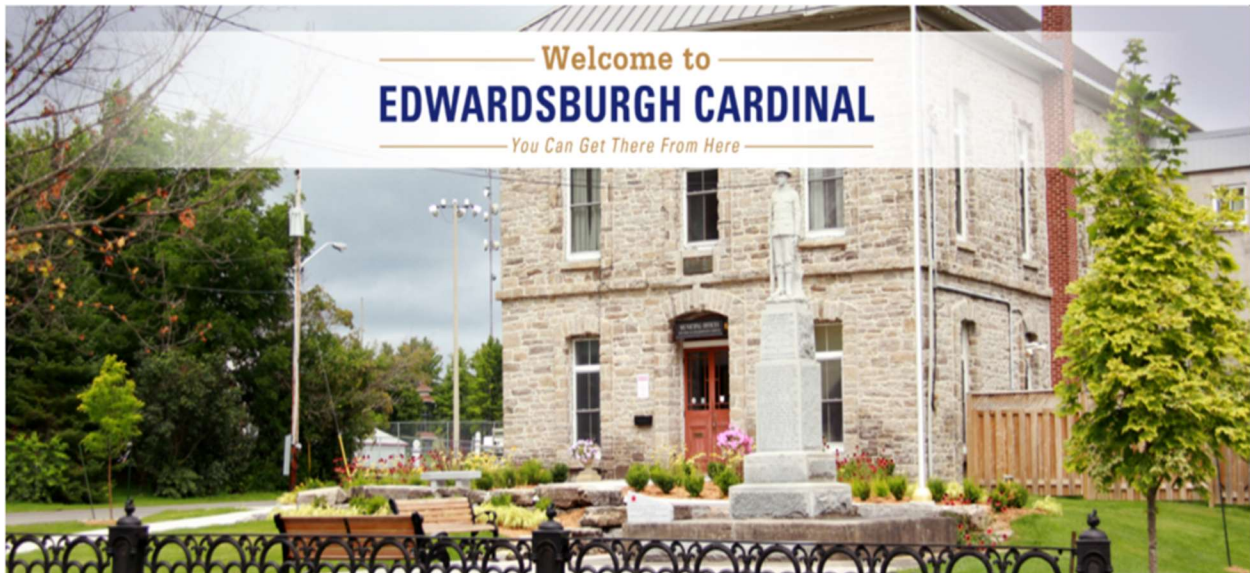


Cardinal Water System & Edwardsburgh Industrial Park Distribution System Financial Plan



March, 2026

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1. Introduction

1.1 Background

As a result of the Justice O'Connor's Part II Walkerton Inquiry Report (2000) and the passing of the Ontario's *Safe Drinking Water Act, 2002*, the Province has implemented a new Municipal Drinking Water Licensing Program. The Ministry of the Environment has established the following licensing requirements:

- Drinking Water Works Permit
- A Permit to Take Water- mandated under the Ontario Water Resources Act
- An approved Operation Plan- in compliance with the Drinking Water Quality Management Standard (DWQMS)
- Approved Financial Plan- (O.Reg. 453/07)
- Accreditation as an Operating Authority- which required the auditing of the Operational Plan by a 3rd party Accreditation Body

This Financial Plan contains a forecast based on current and projected information, based on the current rate structure. Projections are based on the operations from the past three years and capital requirements that have been noted. This is a living document and as such will be used as a guideline for staff and Council. The regulations require updating at a minimum every five (5) years to maintain the license.

1.2 Study Area

The Township of Edwardsburgh Cardinal is located in the Counties of Leeds and Grenville and rests on the boundaries of the Town of Prescott, Township of North Grenville, Township of South Dundas and the Township of Augusta.

There are two water systems operated by the Township, one that services the Village of Cardinal and one that services in New Wexford and Industrial Park. The components of these systems are as follows:

1.2.1 Cardinal Water System:

This is a surface water treatment plant that receives its source water supply from the St. Lawrence River. Treatment consists of pre-chlorination, basket screens, chemically assisted coagulation and flocculation, 4 rapid dual media filters (anthracite coal and sand) for physical removal of turbidity, ultraviolet irradiation (primary disinfection) followed by post chlorination (secondary disinfection).

The distribution system includes an elevated storage tank, 6 sample stations, 84 hydrants and a distribution system of approximately 11,240 meters. This system serves approximately 716 residential properties and 21 ICI (industrial, commercial and institutional) properties with a population of 1,800.

1.2.2 Edwardsburgh Industrial Park Distribution System:

The Edwardsburgh Industrial Park distribution system is a standalone system receiving all its treated water from the Town of Prescott. The distribution system is approximately 3945 meters. There is no re-chlorination, booster or elevated storage associated with this system. This system currently serves 30 residential properties and 13 commercial/industrial properties.

1.3 Study Objective

The objective of this report is to present the Financial Plan for both the Cardinal Drinking Water System and the Edwardsburgh Industrial Park Distribution System, which meets the requirements of the Financial Plan Regulations (O.Reg.453/07) under the *Safe Drinking Water Act, 2002*.

