114,060,651)	(123,650,738)	(133,614,685)	(144,169,063)	(155,213,364)	(166,623,802)	(178,397,663)
Total non current assets	<u>\$ 300,561,529</u>	<u>\$ 320,732,780</u>	<u>\$ 320,968,558</u>	<u>\$ 336,891,110</u>	<u>\$ 339,692,477</u>	<u>\$ 342,549,480</u>	<u>\$ 345,169,869</u>
Total Assets	<u>\$ 352,585,419</u>	<u>\$ 358,001,407</u>	<u>\$ 362,403,156</u>	<u>\$ 365,611,886</u>	<u>\$ 369,022,419</u>	<u>\$ 372,934,990</u>	<u>\$ 377,153,205</u>
Liabilities							
Long Term Liabilities (Net Debt)	\$ 61,094,418	\$ 59,531,451	\$ 57,930,970	\$ 56,282,109	\$ 54,583,155	\$ 52,832,330	\$ 51,027,795
Surplus	\$ 291,491,001	\$ 298,469,956	\$ 304,472,186	\$ 309,329,777	\$ 314,439,264	\$ 320,102,660	\$ 326,125,409
Total Liabilities & Surplus	<u>\$ 352,585,419</u>	<u>\$ 358,001,407</u>	<u>\$ 362,403,156</u>	<u>\$ 365,611,886</u>	<u>\$ 369,022,419</u>	<u>\$ 372,934,990</u>	<u>\$ 377,153,205</u>

NOTE: Actual results will differ and these differences could be material

Corporation of the City of Kingston
Drinking Water Supply System
Statement of Revenues and Expenditures
December 31

	Audited 2017	Planned 2018	Planned 2019	Planned 2020	Planned 2021	Planned 2022	Planned 2023
Revenues							
Water Rates	\$ 25,210,000	\$ 27,734,174	\$ 28,204,819	\$ 29,220,192	\$ 30,242,899	\$ 31,240,915	\$ 32,178,142
Funding - Development (Impost)	3,545,493	3,824,168	3,063,240	2,024,504	2,231,899	2,446,339	2,517,266
Funding - Grants	4,664,653	-	-	-	-	-	-
Interest Income	1,154,456	1,244,807	1,088,315	961,992	783,105	807,707	846,920
User Charges	425,369	364,000	364,000	364,000	364,000	364,000	364,000
	<u>\$ 34,999,970</u>	<u>\$ 33,167,149</u>	<u>\$ 32,720,373</u>	<u>\$ 32,570,688</u>	<u>\$ 33,621,903</u>	<u>\$ 34,858,961</u>	<u>\$ 35,906,328</u>
Expenses							
Operating	\$ 13,052,007	\$ 14,505,986	\$ 14,716,878	\$ 15,177,339	\$ 15,544,862	\$ 15,921,573	\$ 16,307,701
Interest - Long Term	1,002,082	2,092,122	2,037,318	1,981,380	1,923,253	1,863,554	1,802,016
Interest - Short Term	303,804	-	-	-	-	-	-
Amortization	8,940,019	9,590,087	9,963,947	10,554,378	11,044,301	11,410,438	11,773,861
	<u>\$ 23,297,912</u>	<u>\$ 26,188,194</u>	<u>\$ 26,718,143</u>	<u>\$ 27,713,098</u>	<u>\$ 28,512,416</u>	<u>\$ 29,195,565</u>	<u>\$ 29,883,579</u>
Surplus for the year	\$ 11,702,059	\$ 6,978,955	\$ 6,002,230	\$ 4,857,591	\$ 5,109,487	\$ 5,663,396	\$ 6,022,749
Surplus, beginning of year	279,788,942	291,491,001	298,469,956	304,472,186	309,329,777	314,439,264	320,102,660
Surplus, end of year	<u>\$ 291,491,001</u>	<u>\$ 298,469,956</u>	<u>\$ 304,472,186</u>	<u>\$ 309,329,777</u>	<u>\$ 314,439,264</u>	<u>\$ 320,102,660</u>	<u>\$ 326,125,409</u>

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Corporation of the City of Kingston
Drinking Water Supply System
Statement of Cash Flow
December 31

