

**REPORT**

PREPARED BY HEMSON FOR THE CITY OF CLARENCE-ROCKLAND

# WATER FINANCIAL PLAN

November 28, 2025

Water Financial Plan Number: 175-301



# CONTENTS

<b>1.</b>	<b>INTRODUCTION</b>	<b>1</b>
<b>2.</b>	<b>BACKGROUND</b>	<b>2</b>
<b>3.</b>	<b>KEY INPUTS</b>	<b>5</b>
<b>A.</b>	Expenditure and Revenue Forecast	5
<b>B.</b>	Capital Expenditures	6
<b>C.</b>	Reserve Fund Statements	6
<b>D.</b>	Debt Repayment	6
<b>E.</b>	Tangible Capital Asset Analysis (TCA)	7
<b>4.</b>	<b>WATER FINANCIAL PLAN</b>	<b>8</b>
<b>A.</b>	Statement of Operations – Table 1	8
<b>B.</b>	Statement of Financial Position – Table 2	8
<b>C.</b>	Statement of Cash Flow – Table 3	9
<b>D.</b>	Statement of Change in Net Financial Assets/Debt – Table 4	10
<b>5.</b>	<b>NOTES AND ASSUMPTIONS TO FINANCIAL PLAN</b>	<b>15</b>
<b>A.</b>	Cash	15
<b>B.</b>	Receivables and Payables	15
<b>C.</b>	Debt	15
<b>D.</b>	Deferred Revenue	15
<b>E.</b>	Accumulated Surplus	16
<b>F.</b>	Lead Pipes	16
<b>6.</b>	<b>OVERVIEW OF RESULTS</b>	<b>18</b>
	<b>APPENDIX A</b>	<b>20</b>

# 1. INTRODUCTION

The City of Clarence-Rockland provides potable water to its customers through its extensive water distribution network. The City's fee structure for water service includes a fixed fee with an additional consumption charge levied for each cubic metre of water consumed. The City recovers its costs through user fees charged to its customers on the basis of a full cost recovery system.

In 2021, the City of Clarence-Rockland completed a Water Financial Plan consistent with the requirements of the *Safe Drinking Water Act, 2002* (the SDWA) and its associated regulation *Ontario Regulation 453/07* (O. Reg. 453/07). The plan was prepared as part of a five submission process for renewing their municipal drinking water licence under the SDWA. The City's Drinking Water Licence is set to expire in 2025 and an update is required, which has prompted the initiation of this study. It should be noted that this exercise has not been undertaken to calculate/determine the utility rates over the long-term. Annual budgeting exercises to determine the in-year utility rates required to fund expenditures will supersede any revenue forecasts outlined in this document.

The purpose of this document is to present an updated Water Financial Plan for the City of Clarence-Rockland that is consistent with the requirements of the *Safe Drinking Water Act, 2002* and its associated regulation, *Ontario Regulation 453/07*. The Water Financial Plan prepared is part of the process required for the City to renew its municipal drinking water license under the SDWA. The preparation of a financial plan requires a thorough analysis of operating and capital needs, as well as consideration of available funding sources.

The financial plan includes specific statements such as: the statement of operations, statement of financial position, and statement of cash flow. In addition, a statement of net financial assets/debt has been prepared. Although this statement is not required under O. Reg. 453/07, it does provide further information about the financial performance of the City's water system. Section two of the report explains each statement in greater detail.

The financial plan is prepared for a 10-year forecast period from 2026-2035 with 2025 being the base year. For the purpose of this report, 2025 will be used as the reference year for the report.

## 2. BACKGROUND

In 2021, the City of Clarence-Rockland approved a Water Financial Plan prepared as one of the submission requirements necessary in renewing their municipal drinking water licence under the *Safe Drinking Water Act, 2002*. The City is now required to update the Financial Plan to again renew its drinking water license.

Financial Plans are defined in section 30(1) of the SDWA as follows: Financial plans that satisfy the requirements prescribed by the Minister, in any other case, 2002, c. 32, s. 30(1).

At this time, the *Sustainable Water and Sewage Systems Act, 2002* has been repealed, however, the standards identified underpin the specific requirements of s. 30 outlined in O. Reg. 453/07.

The SDWA and O. Reg. 453/07 include the following general requirements for a financial plan:

- Mandatory for all municipal water systems and recommended for wastewater systems;
- Includes a planning horizon of at least six years (commencing when the system first serves the public, for new systems);
- Must be completed and approved by the later of July 1, 2010 and the date that is six months after the first licence is issued;
- May be amended and additional information may be included beyond what is prescribed, as necessary; and
- Must be approved by Council resolution indicating that the drinking water system is financially viable.

The City is now required to update the Water Financial Plan to renew its drinking water licence. The Financial Plan requirement for a licence renewal generally mirrors the requirements to obtain a licence for a new system under the SDWA. In accordance with the regulation, this Financial Plan will apply to the first year to which the drinking water system's existing municipal drinking water licence would expire (in 2025).

In addition to the above noted general requirements, the following specific statements are required in the financial plan:

## **Statement of Operations**

This statement includes details on the projected financial operations itemized by total revenues, total expenses, annual surplus/deficit, and the cumulative surplus/deficit for each year in which the financial plan applies. An annual surplus represents funds available to the City to fund non-operating expenses such as the acquisition of tangible capital assets, principal payments on debt, and transfers to replenish or grow the reserve and reserve funds. The Statement of Operations is discussed in detail later in this report and is included as Table 1.

## **Statement of Financial Position**

This statement includes details on the financial position itemized by total financial assets, total liabilities, net debt, non-financial assets, and tangible capital assets. In recording the tangible capital assets, the City is able to account for its ability to provide for future benefits. A net financial asset position on this statement indicates whether the water system has the financial resources necessary to fund its future operations. The Statement of Financial Position is discussed in detail later in this report and is included as Table 2.

## **Statement of Cash Flow**

This statement provides information on the generation and use of cash resources. The gross cash receipts/payments are itemized by: operating; capital; investing and financial transactions. Itemizing the cash receipts and payments by category allows the reader to understand where the cash is being generated (e.g. water rates), and how the cash is being used (e.g. capital and operating expenses). The Statement of Cash Flow is discussed in detail later in this report and is included as Table 3.