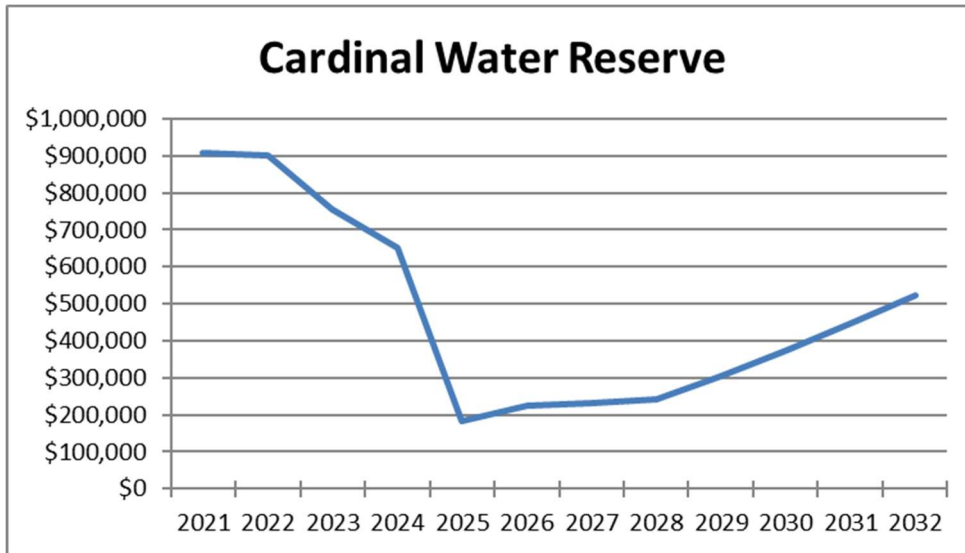
2. Review of Prior Plan Outcomes

The prior financial plan prepared in accordance with Provincial Regulation 453/07 was approved by Council on September 28, 2020.

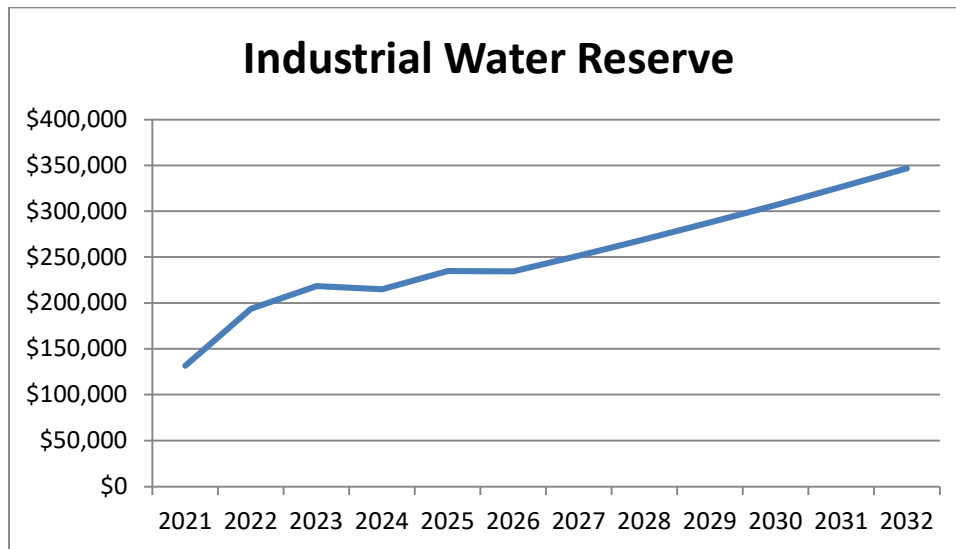
The previous Water Financial Plan projected annual water rate increases in the range of 1–3% to support ongoing operating requirements and long-term system sustainability. However, these planned rate adjustments were not implemented during the period from 2021 to 2024. As a result, revenues did not increase as anticipated, which placed additional financial strain on the water system and increased reliance on reserves to fund both operating and capital requirements.

Despite the lack of rate increases during this period, the municipality successfully completed the capital projects identified in the prior financial plan. These projects included SCADA system upgrades, water service replacements on Reid Street, and ultraviolet (UV) system replacements at the water treatment plant. All of these capital works were funded through the use of water reserves.

Although the prior financial plan assumed annual base rate increases of 1–3%, rates remained unchanged. Combined with the use of reserves to fund capital projects, this resulted in lower reserve fund balances than originally projected, as shown in the chart below.



The Edwardsburgh Industrial Park Distribution System experienced an increase in users following development within the Industrial Park in 2018. Council approved a rate increase in 2021, which resulted in growth in the reserve fund balance, as illustrated in the chart below. Rates remained unchanged from 2021 through 2024, and were increased by 10% in 2025. Future rate projections assume annual increases aligned with inflation.



3. Financial Plan Requirements and Guidelines

3.1 Financial Plan Regulation

The key points of the Financial Plan Regulation (O.Reg. 453/07) are described in the following subsections.

3.1.1 General Requirements

The following general requirements are outlined in O.Reg. 453/07 and apply to both new and existing systems:

- Declaration: The Financial Plan must include a statement that the financial impacts of the drinking water system have been considered.
- Projection Length: The Financial Plan shall be for a period of at least six years.
- Public Transparency: The Financial Plan must be made available, on request and without charge, to the members of the public that are serviced by the water system. If the system owner maintains a website, the Financial Plan must be made available on the website without charge. The owner must provide a notice informing the public of the availability of the Financial Plan, in a manner that the owner deems fit to bring the notice to the attention of the members of the public that are served by the water system.
- Approval: The Financial Plan must be approved by a council resolution that indicates that the drinking water system is financially viable.
- Submission: A copy of the Financial Plan, along with the resolution must be submitted to the Ministry of Municipal Affairs and Housing.

3.1.2 New System Requirements

In addition to the general requirements, the Financial Plan must include details of the projected financial operations itemized by:

- Total revenues (water rates, user charges, and other revenues)
- Total expenses (amortization expenses, interest expenses, and other expenses)
- Annual surplus or deficit
- Accumulated surplus or deficit

3.1.3 Existing System Requirements

In addition to the above requirements, the Financial Plan of an existing system must include the following details:

- Details of the Projected financial position, 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

- e) Changes in tangible capital assets that are additions, donations, write downs, and disposals

Items a, b and c apply only if the information is known to the owner at the time when the Financial Plan is prepared.