	<u>Audited 2017</u>	<u>Planned 2018</u>	<u>Planned 2019</u>	<u>Planned 2020</u>	<u>Planned 2021</u>	<u>Planned 2022</u>	<u>Planned 2023</u>
Operating Activities							
Net Surplus for the year from operations	\$ 11,702,059	\$ 6,978,955	\$ 6,002,230	\$ 4,857,591	\$ 5,109,487	\$ 5,663,396	\$ 6,022,749
add back non cash items							
Amortization	8,940,019	9,590,087	9,963,947	10,554,378	11,044,301	11,410,438	11,773,861
Net Cash receipts from operations	<u>\$ 20,642,078</u>	<u>\$ 16,569,042</u>	<u>\$ 15,966,178</u>	<u>\$ 15,411,969</u>	<u>\$ 16,153,788</u>	<u>\$ 17,073,834</u>	<u>\$ 17,796,610</u>
Investing Activities							
Purchase of Tangible Capital Assets	-\$ 12,309,176	-\$ 29,761,338	-\$ 10,199,725	-\$ 26,476,930	-\$ 13,845,668	-\$ 14,267,441	-\$ 14,394,250
Financing Activities							
Receipt of (repayment of) Long Term Debt	-\$ 799,767	-\$ 1,562,967	-\$ 1,600,481	-\$ 1,648,861	-\$ 1,698,954	-\$ 1,750,825	-\$ 1,804,535
Increase/(Decrease) in Cash and Cash Equivalents	\$ 7,533,135	-\$ 14,755,263	\$ 4,165,971	-\$ 12,713,821	\$ 609,166	\$ 1,055,568	\$ 1,597,825
Cash and Cash Equivalents, beginning of year	41,960,460	49,493,596	34,738,332	38,904,304	26,190,482	26,799,648	27,855,216
Cash and Cash Equivalents, end of year	<u>\$ 49,493,596</u>	<u>\$ 34,738,332</u>	<u>\$ 38,904,304</u>	<u>\$ 26,190,482</u>	<u>\$ 26,799,648</u>	<u>\$ 27,855,216</u>	<u>\$ 29,453,041</u>

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Corporation of the City of Kingston
Drinking Water Supply System
Tangible Capital Asset Cost Continuity Schedule
December 31

	Audited 2017	Planned 2018	Planned 2019	Planned 2020	Planned 2021	Planned 2022	Planned 2023
Land							
Opening Balance	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992
Additions during the Year	-	-	-	-	-	-	-
Closing Balance	<u>\$ 1,953,992</u>	<u>\$ 1,953,992</u>	<u>\$ 1,953,992</u>	<u>\$ 1,953,992</u>	<u>\$ 1,953,992</u>	<u>\$ 1,953,992</u>	<u>\$ 1,953,992</u>
Water Facilities							
Opening Balance	\$ 112,195,828	\$ 114,002,116	\$ 119,419,218	\$ 120,334,218	\$ 122,054,218	\$ 122,629,218	\$ 125,324,218
Additions during the Year	1,806,287	5,417,102	915,000	1,720,000	575,000	2,695,000	1,075,000
Closing Balance	<u>\$ 114,002,116</u>	<u>\$ 119,419,218</u>	<u>\$ 120,334,218</u>	<u>\$ 122,054,218</u>	<u>\$ 122,629,218</u>	<u>\$ 125,324,218</u>	<u>\$ 126,399,218</u>
Distribution System							
Opening Balance	\$ 272,991,370	\$ 282,426,152	\$ 303,502,738	\$ 311,102,738	\$ 334,014,738	\$ 345,414,738	\$ 355,214,738
Additions during the Year	9,434,782	21,076,586	7,600,000	22,912,000	11,400,000	9,800,000	11,800,000
Closing Balance	<u>\$ 282,426,152</u>	<u>\$ 303,502,738</u>	<u>\$ 311,102,738</u>	<u>\$ 334,014,738</u>	<u>\$ 345,414,738</u>	<u>\$ 355,214,738</u>	<u>\$ 367,014,738</u>
Meters							
Opening Balance	\$ 10,821,701	\$ 11,663,800	\$ 12,668,630	\$ 13,154,630	\$ 13,865,630	\$ 14,565,630	\$ 15,265,630
Additions during the Year	842,099	1,004,830	486,000	711,000	700,000	700,000	750,000
Closing Balance	<u>\$ 11,663,800</u>	<u>\$ 12,668,630</u>	<u>\$ 13,154,630</u>	<u>\$ 13,865,630</u>	<u>\$ 14,565,630</u>	<u>\$ 15,265,630</u>	<u>\$ 16,015,630</u>
Equipment							
Opening Balance	\$ 4,350,113	\$ 4,576,121	\$ 6,838,940	\$ 8,037,665	\$ 9,171,594	\$ 10,342,262	\$ 11,414,704
Additions during the Year	226,008	2,262,819	1,198,725	1,133,930	1,170,668	1,072,441	769,250
Closing Balance	<u>\$ 4,576,121</u>	<u>\$ 6,838,940</u>	<u>\$ 8,037,665</u>	<u>\$ 9,171,594</u>	<u>\$ 10,342,262</u>	<u>\$ 11,414,704</u>	<u>\$ 12,183,954</u>
Total Tangible Capital Assets							
Opening Balance	\$ 402,313,005	\$ 414,622,180	\$ 444,383,518	\$ 454,583,243	\$ 481,060,173	\$ 494,905,841	\$ 509,173,282
Additions during the Year	12,309,176	29,761,338	10,199,725	26,476,930	13,845,668	14,267,441	14,394,250
Closing Balance	<u>\$ 414,622,180</u>	<u>\$ 444,383,518</u>	<u>\$ 454,583,243</u>	<u>\$ 481,060,173</u>	<u>\$ 494,905,841</u>	<u>\$ 509,173,282</u>	<u>\$ 523,567,533</u>