## **Statement of Change in Net Financial Assets/Debt**

Although this statement is not required under O. Reg. 453/07, it does provide further information about the financial performance of the City's water systems. The Statement of Change in Net Financial Assets/Debt provides information on whether the revenue generated is sufficient to support the operating and tangible capital asset costs. The statement also reconciles the difference between the annual surplus/deficit and the change in net financial assets/debt for the period. This statement is discussed in detail later in this report and is included as Table 4.

The remainder of this study sets out the information and analysis upon which the statements were prepared.

Section 3 includes a discussion on the key inputs and documents used to develop the financial plan consistent with the governing legislation.

Section 4 includes the Statement of Operations, Statement of Financial Position, Statement of Cash Flows, and Statement of Change in Net Financial Assets/Debt that form the Financial Plan for Water Services.

Section 5 includes the Notes and Assumptions to the Financial Plan.

Section 6 includes an Overview of the Results.

## 3. KEY INPUTS

This chapter discusses the key inputs and documents used to develop the financial plan consistent with the governing legislation. The costs, revenues and assumptions used in preparing the financial projections are based on the City's data such as the 2025 operating budget and 2025 capital budget, the 2024 Development Charges Background Study, year-end reserve continuity schedules and other relevant information provided by staff. The five key financial inputs discussed below drive the prescribed statements outlined in Section 2 and are described in more detail in Section 4 of this report.

### A. EXPENDITURE AND REVENUE FORECAST

The expenditure and revenue forecast is based upon the information obtained from the City's 2025 operating budget and 2025 capital budget. This forecast includes a forecast of operating expenditures and revenues to 2035 with the provision for annual contributions to reserves for the purpose of asset repair and replacement. The City recovers most of its costs through user fees charged to its customers that include a fixed fee per unit, with an additional consumption charge for each cubic metre of water consumed. The forecast of expenditures and revenues is included as Appendix A - Table 1.

Some main assumptions used to derive the annual operating and revenue projections:

- Salaries & Benefits – 2.0% per annum;
- Admin & Materials – 2.0% per annum;
- Contracted Services (OCWA) – 3%;
- Repairs – 2%;
- Insurance – 5%; and
- Hydro & Utilities – 5% per annum.
- Local Improvement revenues are not inflated as they are equal to the debt payments
- Other non-rate water revenues will increase at 2% per annum.
- Rate revenues are anticipated to increase based on recent trends at a rate of:
  - 3.5% per annum for fixed fees; and
  - 3.5% per annum for the consumption-based component.

The City will need to monitor revenues very close over the coming years to ensure rates continue to fund the full cost of providing services. Importantly, annual budgeting exercises to determine the in-year utility rates required to fund expenditures will supersede any revenue forecasts outlined in this document.

## **B. CAPITAL EXPENDITURES**

The City's recent DC Study, the non-growth capital plan from the last study and recent capital budget information was used in preparing the financial plan and is outlined in Appendix A - Table 2. The plan identifies the cumulative cost for all in-year capital projects over the planning period and identifies the annual funding sources as outlined by City staff and Council. For the purposes of the non-growth-related capital plan, the forecast was based on the projected average annual expense assumed for the 2024-2033 period from the City's 2023 Rate Model – an annual cost of about \$924,000 was included in this Financial Plan.

## **C. RESERVE FUND STATEMENTS**

### **Water Reserves**

The 2025 Water Reserve Fund opening balance was provided by municipal staff. The Water Reserve Fund is used to fund non-growth related capital projects as well as the repair and replacement of water assets. Additionally, these funds can be used to address revenue shortfalls that can arise from fluctuating annual water consumption (i.e. less water is billed during wet summers).

The projected transfers to and from the Water Reserve Fund are outlined in Appendix A - Table 3.

### **Development Charge Reserve Fund – Water Services**

The Development Charge Reserve Fund is used to fund growth-related capital projects outlined in the City's Development Charges Background Study. The 2025 opening balance was determined from Schedule 61B of the City's 2024 Financial Information Return. The timing and costs of each project is subject to change based on annual capital budget reviews. Please note that the reserve funds identified in this study reflect the reserve fund balances and projects associated with the City-wide DC. All growth-related expenses shown in this report are net of any contributions the City would receive from other municipalities benefitting from the works.

## **D. DEBT REPAYMENT**

As of October 2025, the City had outstanding water-related debt of \$3.72 million relating to water distribution, water distribution program support, and watermain repairs, the Regional

Water Upgrade, watermain and water looping. This consists of \$2.88 million in existing outstanding debt and \$841,000 in debt beyond 2035. A summary of existing debt and resulting debt payment schedules to carry out the program is illustrated in Appendix A as Table 4.

## **E. TANGIBLE CAPITAL ASSET ANALYSIS (TCA)**

The City's internal TCA data was used to develop financial information related to the water systems assets. The statements included are not audited documents and contain estimates and assumptions as described below.

The following assumptions were made in regard to tangible capital assets:

- The amortization of assets is based on straight line depreciation;
- The useful life of each asset, as included in the City's asset register, was included in the calculation of amortization;
- It is assumed that no write-offs occurred in any of the years;
- It is assumed that there were no gains or losses on the disposal of assets (assets were disposed when they had reached the end of their useful life and therefore the historic cost is equal to accumulated depreciation); and
- Contributed assets were unknown and therefore not included in the forecast.

A summary of the tangible capital asset balances for the City's water system can be found in Appendix A – Table 5.

## 4. WATER FINANCIAL PLAN

This section summarizes the complete Water Financial Plan for the City of Clarence-Rockland's water system, which represents a forecast or projection of the City's future financial position. The statements included in this study are not audited documents and contain estimates and assumptions as described in Section 5 of this report.

### A. STATEMENT OF OPERATIONS – TABLE 1

The Statement of Operations provides information on the revenues and expenses generated from the water system in each year. An annual surplus will be generated where annual revenues exceed annual expenses for the year. Conversely, where expenses exceed revenues, an annual deficit will result. The annual surplus is available to fund non-operating expenses such as the acquisition of tangible capital assets, principal payments on debt, and transfers to replenish or grow the reserve funds.