If two or more drinking water systems are solely owned by the same owner, then the Financial Plan can be prepared by treating those systems together as if they were one drinking system. However, in order to be completely transparent to the users of each system the Township has presented the financial plans separately for each system.

3.2 Financial Plan Guidelines

To assist municipalities in preparing the Financial Plan under O.Reg. 453/07, the Ministry of the Environment released a document titled "Toward Financially Sustainable Drinking Water and Wastewater systems" (August 2007). This document applies to wastewater systems as well. However, a Financial Plan for a wastewater system is only encouraged and not mandatory. The wastewater infrastructure assets are not included in this plan.

3.3 Public Sector Accounting Board (PSAB) Requirements

The Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA) approved a new municipal financial accounting and reporting standards in June 2006. The new standards require full accrual accounting for 2009 and future years, as well as accounting of tangible capital assets in the financial statements.

4. Funding Approach

A funding plan was developed to ensure that the annual expenditures forecasted in the financial plan can be sustained over the projected 6 years. The funding plan relies on operating revenues from direct users of the systems, transfers from reserves and various government grants to fund the capital costs.

The funding plan was developed to determine the most appropriate balance of operating revenues, capital levy and new debt financing. The achievements of the funding plan include:

- ✓ Through the development of new water rate structure and new charges; operating revenues will increase over time to cover operating and capital;
- ✓ The new water rates will continue to be affordable over the long term;
- ✓ Through a combination of operating revenues and capital levy, it is projected that the Cardinal water System and The Edwardsburgh Industrial Park Distribution

system will achieve sufficient cash receipts to cover their annual cash expenditures and;

- ✓ Revenue levels will gradually increase to allow the Township of Edwardsburgh/Cardinal to invest in reserve funds for significant future capital investments.

4.1. Water Rates

Both Water Systems have a combination of fixed and variable rates as indicated in Section 5. A review and modification of this rate structure will allow for billing to be completed within the accounting software rather than calculated in an external spreadsheet and manually entered. This will reduce the chance of error and provide the users with simplified bill that is easier to understand. The base rate structure will replicate the current structure within the Cardinal Water system where the base rate is based on the size of pipe supply to each property. The Cardinal water system currently has a stepped approach to consumption.

The previous and current water rates are found in Table 4.1 for Cardinal Water System and Table 4.2 for the Edwardsburgh Industrial Park Distribution system.

The potential to separate the base rate into two categories, operating and capital would provide clarity to the users of the water system as to actual costs of the systems. A capital levy is a “Pay as you go” financing option in the Cardinal Water System that supports the on-going renewal of infrastructure assets.

Table 4-1 Cardinal - 2023-2025 Residential User Rates		
Year	Residential Base Amount	Consumption Rates
2023	\$25.44	\$2.00/m3 under 20m3 - \$3.00/m3 over 20 m3
2024	\$25.44	\$2.00/m3 under 20m3 - \$3.00/m3 over 20 m3
2025	\$26.92	\$2.12/m3 under 20m3 - \$3.17/m3 over 20 m3

Table 4-2 Edwardsburgh Industrial Park - 2023-2025 User Rates		
Year	Base Amount *	Consumption Rates
2023	\$46.32	\$7.72/m3 over 6 m3 (prorated) + 0.9729 excess
2024	\$46.32	\$7.88/m3 over 6 m3 (prorated) + 0.9929 excess
2025	\$46.32	\$7.88/m3 over 6 m3 (prorated) + 0.9929 excess

Cardinal Water Bill per Year based on 15 m3 per month									
Type of Unit	Historic		Proposed						
	2024	2025	2026	2027	2028	2029	2030	2031	2032
Residential – 5/8"	665.28	704.64	713.20	744.70	770.77	797.74	825.67	854.56	884.47
Commercial-ICI-1"	1204.80	1275.40	1291.59	1356.14	1403.61	1452.73	1503.58	1556.20	1610.67
Commercial-ICI-2"	2985.12	3158.98	3200.13	3330.76	3403.35	3477.61	3553.57	3631.27	3710.76

Edwardsburgh Industrial Park/ New Wexford Water Bill per Year based on 15m3 per month									
Type of Unit	Historic		Proposed						
	2024	2025	2026	2027	2028	2029	2030	2031	2032
Residential-5/8"	948	1042.80	1074.08	1095.57	1117.48	1139.83	1162.62	1185.88	1209.59
Commercial - 1 1/2"- 2"	1380	1518	1563.54	1594.81	1626.74	1659.24	1692.43	1726.27	1760.80
Commercial - 4"	3,180.00	3,498.00	3602.94	3675.00	3748.50	3823.47	3899.94	3977.94	4057.50

4.2. Debt and Cash Reserves

Both water systems maintain reserve funds to support future capital requirements and to offset potential operating deficits arising from unforeseen repair or maintenance costs. The projected balances of these reserve funds are presented in the projected statement of operations included in the appendices.

While the Township's previous Financial Plan contemplated the use of borrowing to fund capital projects within the Cardinal Water System, the current Financial Plan does not include the use of debt financing at this time. Given the current size of the systems and existing revenue base, the introduction of debt would place undue financial strain on the water systems as they currently operate. If and when additional users are added to the systems, particularly within the Cardinal Water System greater financial flexibility may be achieved, allowing debt financing to be reconsidered as a viable funding option.

Government borrowing remains an alternative mechanism to manage capital funding pressures and mitigate immediate impacts on user rates. The principle of intergenerational equity associated with public debt supports the notion that the costs of long-lived infrastructure should be shared by those who benefit from the assets over time.