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Corporation of the City of Kingston
Drinking Water Supply System
Tangible Capital Asset amortization Continuity Schedule
December 31

	Audited 2017	Planned 2018	Planned 2019	Planned 2020	Planned 2021	Planned 2022	Planned 2023
Land							
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions during the Year	0						
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Facilities Accumulated Amortization							
Opening Balance	\$ 35,976,158	\$ 40,032,305	\$ 44,107,710	\$ 48,237,287	\$ 52,402,363	\$ 56,590,389	\$ 60,811,115
Additions during the Year	4,056,147	4,075,405	4,129,577	4,165,076	4,188,026	4,220,726	4,258,426
Closing Balance	\$ 40,032,305	\$ 44,107,710	\$ 48,237,287	\$ 52,402,363	\$ 56,590,389	\$ 60,811,115	\$ 65,069,541
Distribution System Accumulated Amortization							
Opening Balance	\$ 64,199,132	\$ 68,178,364	\$ 72,623,908	\$ 77,280,218	\$ 82,317,648	\$ 87,698,197	\$ 93,290,747
Additions during the Year	3,979,231	4,445,544	4,656,310	5,037,430	5,380,550	5,592,550	5,808,550
Closing Balance	\$ 68,178,364	\$ 72,623,908	\$ 77,280,218	\$ 82,317,648	\$ 87,698,197	\$ 93,290,747	\$ 99,099,297
Meters Accumulated Amortization							
Opening Balance	\$ 2,597,134	\$ 3,313,930	\$ 4,096,941	\$ 4,913,447	\$ 5,786,052	\$ 6,705,691	\$ 7,671,996
Additions during the Year	716,796	783,011	816,506	872,605	919,639	966,305	1,014,639
Closing Balance	\$ 3,313,930	\$ 4,096,941	\$ 4,913,447	\$ 5,786,052	\$ 6,705,691	\$ 7,671,996	\$ 8,686,635
Equipment Accumulated Amortization							
Opening Balance	\$ 2,348,208	\$ 2,536,052	\$ 2,822,179	\$ 3,183,734	\$ 3,663,000	\$ 4,219,087	\$ 4,849,944
Additions during the Year	187,844	286,127	361,555	479,267	556,087	630,857	692,247
Closing Balance	\$ 2,536,052	\$ 2,822,179	\$ 3,183,734	\$ 3,663,000	\$ 4,219,087	\$ 4,849,944	\$ 5,542,191
Total Tangible Capital Assets Accumulated Amortization							
Opening Balance	\$ 105,120,632	\$ 114,060,651	\$ 123,650,738	\$ 133,614,685	\$ 144,169,063	\$ 155,213,364	\$ 166,623,802
Additions during the Year	8,940,019	9,590,087	9,963,947	10,554,378	11,044,301	11,410,438	11,773,861
Closing Balance	\$ 114,060,651	\$ 123,650,738	\$ 133,614,685	\$ 144,169,063	\$ 155,213,364	\$ 166,623,802	\$ 178,397,663

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