In 2025, the projected revenue is \$9.85 million with expenditures of \$3.99 million. As revenues exceed expenses, an annual surplus is projected of approximately \$5.86 million. The beginning period accumulated surplus of \$44.21 million is equal to the opening reserve fund balances, plus tangible capital assets, and less any debt obligations and deferred revenue. A reconciliation of this amount can be found in Table 5. The City's forecasted Statement of Operations indicates an annual surplus in each of the years projected, with the accumulated surplus growing to approximately \$89.84 million by end of 2035. This supports the City's need to grow its reserve funds to pay for the repair and replacement of the City's capital assets.

### B. STATEMENT OF FINANCIAL POSITION – TABLE 2

The Statement of Financial Position provides information on the assets and liabilities of the City's water system. Net Financial Assets/(Debt) is the difference between assets and liabilities. A position of net financial assets occurs when assets are greater than liabilities. Conversely, net financial debt occurs when liabilities exceed assets. A net financial assets position implies that the system has the financial resources required to fund its future operations while a net financial debt position indicates that future revenues will be required to pay for past transactions.

In 2025, liabilities total \$1.46 million due to debt and deferred revenues while financial assets are approximately \$5.90 million – this results in a net financial asset position of \$4.43 million. Overall, the City’s Net Financial Asset position is projected to increase over time and reach \$16.94 million in 2035.

The Statement of Financial Position also provides information on the City’s tangible capital assets. The reporting of tangible capital assets is a requirement under PS3150 of the Public Sector Accounting Board. Prior to 2009, the costs to acquire or construct capital assets were expensed in the year in which they occur. As of 2009, municipalities are required to capitalize their assets and account for their ability to provide future benefits. An increase in the tangible capital asset balance suggests that new assets have been acquired, and a decrease in the balance indicates the disposal, write down or use of assets. The City’s tangible capital assets are valued at \$45.63 million in 2025 and are anticipated to grow to \$72.90 million by the end of the period.

### **C. STATEMENT OF CASH FLOW – TABLE 3**

The Statement of Cash Flow provides information on the generation and use of cash resources in the following categories: operating; capital; investments; and financing activities. The statement describes how the cash from operations (\$2.45 million) will be used to support the 2025 capital transactions (\$6.35 million). The difference between the total cash generated and cash used, less debt repayments, results in an increase or decrease in cash and cash equivalents. The beginning of period cash and cash equivalents is equal to the water reserve funds on hand at the start of the period.

In 2025, the City will see a \$4.19 million decrease in cash equivalents. Furthermore, the City’s cumulative cash position declines from \$5.90 million in 2025 to \$1.62 million in 2035 due to cash used to acquire tangible capital assets throughout the forecast period, with peaks projected for 2026 and 2028. The City’s water operations and non-growth-related capital reserves maintain a positive position over the planning period (see Appendix A – Table 3). The City’s Development Charge Reserve is projected to become negative throughout the forecast period due to large transfers to capital programs.

Although, this financial plan looks at the immediate future in which the costs are being absorbed, the DC revenues would be received over the long-term and extend well beyond the 10-year period to which this plan applies. As a result, the City should continue to exercise caution in planning for these projects to ensure the projects can properly be funded from the water utility system without support from other reserves to interim fund

operations. If interim funding support is required, future Water DCs collected can be used to repay other non-water-related reserve funds.

#### **D. STATEMENT OF CHANGE IN NET FINANCIAL ASSETS/DEBT – TABLE 4**

The Statement of Change in Net Financial Assets/Debt provides information on whether the revenue generated is sufficient to support the operating and tangible capital asset costs. The statement also reconciles the difference between the annual surplus/deficit and the change in net financial assets/debt for the period. The statement outlines that the surplus of \$5.86 million and amortization of \$1.29 million exceed the forecasted capital expenditures of \$6.35 million, resulting in an increase in net financial assets for the year. This surplus is projected to increase by the end of the forecast period, ending with positive net financial assets of \$16.94 million.

**Table 1**  
**City of Clarence-Rockland**  
**Statement of Operations**  
**in \$000's**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Revenues</b>											
<i>Water Sales</i>											
Metered	\$4,119	\$4,263	\$4,412	\$4,567	\$4,726	\$4,892	\$5,063	\$5,240	\$5,424	\$5,613	\$5,810
<i>Non-Rate Revenue (includes Misc.)</i>	\$306	\$326	\$329	\$332	\$334	\$337	\$147	\$150	\$153	\$156	\$159
<i>Earned DC Revenue <sup>(1)</sup></i>	\$5,427	\$5,112	\$156	\$23,159	\$1,146	\$1,174	\$0	\$0	\$103	\$239	\$1,296
<i>Total Revenue</i>	<b>\$9,851</b>	<b>\$9,702</b>	<b>\$4,897</b>	<b>\$28,057</b>	<b>\$6,207</b>	<b>\$6,403</b>	<b>\$5,210</b>	<b>\$5,390</b>	<b>\$5,680</b>	<b>\$6,008</b>	<b>\$7,266</b>
<b>Expenditures</b>											
Amortization Expense	\$1,293	\$1,283	\$1,310	\$1,309	\$1,534	\$1,526	\$1,522	\$1,522	\$1,511	\$1,471	\$1,374
Interest on Debt Expense	\$116	\$105	\$95	\$84	\$73	\$61	\$49	\$36	\$32	\$27	\$23
Operating Expense	\$2,585	\$2,656	\$2,729	\$2,804	\$2,881	\$2,960	\$3,042	\$3,126	\$3,212	\$3,301	\$3,393
<i>Total Expenditures</i>	<b>\$3,993</b>	<b>\$4,044</b>	<b>\$4,133</b>	<b>\$4,196</b>	<b>\$4,487</b>	<b>\$4,547</b>	<b>\$4,613</b>	<b>\$4,684</b>	<b>\$4,755</b>	<b>\$4,800</b>	<b>\$4,790</b>
<b>Annual Surplus/(Deficit)<sup>(2)</sup></b>	<b>\$5,858</b>	<b>\$5,657</b>	<b>\$764</b>	<b>\$23,861</b>	<b>\$1,720</b>	<b>\$1,857</b>	<b>\$597</b>	<b>\$706</b>	<b>\$925</b>	<b>\$1,209</b>	<b>\$2,476</b>
Annual Surplus/(Deficit)	\$5,858	\$5,657	\$764	\$23,861	\$1,720	\$1,857	\$597	\$706	\$925	\$1,209	\$2,476
Accumulated Surplus, Beginning of Period	\$44,210	\$50,067	\$55,725	\$56,489	\$80,349	\$82,069	\$83,925	\$84,523	\$85,229	\$86,154	\$87,363
Accumulated Surplus, End of Period	\$50,067	\$55,725	\$56,489	\$80,349	\$82,069	\$83,925	\$84,523	\$85,229	\$86,154	\$87,363	\$89,839

Note 1: Indicates the amount of funds needed to support in-year growth related capital transactions.