The Township's Debt Management Policy (Bylaw 2017-61) establishes parameters for the purposes for which debt may be assumed, as well as the appropriate term of borrowing based on asset type and useful life. In accordance with the Township's Tangible Capital Asset Policy (Bylaw 2015-45), water infrastructure assets are estimated to have useful lives ranging from 50 to 60 years. Where financially feasible, the use of debt for the replacement of long-lived assets may achieve intergenerational equity by aligning costs with the users who benefit from the infrastructure over its service life.

4.3. Government Grants

The Township has received funding from CWWF (Clean Water Works Funding) in 2018 (\$49,260) and from NDMP (National Disaster Mitigation Program) in 2019 (\$24,784) to assist in funding capital projects. The Township has made several applications for funding through MIII (Municipal Infrastructure Investment Initiative), OCIF Top- up Funding and ICIP (Investing in Canada Infrastructure Program) for the County Rd 2 project. The Township was finally approved under the 2021 intake of the Green Infrastructure ICIP funding stream of the Investing in Canada Infrastructure Program (ICIP) for phase 1 of the County Rd 2 project. The federal government contributed 40 percent in total eligible costs up to a maximum of \$844,134.50 and Ontario contributed 33.33 percent in total eligible costs up to a maximum of \$703,375.07 toward the project. The remaining portion of the project was covered through reserves and debenture.

The Township will submit future grant applications for larger capital that the smaller rate base can't afford financially without additional government grants.

5. Revenues

Appendixes A-1 to A-6 of this Financial Plan include projected financial statements for the Cardinal Water System as well as the Edwardsburgh Industrial Park Distribution System. These statements include a projected statement of financial position, projected statement of operations and projected statement of cash flow for the periods of 2026 to 2032.

As required, these statements are in accordance with the new Public Sector Accounting Standards. Actual results will vary from projections herein and the differences may be material. Any future changes to accounting principles or key assumptions will impact these projected financial statements and should be updated to reflect such changes.

5.1 Operating Revenues

Operating revenues include water, connection fees and other charges or receipts. The majority of the operating revenues are achieved as a result of two variables:

consumption and fixed base water rates. In the Edwardsburgh Industrial Park Distribution System, consumption billing is based on a split of 15% of revenue being the fixed base rate and 85% of revenue being variable consumption rate.

The actual operating revenues from 2023-2025 are shown in Table 5-1 for Cardinal and Table 5-2 for Edwardsburgh Industrial Park.

Table 5-1		Cardinal - 2023-2025 Revenues	
Item		Amount	
Actual 2023		\$565,350.00	
Actual 2024		\$530,317.00	
Actual 2025		\$579,570.00	

Table 5-2		Edwardsburgh Industrial Park - 2023-2025 Revenues	
Item		Amount	
Actual 2023		\$184,084.00	
Actual 2024		\$141,318.00	
Actual 2025		\$174,248.00	

5.2 Projected Revenues

Through the Asset Management Plan, it was recommended that water rates for the Cardinal Water System increase by an annual amount of 3.8% to support system sustainability and long-term asset renewal. For the purposes of this financial projection, a 3% annual rate increase has been applied for the Cardinal Water System. This level of increase is intended to support revenue growth, help offset inflationary pressures, and contribute to the replenishment of reserves for future asset renewals.

For the Edwardsburgh Industrial Park Distribution System, projected revenues are based on annual rate increases aligned with the rate of inflation, estimated to be in the range of 2–3%.

The projected revenues for both systems will be assessed in Section 5 to determine whether the assumed levels of revenue growth are adequate to sustain long-term financial viability.

The projected revenues for the Cardinal’s Drinking water System are shown in Figure 5.1 and the projected revenues for the Edwardsburgh Industrial Park Distribution System are shown in Figure 5.2.

Figure 5-1 Projected Revenues for Cardinal Water System

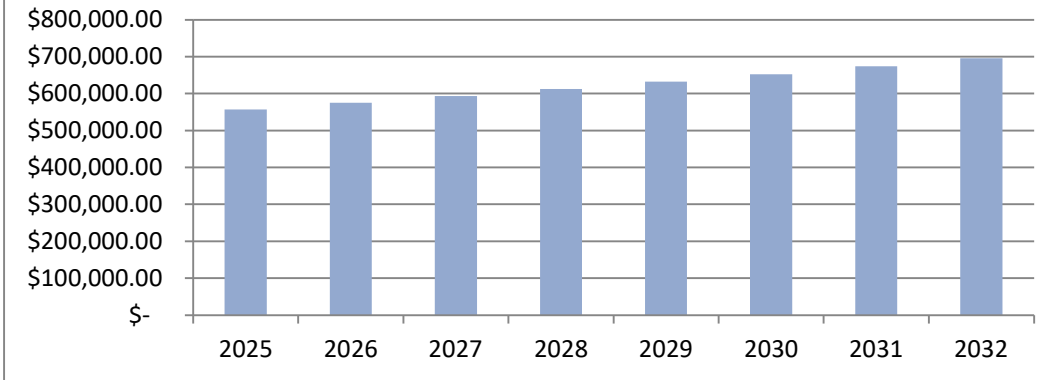
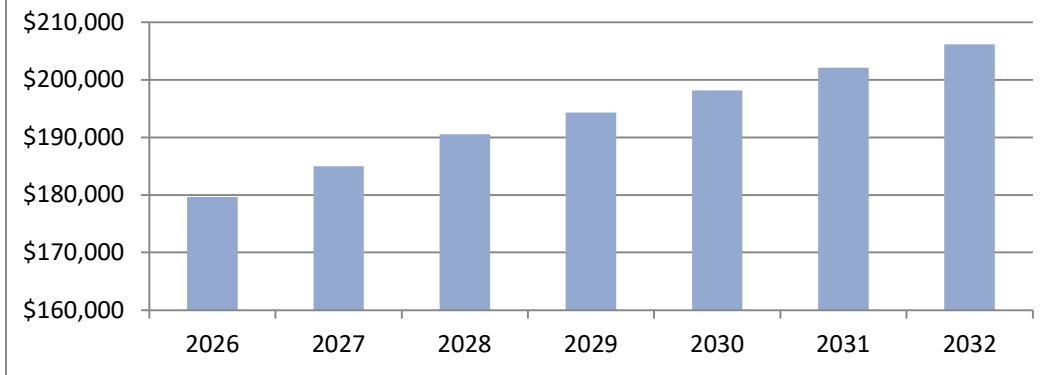


Figure 5.2- Projected Revenues for Edwardsburgh Industrial Park Distribution System



6. Expenses

The current period operating expenses were determined from the Township’s 2025 budget. Also reported are the actual operating expenses from 2023 and 2024.

The actual operating expenses from 2023-2024 and the budgeted operating expenses for 2025 are shown in Table 6-1 for Cardinal and Table 6-2 for Edwardsburgh Industrial Park.

Table 6-1 Cardinal - 2023-2025 Expenses

Item	Amounts
Actual 2023	\$431,734.00
Actual 2024	\$540,670.00
Budget 2025	\$579,008.00

Table 6-2 Edwardsburgh Industrial Park - 2023-2025 Expenses

Item	Amounts
Actual 2023	\$168,154.00
Actual 2024	\$159,649.00
Budget 2025	\$176,901.00

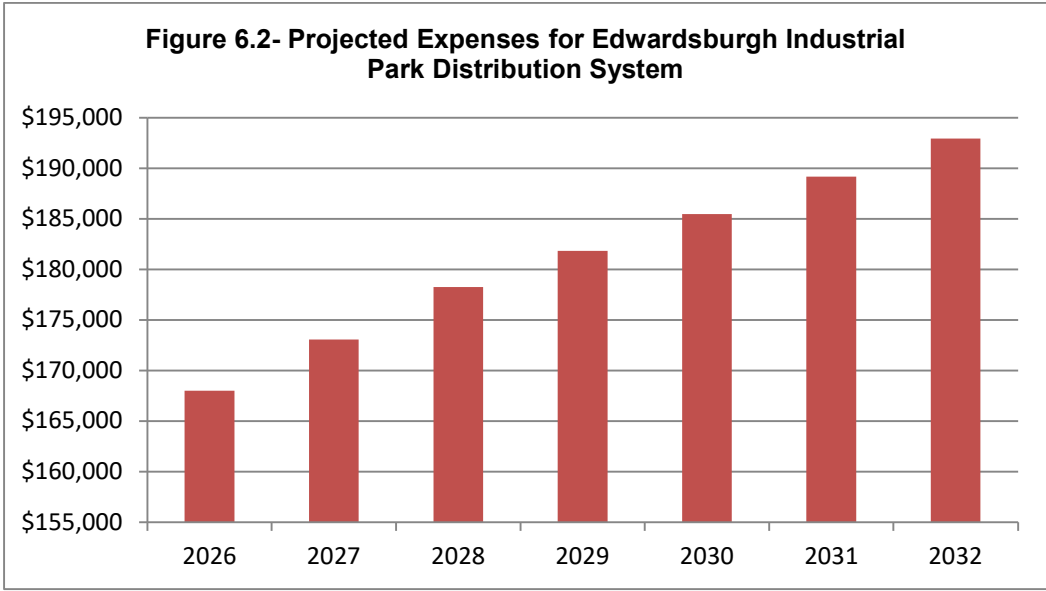
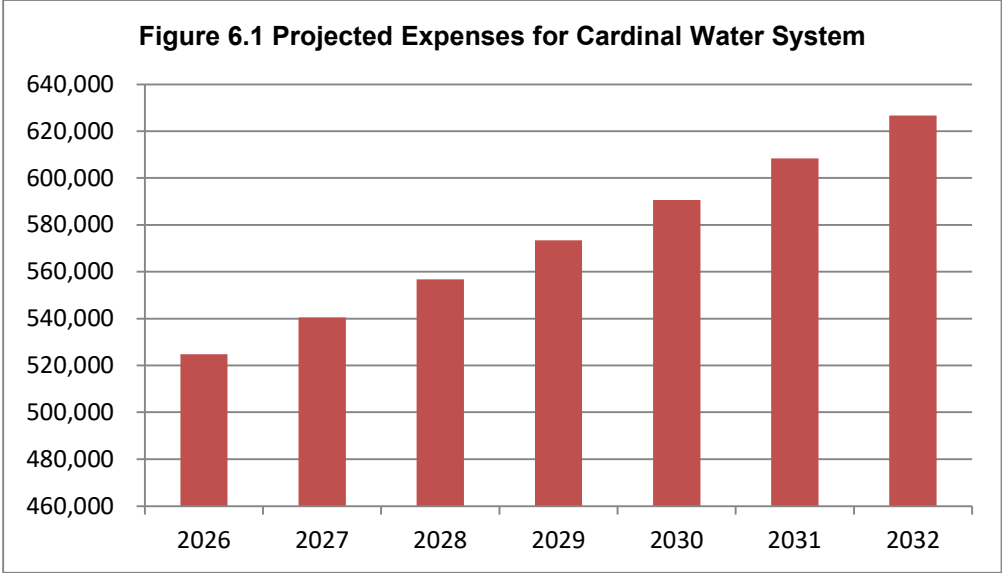
The future period operating expenses were assumed to increase by a CPI rate of 3.0%.