Note 2: It should be noted that the years in which a significant projected surplus is illustrated (2028), it is a result of including earned DC revenue to pay for identified in-year growth-related capital transactions into the calculations and does not represent available year-over-year cash surpluses on hand. The cash-flow statement (Table 3) and resulting cash and cash equivalents illustrates the cumulative funds available in reserve (rate reserve and DC Water reserve fund).

**Table 2**  
**City of Clarence-Rockland**  
**Statement of Financial Position**  
**in \$000's**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Financial Assets</b>											
Cash	\$5,897	\$3,326	\$5,512	(\$15,146)	(\$13,614)	(\$11,930)	(\$9,080)	(\$6,263)	(\$3,391)	(\$449)	\$1,621
<b>Total Assets</b>	<b>\$5,897</b>	<b>\$3,326</b>	<b>\$5,512</b>	<b>(\$15,146)</b>	<b>(\$13,614)</b>	<b>(\$11,930)</b>	<b>(\$9,080)</b>	<b>(\$6,263)</b>	<b>(\$3,391)</b>	<b>(\$449)</b>	<b>\$1,621</b>
<b>Liabilities</b>											
Debt	\$3,433	\$3,132	\$2,822	\$2,500	\$2,167	\$1,823	\$1,466	\$1,316	\$1,163	\$1,004	\$841
Deferred Revenue	(\$1,968)	(\$5,143)	(\$3,640)	(\$25,062)	(\$24,382)	(\$23,637)	(\$21,626)	(\$19,964)	(\$18,347)	(\$16,764)	(\$16,161)
<b>Total Liabilities</b>	<b>\$1,464</b>	<b>(\$2,010)</b>	<b>(\$818)</b>	<b>(\$22,562)</b>	<b>(\$22,214)</b>	<b>(\$21,814)</b>	<b>(\$20,160)</b>	<b>(\$18,648)</b>	<b>(\$17,185)</b>	<b>(\$15,760)</b>	<b>(\$15,320)</b>
<b>Net Financial Assets/(Debt)</b>	<b>\$4,433</b>	<b>\$5,337</b>	<b>\$6,330</b>	<b>\$7,417</b>	<b>\$8,600</b>	<b>\$9,884</b>	<b>\$11,080</b>	<b>\$12,384</b>	<b>\$13,793</b>	<b>\$15,311</b>	<b>\$16,940</b>
<b>Non-Financial Assets</b>											
Tangible Capital Assets	\$45,634	\$50,388	\$50,159	\$72,933	\$73,469	\$74,041	\$73,443	\$72,845	\$72,361	\$72,052	\$72,898
<b>Accumulated Surplus/(Deficit)</b>	<b>\$50,067</b>	<b>\$55,725</b>	<b>\$56,489</b>	<b>\$80,349</b>	<b>\$82,069</b>	<b>\$83,925</b>	<b>\$84,523</b>	<b>\$85,229</b>	<b>\$86,154</b>	<b>\$87,363</b>	<b>\$89,839</b>

**Table 3**  
**City of Clarence-Rockland**  
**Statement of Cash Flow**  
**In \$000's**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Operating Transactions</b>											
Annual Surplus/(Deficit)	\$5,858	\$5,657	\$764	\$23,861	\$1,720	\$1,857	\$597	\$706	\$925	\$1,209	\$2,476
Add: Amortization of TCA's	\$1,293	\$1,283	\$1,310	\$1,309	\$1,534	\$1,526	\$1,522	\$1,522	\$1,511	\$1,471	\$1,374
Less: DC Revenue <sup>(1)</sup>	(\$5,427)	(\$5,112)	(\$156)	(\$23,159)	(\$1,146)	(\$1,174)	\$0	\$0	(\$103)	(\$239)	(\$1,296)
Add: Development Charge Proceeds <sup>(2)</sup>	\$725	\$1,938	\$1,659	\$1,736	\$1,827	\$1,919	\$2,011	\$1,662	\$1,720	\$1,822	\$1,899
<b>Cash Provided by Operating :</b>	<b>\$2,449</b>	<b>\$3,766</b>	<b>\$3,576</b>	<b>\$3,747</b>	<b>\$3,935</b>	<b>\$4,127</b>	<b>\$4,131</b>	<b>\$3,890</b>	<b>\$4,053</b>	<b>\$4,264</b>	<b>\$4,453</b>
<b>Capital Transactions</b>											
Proceeds on Sale of Tangible Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Cash Used to Acquire Tangible Capital Assets	(\$6,351)	(\$6,037)	(\$1,080)	(\$24,083)	(\$2,070)	(\$2,098)	(\$924)	(\$924)	(\$1,027)	(\$1,163)	(\$2,220)
<b>Cash Applied to Capital</b>	<b>(\$6,351)</b>	<b>(\$6,037)</b>	<b>(\$1,080)</b>	<b>(\$24,083)</b>	<b>(\$2,070)</b>	<b>(\$2,098)</b>	<b>(\$924)</b>	<b>(\$924)</b>	<b>(\$1,027)</b>	<b>(\$1,163)</b>	<b>(\$2,220)</b>
<b>Investing Transactions</b>											
Proceeds from Investments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Cash Used to Acquire Investments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cash Provided by Investing</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Financing Transactions</b>											
Proceeds from Debt Issues	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Debt Repayment (principal only)	(\$290)	(\$300)	(\$311)	(\$322)	(\$333)	(\$345)	(\$357)	(\$150)	(\$154)	(\$158)	(\$163)
<b>Cash Applied to Financing</b>	<b>(\$290)</b>	<b>(\$300)</b>	<b>(\$311)</b>	<b>(\$322)</b>	<b>(\$333)</b>	<b>(\$345)</b>	<b>(\$357)</b>	<b>(\$150)</b>	<b>(\$154)</b>	<b>(\$158)</b>	<b>(\$163)</b>
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(\$4,191)</b>	<b>(\$2,571)</b>	<b>\$2,186</b>	<b>(\$20,657)</b>	<b>\$1,531</b>	<b>\$1,684</b>	<b>\$2,850</b>	<b>\$2,817</b>	<b>\$2,872</b>	<b>\$2,943</b>	<b>\$2,070</b>
<b>Cash and Cash Equivalents</b>											
Beginning of Period	\$10,089	\$5,897	\$3,326	\$5,512	(\$15,146)	(\$13,614)	(\$11,930)	(\$9,080)	(\$6,263)	(\$3,391)	(\$449)
Increase/(Decrease)	(\$4,191)	(\$2,571)	\$2,186	(\$20,657)	\$1,531	\$1,684	\$2,850	\$2,817	\$2,872	\$2,943	\$2,070
End of Period	\$5,897	\$3,326	\$5,512	(\$15,146)	(\$13,614)	(\$11,930)	(\$9,080)	(\$6,263)	(\$3,391)	(\$449)	\$1,621