The annual amortization expenses were based on the historical cost of assets, which was apportioned over the useful life of the asset using the straight-line depreciation method

6.1 Operating Expenses

Operating expenses are generally ongoing expenses related to providing services. These are items that are needed to keep the operation running on a day-to-day basis. Items included in operating expenses typically include salaries, benefits, training, materials, supplies, maintenance, equipment, fuel, utilities, insurance, mileage, etc.

The projected operating expenses are shown in Figure 6.1 for Cardinal Water System and Figure 6.2 for Edwardsburgh Industrial Park Distribution System. As previously mentioned, the operating expenses have been projected based on an annual CPI inflation of 3% per year. Any fluctuations in operating expenses are primarily due to the change in major maintenance costs.



7. Capital Expenditures

At the time the Financial Plan was prepared, it was assumed that there are no significant inventories of supplies and no pre-paid expenses. Water systems have a high proportion of resources tied up in tangible capital assets and managing these assets is critical to maintaining current and future levels of safe and reliable water service.

7.1 Future Capital Needs

The future capital needs of the Cardinal Drinking Water System are shown in Appendix A-7 which provides general details on the main assets anticipated to be acquired or replaced in the capital expenditure plan.

There is one future capital need for the Edwardsburgh Industrial Park Distribution system which is the purchase a relocation of the chlorine analyzer and recording system to Greenfield with an approximate cost of \$15,000. An annual contribution to the reserve fund is suggested to build a fund over time to address replacement of assets at the end of their life and for the potential growth in the Industrial Park.

8. Operating Cash Flow

The operating cash flow shows that current period operations can generate either a surplus or deficit from a cash perspective, depending on the balance between revenues and cash expenses. The operating cash flow equation is as follows:

Operating Cash Flow = Revenues – Operating Expenses- Debt Service

It is important to note that the amortization expenses are not included in the equation above, since the operating cash flow offers a cash perspective and the amortization expenses are non-cash expenses.

The operating cash flows are shown for each water system in Figure 8.1 and 8.2 respectively. It can be seen from both figures that the operating cash flow remains positive for the projection horizon.

Figure 8.1- Projected Operating Cash Flow for Cardinal Water System

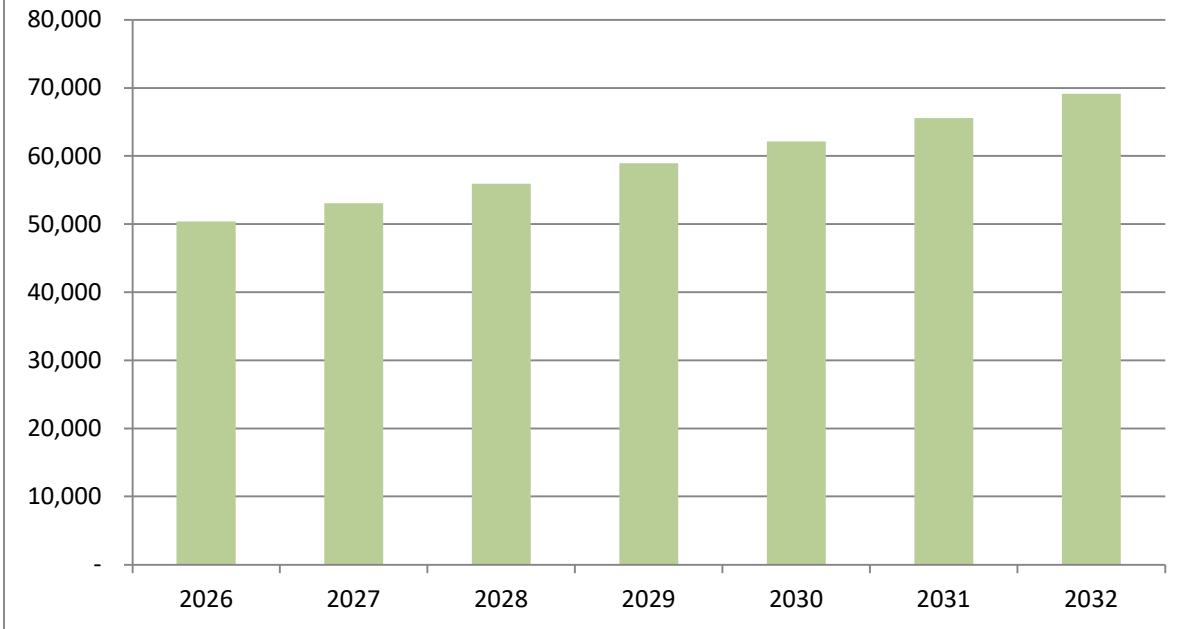
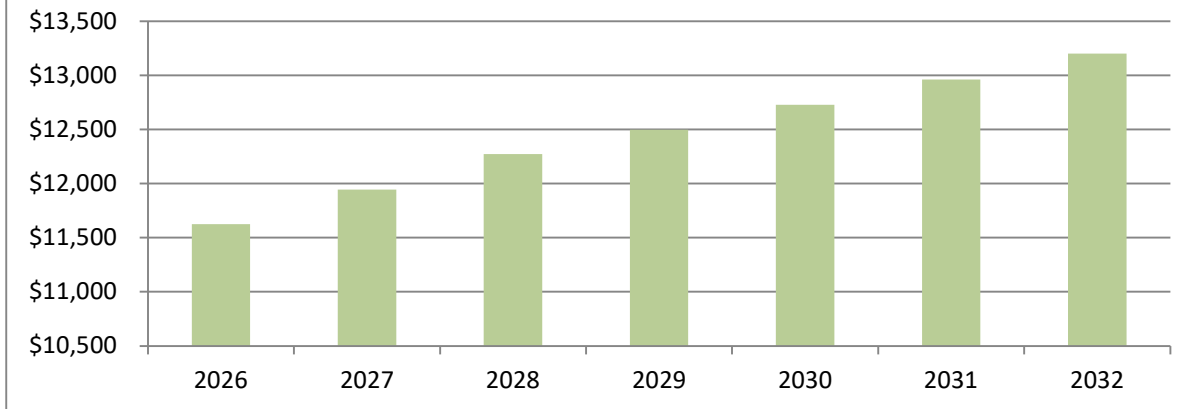


Figure 8.2- Projected Operating Cash Flow for Edwardsburgh Industrial Park Distribution System



9. Financial Plan

The Financial Plan for both systems is shown in Appendixes A-1 to A-6 to this document include the following projected statements for each system:

- Projected Statement of Financial Position
- Projected Statement of Operations
- Projected Statement of Cash Flows

10. Conclusions

The financial impacts of the Cardinal Water System and the Edwardsburgh Industrial Park Distribution System have been considered in this financial plan. The main conclusions of the financial plan are as follows:

- The revenues generated are sufficient to meet operating expenses over the projected planning horizon.
- Planned capital expenditures can be accommodated through a combination of reserve funds, debt financing, and government funding; however, any future capital projects will need to be considered conservatively, with a continued reliance on grant funding and prudent use of reserves.
- Reserve fund balances remain positive throughout the projected planning horizon, although flexibility is limited.
- Net financial assets remain positive throughout the projected planning horizon.
- In particular, the long-term sustainability of the Cardinal Water System is dependent on the addition of new users to support revenue growth, rebuild reserve balances, and help fund future infrastructure upgrades.

11. Council Resolution

Date of Motion: March 30, 2026

Resolution #: 2026-

Moved by:

Seconded by:

That the Council of the Township of Edwardsburgh Cardinal approves the Cardinal Water and Edwardsburgh Industrial Park Distribution Water Financial Plan, which has been prepared in accordance with Provincial Regulation 453/07;

And further directs that the Water Financial Plan be submitted to the Ministry of Municipal Affairs and Housing (MMAH) as prescribed by Ontario Regulation 453/07 under the Safe Drinking Water Act, 2002 and posted on the Municipal website and made available at no charge to any person requesting the plan.

Cardinal Water System
Projected Statement of Financial Position

Net Financial Assets	2026	2027	2028	2029	2030	2031	2032
Assets							
Cash and Cash Equivalents	225,642	232,738	243,301	307,094	375,370	448,417	526,539
Accounts Receivables	"N/A" *						
Long Term Investments	"N/A" *						
Gross Financial Assets	225,642	232,738	243,301	307,094	375,370	448,417	526,539
Liabilities							
Accounts Payable	"N/A" *						
Long-Term Debt	"N/A" *						
Deferred Revenue	"N/A" *						
Total Liabilities						0	0
Net Financial Assets	225,642	232,738	243,301	307,094	375,370	448,417	526,539
Non-Financial Assets							
Tangible Capital Assets	4,141,773	4,221,592	4,065,024	3,809,707	5,177,723	5,258,927	5,021,635
Inventory							
Prepaid Expenses	"N/A" *						
Total Non-Financial Assets	4,141,773	4,221,592	4,065,024	3,809,707	5,177,723	5,258,927	5,021,635
Accumulated Surplus	4,367,414	4,454,330	4,308,326	4,116,801	5,553,093	5,707,344	5,548,174

Note: This financial statement is part of the requirements by the Financial Plan Regulation (435/07). The regulation recognized that some financial information may be consolidated on a municipal level across numerous departments and it may be difficult for that information to be allocated to the drinking water system. "N/A" is left intentionally due to the fact that the financial system in the Township of Edwardsburgh/Cardinal currently doesn't facilitate further breakdowns.

Cardinal Water System
Projected Statement of Operations

Line	Item	2026	2027	2028	2029	2030	2031	2032
1	Revenue	(582,663)	(602,627)	(617,310)	(637,242)	(658,928)	(681,419)	(704,745)
2	Expenses							
a	Operating Expenses	524,787	540,531	556,747	573,449	590,652	608,372	626,623
b	Amortization	264,489	256,181	206,567	205,317	231,984	237,292	237,292
c	Interest	0	0	0	0	0	-	-
d	Total expenses	789,276	796,712	763,314	778,766	822,636	845,664	863,915
3	Annual Surplus (deficit)	(206,613)	(194,085)	(146,004)	(141,524)	(163,708)	(164,245)	(159,171)
4	Accumulated surplus, beginning of period	4,574,027	4,367,414	4,173,330	4,027,326	3,885,801	3,722,093	3,557,848
5	Accumulated surplus, end of period	4,367,414	4,173,330	4,027,326	3,885,801	3,722,093	3,557,848	3,398,678

The Statement of Operations summarizes the revenues and expenses generated by the water system for a given period. The annual surplus/deficit measures whether the revenues generated were sufficient to cover expenses incurred and in turn, whether net financial assets have been maintained or depleted. Annual surplus is required ensure funding is available to non-expense costs such as tangible capital asset acquisitions, reserve fund transfers, and debt repayments.