Note 1: Indicates the amount of funds needed to support in-year growth related (e.g. development charge) capital transactions.

Note 2: Indicates the amount of funds generated annually from development charges (water component only)

**Table 4**  
**City of Clarence-Rockland**  
**Statement of Change in Net Financial Assets/(Debt)**  
**in \$000's**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Annual Surplus/(Deficit)	\$5,858	\$5,657	\$764	\$23,861	\$1,720	\$1,857	\$597	\$706	\$925	\$1,209	\$2,476
Amortization of Tangible Capital Assets	\$1,293	\$1,283	\$1,310	\$1,309	\$1,534	\$1,526	\$1,522	\$1,522	\$1,511	\$1,471	\$1,374
Less: Acquisition of Tangible Capital Assets	(\$6,351)	(\$6,037)	(\$1,080)	(\$24,083)	(\$2,070)	(\$2,098)	(\$924)	(\$924)	(\$1,027)	(\$1,163)	(\$2,220)
<b><i>Change in Net Financial Assets/(Debt)</i></b>	<b>\$800</b>	<b>\$904</b>	<b>\$993</b>	<b>\$1,087</b>	<b>\$1,183</b>	<b>\$1,284</b>	<b>\$1,196</b>	<b>\$1,305</b>	<b>\$1,409</b>	<b>\$1,517</b>	<b>\$1,630</b>
<b><i>Net Financial Assets/(Debt)</i></b>											
Beginning of Period	\$3,633	\$4,433	\$5,337	\$6,330	\$7,417	\$8,600	\$9,884	\$11,080	\$12,384	\$13,793	\$15,311
Increase/(Decrease)	\$800	\$904	\$993	\$1,087	\$1,183	\$1,284	\$1,196	\$1,305	\$1,409	\$1,517	\$1,630
End of Period	\$4,433	\$5,337	\$6,330	\$7,417	\$8,600	\$9,884	\$11,080	\$12,384	\$13,793	\$15,311	\$16,940

## 5. NOTES AND ASSUMPTIONS TO FINANCIAL PLAN

Section 3(2) of O. Reg. 453/07 states that the information is required only if the information is known to the owner at the time the financial plan is prepared. The assumptions used in preparing the financial plan are noted below.

### A. CASH

The beginning of period Cash and Cash equivalents contained in the Statement of Cash Flows is the total of the opening balance of reserve funds. The opening balances were unaudited at the time the Water Financial Plan was prepared and may change.

### B. RECEIVABLES AND PAYABLES

It is assumed that the water receivables and payables are not significant and therefore have not been identified.

### C. DEBT

As of October 2025, the City had outstanding water-related debt of \$3.72 million relating to water distribution, water distribution program support, and watermain repairs, the Regional Water Upgrade, watermain and water looping. This consists of \$2.88 million in existing outstanding debt and \$841,000 in debt beyond 2035. The annual financing costs associated with these debentures have been incorporated into the analysis and will be funded through the water rates. No additional debt is anticipated to be incurred over the planning period, however, the City's debenture requirements will be assessed when the capital expenditure is incurred and subject to council decision.

### D. DEFERRED REVENUE

Deferred revenue represents the development charge reserve fund balance. For financial reporting purposes, development charges are deemed a liability until they are used to acquire or construct the infrastructure for which they were collected.

## **E. ACCUMULATED SURPLUS**

The accumulated surplus for all years in the forecast period is contained in Table 5.

## **F. LEAD PIPES**

Ontario Regulation 453/07 regulation contains a requirement for municipalities to include in the Financial Plan the cost associated with replacing lead pipes that are part of the drinking water system. The City currently does not have to replace any lead pipes and does not expect to replace any in the future. Therefore, no provision for lead pipe replacement is required for this plan.

**Table 5**  
**City of Clarence-Rockland**  
**Reconciliation of Accumulated Surplus**  
**in \$000's**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Accumulated Surplus consists of:											
<b>Opening Reserve Balance</b>											
<i>Development Charges</i>	\$2,733	(\$1,968)	(\$5,143)	(\$3,640)	(\$25,062)	(\$24,382)	(\$23,637)	(\$21,626)	(\$19,964)	(\$18,347)	(\$16,764)
<i>Water Reserves</i>	\$7,355	\$7,865	\$8,469	\$9,152	\$9,917	\$10,767	\$11,707	\$12,546	\$13,701	\$14,956	\$16,315
<b>Total Reserve Balance</b>	<b>\$10,089</b>	<b>\$5,897</b>	<b>\$3,326</b>	<b>\$5,512</b>	<b>(\$15,146)</b>	<b>(\$13,614)</b>	<b>(\$11,930)</b>	<b>(\$9,080)</b>	<b>(\$6,263)</b>	<b>(\$3,391)</b>	<b>(\$449)</b>
<i>Less: Debt Obligations and Deferred Revenue</i>	(\$6,456)										
<i>Add: Tangible Capital Assets</i>	\$40,577	\$45,634	\$50,388	\$50,159	\$72,933	\$73,469	\$74,041	\$73,443	\$72,845	\$72,361	\$72,052
<b>Total Opening Balance</b>	<b>\$44,210</b>	<b>\$50,067</b>	<b>\$55,725</b>	<b>\$56,489</b>	<b>\$80,349</b>	<b>\$82,069</b>	<b>\$83,925</b>	<b>\$84,523</b>	<b>\$85,229</b>	<b>\$86,154</b>	<b>\$87,363</b>
<i>Add: Contributions to/(from) Reserves (excl DC)</i>											
<i>Water Reserve</i>	\$510	\$604	\$683	\$765	\$851	\$939	\$839	\$1,155	\$1,255	\$1,359	\$1,467
<b>Total Change in Reserve</b>	<b>\$510</b>	<b>\$604</b>	<b>\$683</b>	<b>\$765</b>	<b>\$851</b>	<b>\$939</b>	<b>\$839</b>	<b>\$1,155</b>	<b>\$1,255</b>	<b>\$1,359</b>	<b>\$1,467</b>
<i>Add: Changes in TCA during the year</i>											
<i>Capital Assets Acquired/(Disposed)</i>	\$6,351	\$6,037	\$1,080	\$24,083	\$2,070	\$2,098	\$924	\$924	\$1,027	\$1,163	\$2,220
<i>Amortization of Capital Assets</i>	(\$1,293)	(\$1,283)	(\$1,310)	(\$1,309)	(\$1,534)	(\$1,526)	(\$1,522)	(\$1,522)	(\$1,511)	(\$1,471)	(\$1,374)
<b>Total Changes in Tangible Capital Assets</b>	<b>\$5,058</b>	<b>\$4,754</b>	<b>(\$229)</b>	<b>\$22,774</b>	<b>\$536</b>	<b>\$573</b>	<b>(\$598)</b>	<b>(\$598)</b>	<b>(\$484)</b>	<b>(\$308)</b>	<b>\$846</b>
<b>Subtract Changes in Debt Position</b>											
<i>New Debt</i>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Debt Repayment (principal only)</i>	\$290	\$300	\$311	\$322	\$333	\$345	\$357	\$150	\$154	\$158	\$163
<b>Total Change in Debt</b>	<b>\$290</b>	<b>\$300</b>	<b>\$311</b>	<b>\$322</b>	<b>\$333</b>	<b>\$345</b>	<b>\$357</b>	<b>\$150</b>	<b>\$154</b>	<b>\$158</b>	<b>\$163</b>
<b>Total Ending Balance</b>	<b>\$50,067</b>	<b>\$55,725</b>	<b>\$56,489</b>	<b>\$80,349</b>	<b>\$82,069</b>	<b>\$83,925</b>	<b>\$84,523</b>	<b>\$85,229</b>	<b>\$86,154</b>	<b>\$87,363</b>	<b>\$89,839</b>

## 6. OVERVIEW OF RESULTS

The main purpose of this report is intended to illustrate the financial viability of the water system over a 10-year planning period to 2035. The financial plan contained in this document outlines that the City's drinking water systems are financially viable, although, some important items should be considered.

- In developing this Water Financial Plan, the City recognizes that this is a living document, and it is expected to be reviewed again if a more fulsome utility rate analysis is prepared.
- In addition to annual operating, maintenance and debt servicing costs, water infrastructure will require periodic rehabilitation and eventual replacement. When assets require rehabilitation or are due for replacement, the source of funds are essentially limited to reserves or contributions from operating. In maintaining a user-pay approach, it is important for the City to continue to build sufficient reserves for the scheduled replacement of infrastructure through contributions from operating. As the City's water infrastructure ages, maintaining assets in a state of good repair will ensure these assets continue to maintain service levels and the services are operated in accordance with Provincial legislation that guarantees safety, quality and reliability. The contribution requirements are intended to be informed through the City's Asset Management Plan which will continue to be refined over the coming years.
- The City does expect to experience significant growth-related capital pressures over the next few years to expand the capacity of the existing treatment plant in order to facilitate development over the long-term, as well as due to projects to expand the pumping capacity of the Caron and Bouvier Booster Stations, respectively. This means that these projects will require careful monitoring to continue to ensure financial sustainability.
  - The growth-related capital expenditures over the forecast period equate to over \$97.0 million, of which, \$34.8 million which would need to be funded from development charges (\$2025). As these projects are being emplaced to service development over the long-term, therefore, a share of costs will be recouped through DCs outside of the planning period. The statements in this plan which would illustrate decrease in cash and cash equivalents and net deficit positions in some intervening years can be attributed to the funding of this growth-related infrastructure. Although, this financial plan looks at the immediate future in which the costs are being absorbed, the DC revenues would be received over the long-

term and extend well beyond the 10-year period to which this plan applies. As a result, the City should continue to exercise caution in planning for these projects to ensure the projects can properly be funded from the water utility system without support from other reserves to interim fund operations.

It is fiscally prudent the City continue to monitor their water operations to compare the accuracy of the financial projections with the actual results, as this will lead to improved planning in the future.

# APPENDIX A

## SUPPORTING TABLES

**Appendix A - Table 1**  
**City of Clarence-Rockland**  
**Operating Budget Forecast**  
**in \$000's**

	Budget	FORECAST									
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Expenditures</b>											
<b>Operating Costs</b>											
Salaries and Benefits	\$476	\$486	\$496	\$505	\$516	\$526	\$536	\$547	\$558	\$569	\$581
Administration/Materials	\$287	\$293	\$299	\$305	\$311	\$317	\$323	\$330	\$336	\$343	\$350
Contracted Services	\$1,594	\$1,641	\$1,691	\$1,741	\$1,794	\$1,847	\$1,903	\$1,960	\$2,019	\$2,079	\$2,142
Repairs	\$125	\$128	\$130	\$133	\$135	\$138	\$141	\$144	\$146	\$149	\$152
Hydro/Utilities	\$3	\$3	\$3	\$3	\$4	\$4	\$4	\$4	\$4	\$5	\$5
Insurance	\$100	\$105	\$111	\$116	\$122	\$128	\$134	\$141	\$148	\$156	\$163
	<b>\$2,585</b>	<b>\$2,656</b>	<b>\$2,729</b>	<b>\$2,804</b>	<b>\$2,881</b>	<b>\$2,960</b>	<b>\$3,042</b>	<b>\$3,126</b>	<b>\$3,212</b>	<b>\$3,301</b>	<b>\$3,393</b>
<b>Capital Related Costs</b>											
Non-Growth Capital	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924
Growth-Related Capital	\$5,427	\$5,112	\$156	\$23,159	\$1,146	\$1,174	\$0	\$0	\$103	\$239	\$1,296
Existing Debt	\$406	\$406	\$406	\$406	\$406	\$406	\$406	\$186	\$186	\$186	\$186
	<b>\$6,756</b>	<b>\$6,442</b>	<b>\$1,486</b>	<b>\$24,488</b>	<b>\$2,476</b>	<b>\$2,504</b>	<b>\$1,330</b>	<b>\$1,110</b>	<b>\$1,213</b>	<b>\$1,349</b>	<b>\$2,406</b>
<b>Reserve Contribution</b>											
Contributions to/(from) Water Reserve	\$1,434	\$1,528	\$1,607	\$1,689	\$1,775	\$1,864	\$1,763	\$2,079	\$2,179	\$2,283	\$2,391
	<b>\$1,434</b>	<b>\$1,528</b>	<b>\$1,607</b>	<b>\$1,689</b>	<b>\$1,775</b>	<b>\$1,864</b>	<b>\$1,763</b>	<b>\$2,079</b>	<b>\$2,179</b>	<b>\$2,283</b>	<b>\$2,391</b>
<b>Total Expenditures</b>	<b>\$10,775</b>	<b>\$10,626</b>	<b>\$5,821</b>	<b>\$28,981</b>	<b>\$7,131</b>	<b>\$7,327</b>	<b>\$6,134</b>	<b>\$6,314</b>	<b>\$6,604</b>	<b>\$6,932</b>	<b>\$8,190</b>
<b>Revenues</b>											
Water Billing Revenue <sup>(1)</sup>	\$4,119	\$4,263	\$4,412	\$4,567	\$4,726	\$4,892	\$5,063	\$5,240	\$5,424	\$5,613	\$5,810
Non-User Rate Revenues	\$131	\$133	\$136	\$139	\$142	\$144	\$147	\$150	\$153	\$156	\$159
Contributions from reserve	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924
Miscellaneous	\$175.0	\$193	\$193	\$193	\$193	\$193	\$0	\$0	\$0	\$0	\$0
Transfer from DC Reserve	\$5,427	\$5,112	\$156	\$23,159	\$1,146	\$1,174	\$0	\$0	\$103	\$239	\$1,296
	<b>\$10,775</b>	<b>\$10,626</b>	<b>\$5,821</b>	<b>\$28,981</b>	<b>\$7,131</b>	<b>\$7,327</b>	<b>\$6,134</b>	<b>\$6,314</b>	<b>\$6,604</b>	<b>\$6,932</b>	<b>\$8,190</b>

Note 1: Assumes a 3.5% rate increase per annum.

**Appendix A - Table 2**  
**City of Clarence-Rockland**  
**Capital Budget Forecast**  
**in \$000's**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Capital Program</b>											
Growth Related	\$5,427	\$5,112	\$156	\$23,159	\$1,146	\$1,174	\$0	\$0	\$103	\$239	\$1,296
Non-Growth Related	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924
<b>Total</b>	<b>\$6,351</b>	<b>\$6,037</b>	<b>\$1,080</b>	<b>\$24,083</b>	<b>\$2,070</b>	<b>\$2,098</b>	<b>\$924</b>	<b>\$924</b>	<b>\$1,027</b>	<b>\$1,163</b>	<b>\$2,220</b>
<b>Revised Total</b>	<b>\$6,351</b>	<b>\$6,037</b>	<b>\$1,080</b>	<b>\$24,083</b>	<b>\$2,070</b>	<b>\$2,098</b>	<b>\$924</b>	<b>\$924</b>	<b>\$1,027</b>	<b>\$1,163</b>	<b>\$2,220</b>
<b>Funding Sources</b>											
Operating Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer from Water Reserve	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924
Transfer From Development Charges Reserve <sup>(1)</sup>	\$5,427	\$5,112	\$156	\$23,159	\$1,146	\$1,174	\$0	\$0	\$103	\$239	\$1,296
Debenture Requirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Growth Related Debenture Requirements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas Tax Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Funding</b>	<b>\$6,351</b>	<b>\$6,037</b>	<b>\$1,080</b>	<b>\$24,083</b>	<b>\$2,070</b>	<b>\$2,098</b>	<b>\$924</b>	<b>\$924</b>	<b>\$1,027</b>	<b>\$1,163</b>	<b>\$2,220</b>

Note 1: Growth related debenture financing may be required if DC funds are unavailable to fund the capital

**Appendix A - Table 3**  
**City of Clarence-Rockland**  
**Reserve and Reserve Fund Continuity**  
**in \$000's**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Water Reserves</b>											
Opening Balance	\$7,355	\$7,865	\$8,469	\$9,152	\$9,917	\$10,767	\$11,707	\$12,546	\$13,701	\$14,956	\$16,315
Transfer from Operating	\$1,434	\$1,528	\$1,607	\$1,689	\$1,775	\$1,864	\$1,763	\$2,079	\$2,179	\$2,283	\$2,391
Transfer to Capital	(\$924)	(\$924)	(\$924)	(\$924)	(\$924)	(\$924)	(\$924)	(\$924)	(\$924)	(\$924)	(\$924)
Transfer to Operating	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$7,865	\$8,469	\$9,152	\$9,917	\$10,767	\$11,707	\$12,546	\$13,701	\$14,956	\$16,315	\$17,781
<b>Debenture Requirements</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Development Charge Reserve</b>											
Opening Balance	\$2,733	(\$1,968)	(\$5,143)	(\$3,640)	(\$25,062)	(\$24,382)	(\$23,637)	(\$21,626)	(\$19,964)	(\$18,347)	(\$16,764)
Revenue <sup>(1)</sup>	\$725	\$1,938	\$1,659	\$1,736	\$1,827	\$1,919	\$2,011	\$1,662	\$1,720	\$1,822	\$1,899
Transfer to Capital	(\$5,427)	(\$5,112)	(\$156)	(\$23,159)	(\$1,146)	(\$1,174)	\$0	\$0	(\$103)	(\$239)	(\$1,296)
Transfer to Operating Existing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer to Operating Future	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	(\$1,968)	(\$5,143)	(\$3,640)	(\$25,062)	(\$24,382)	(\$23,637)	(\$21,626)	(\$19,964)	(\$18,347)	(\$16,764)	(\$16,161)
<b>Debenture Requirements</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

*Note 1: Anticipated revenues based on those projections outlined in the DC Study. Debt financing may be required to offset significant capital costs. DC balance does go into a deficit position to help interim fund post period shares of water program*

**Appendix A - Table 4**  
**City of Clarence-Rockland**  
**Debenture Schedule**  
**in \$000's**

	2025		2026		2027		2028		2029		2030	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
1-4-9128-2100 2018 Debt Issue (\$283,444)	\$17	\$9	\$17	\$9	\$18	\$8	\$19	\$8	\$19	\$7	\$20	\$6
1-4-9129-2100 2019 Debt Issue (\$1,606,148)	\$89	\$42	\$91	\$39	\$93	\$37	\$96	\$34	\$98	\$32	\$101	\$29
1-4-9130-2100 2019 New Loan (\$84,479)	\$14	\$9	\$14	\$8	\$15	\$8	\$15	\$7	\$16	\$7	\$17	\$6
Water Stimulus 0345 (\$1,569,240)	\$168	\$52	\$174	\$46	\$181	\$39	\$188	\$32	\$196	\$24	\$203	\$16
2023 Russell Road LOC (\$84,479)	\$3	\$4	\$3	\$4	\$3	\$3	\$3	\$3	\$3	\$3	\$4	\$3
	<b>\$289.92</b>	<b>\$115.64</b>	<b>\$300</b>	<b>\$105</b>	<b>\$311</b>	<b>\$95</b>	<b>\$322</b>	<b>\$84</b>	<b>\$333</b>	<b>\$73</b>	<b>\$345</b>	<b>\$61</b>
	2031		2032		2033		2034		2035		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
1-4-9128-2100 2018 Debt Issue (\$283,444)	\$21	\$6	\$21	\$5	\$22	\$4	\$23	\$3	\$24	\$3	\$221	\$68
1-4-9129-2100 2019 Debt Issue (\$1,606,148)	\$104	\$27	\$106	\$24	\$109	\$21	\$112	\$18	\$115	\$15	\$1,115	\$317
1-4-9130-2100 2019 New Loan (\$84,479)	\$17	\$5	\$18	\$5	\$18	\$4	\$19	\$4	\$20	\$3	\$184	\$66
Water Stimulus 0345 (\$1,569,240)	\$211	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,321	\$217
2023 Russell Road LOC (\$84,479)	\$4	\$3	\$4	\$3	\$4	\$3	\$4	\$2	\$5	\$2	\$40	\$33
	<b>\$357</b>	<b>\$49</b>	<b>\$150</b>	<b>\$36</b>	<b>\$154</b>	<b>\$32</b>	<b>\$158</b>	<b>\$27</b>	<b>\$163</b>	<b>\$23</b>	<b>\$2,881</b>	<b>\$701</b>

**Appendix A- Table 5**  
**City of Clarence-Rockland**  
**Summary of Tangible Capital Asset Balances - Water Systems**  
**in \$000's**

**City of Clarence-Rockland TCA Analysis (000's)**

(In \$000)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Opening Tangible Capital Assets</b>	\$62,619	\$64,143	\$70,494	\$76,530	\$77,611	\$101,693	\$103,764	\$105,862	\$106,786	\$107,710	\$108,737	\$109,900
Plus: Acquisitions - Repair/Replacement	\$1,535	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924	\$924
Plus: Acquisitions - Growth Related	\$0	\$5,427	\$5,112	\$156	\$23,159	\$1,146	\$1,174	\$0	\$0	\$103	\$239	\$1,296
Less: Disposals	(\$11)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Closing Tangible Capital Assets</b>	<b>\$64,143</b>	<b>\$70,494</b>	<b>\$76,530</b>	<b>\$77,611</b>	<b>\$101,693</b>	<b>\$103,764</b>	<b>\$105,862</b>	<b>\$106,786</b>	<b>\$107,710</b>	<b>\$108,737</b>	<b>\$109,900</b>	<b>\$112,120</b>
<b>Opening Accumulated Amortization</b>	\$22,274	\$23,567	\$24,859	\$26,142	\$27,452	\$28,761	\$30,295	\$31,820	\$33,343	\$34,865	\$36,376	\$37,847
Plus: Amortization Expense	\$1,293	\$1,293	\$1,283	\$1,310	\$1,309	\$1,534	\$1,526	\$1,522	\$1,522	\$1,511	\$1,471	\$1,374
Less: Amortization of Disposals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Closing Accumulated Amortization</b>	<b>\$23,567</b>	<b>\$24,859</b>	<b>\$26,142</b>	<b>\$27,452</b>	<b>\$28,761</b>	<b>\$30,295</b>	<b>\$31,820</b>	<b>\$33,343</b>	<b>\$34,865</b>	<b>\$36,376</b>	<b>\$37,847</b>	<b>\$39,222</b>
<b>Net Book Value</b>	<b>\$40,577</b>	<b>\$45,634</b>	<b>\$50,388</b>	<b>\$50,159</b>	<b>\$72,933</b>	<b>\$73,469</b>	<b>\$74,041</b>	<b>\$73,443</b>	<b>\$72,845</b>	<b>\$72,361</b>	<b>\$72,052</b>	<b>\$72,898</b>

Source: 2024 Opening balance based on City's 2024 FIR