Cardinal Water System
Projected Statement of Cash Flow

Line	Item	2026	2027	2028	2029	2030	2031	2032
	Revenue							
	User Fees	(575,192)	(593,601)	(612,655)	(632,376)	(652,787)	(673,912)	(695,776)
	Interest Earned on reserve	(7,471)	(9,026)	(4,655)	(4,866)	(6,142)	(7,507)	(8,968)
1	Total Revenue	(582,663)	(602,627)	(617,310)	(637,242)	(658,928)	(681,419)	(704,745)
	Cash Paid For:							
2	Operating Expenses	524,787	540,531	556,747	573,449	590,652	608,372	626,623
3	Finance Charges							
4	Total Costs	524,787	540,531	556,747	573,449	590,652	608,372	626,623
	Cash provided From:							
5	Operating Transactions	57,876	62,096	60,563	63,793	68,276	73,047	78,122
	Capital Transactions							
6	Tangible Capital Assets	19,000	355,000	50,000	0	1,600,000	318,496	0
7	Cash Applied to capital transactions	19,000	55,000	50,000	0	0	0	0
	Finance Transactions							
8	Proceeds from debt Issues	0	0	0	0	0		
9	Debt Repayment							
	Cash applied to financing transactions							
10		0	0	0	0	0	0	0
11	Increase/(decrease) in cash and cash equivalents	38,876	7,096	10,563	63,793	68,276	73,047	78,122
12	Cash and cash equivalents, beginning of period	186,766	225,642	232,738	243,301	307,094	375,370	448,417
13	Cash and cash equivalents, end of period	225,642	232,738	243,301	307,094	375,370	448,417	526,539

Revenues increase at a rate of 3.50%

Line 1: per year

Line 2: Operating expenses increase at a rate of 3% per year

Line 3: Interest on Debts

Line 4: Total costs = Line 2 + Line 3

Line 5: Operating transactions is the operating cash flow i.e. Line 1 + Line 4

Line 6: The value of assets acquired

Line 7: Cash used for the capital expenditure

Line 8: Debt incurred

Line 9: Debt repayments

Line 10: Cash applied to financing transactions = Line 8 + Line 9

Line 11: Increase (decrease) in cash = Line 5 - Line 7 + Line 10

Line 12: Cash beginning of period is the reserve fund balance

Line 13: Cash end of period = Line 11 + Line 12

Edwardburgh Industrial Park Distribution System
Projected Statement of Financial Position

Net Financial Assets	2026	2027	2028	2029	2030	2031	2032
Assets							
Cash and Cash Equivalents	234,565	234,349	251,448	269,251	287,671	306,726	326,435
Accounts Receivables							
Long Term Investments							
Gross Financial Assets	234,565	234,349	251,448	269,251	287,671	306,726	326,435
Liabilities							
Accounts Payable							
Long-Term Debt							
Deferred Revenue							
Total Liabilities	0	0	0	0	0	0	0
Net Financial Assets	234,565	234,349	251,448	269,251	287,671	306,726	326,435
Non-Financial Assets							
Tangible Capital Assets	450,178	427,073	403,967	380,862	357,756	334,651	311,546
Inventory							
Prepaid Expenses							
Total Non-Financial Assets	450,178	427,073	403,967	380,862	357,756	334,651	311,546
Accumulated Surplus	684,743	661,422	655,415	650,113	645,427	641,377	637,981

Note: This financial statement is part of the requirements by the Financial Plan Reulation (435/07). The regulation recognized that some financial information may be consolidated on a municipal level across numerous departments and it may be difficult for that information to be allocated to the drinking water system. "N/A" is left intentionally due to the fact that the financial system in the Township of Edwardsburgh/Cardinal currently doesn't facilitate further breakdowns.

Edwardsburgh Industrial Park Distribution System
Projected Statement of Operations

Line	Item	2026	2027	2028	2029	2030	2031	3032
1	Revenue	179,638	184,997	190,517	194,307	198,173	202,117	206,139
2	Expenses							
a	Operating Expenses	168,014	173,054	178,246	181,811	185,447	189,156	192,939
b	Amortization	23,105	23,105	23,105	23,105	23,105	23,105	23,105
c	Interest	0	0	0	0	0	0	0
d	Total expenses	191,119	196,160	201,351	204,916	208,552	212,261	216,044
3	Annual Surplus (deficit)	(11,481)	(11,163)	(10,834)	(10,609)	(10,379)	(10,144)	(9,905)
4	Accumulated surplus, beginning of period	684,743	673,262	662,099	651,265	640,656	630,277	620,132
5	Accumulated surplus, end of period	673,262	662,099	651,265	640,656	630,277	620,132	610,227

The Statement of Operations summarizes the revenues and expenses generated by the water system for a given period. The annual surplus/deficit measures whether the revenues generated were sufficient to cover expenses incurred and in turn, whether net financial assets have been maintained or depleted. Annual surplus is required ensure funding is available to non-expense costs such as tangible capital asset acquisitions, reserve fund transfers, and debt repayments.

Edwardsburgh Industrial Park Distribution System
Projected Statement of Cash Flow

Line	Item	2026	2027	2028	2029	2030	2031	2032
	Revenue	179,638	184,997	190,517	194,307	198,173	202,117	206,139
	Interest Earned on Reserve Fund	5,160	5,156	5,532	5,924	6,329	6,748	7,182
1	Total Revenue	184,798	190,153	196,049	200,231	204,502	208,865	213,321
	Cash Paid For:							
2	Operating Expenses	168,014	173,054	178,246	181,811	185,447	189,156	192,939
3	Finance Charges	0	0	0	0	0	0	0
4	Total Costs	168,014	173,054	178,246	181,811	185,447	189,156	192,939
	Cash provided From:							
5	Operating Transactions	16,785	17,099	17,803	18,420	19,055	19,709	20,382
	Capital Transactions							
6	Tangible Capital Assets	17,000	0	0	0	0	0	0
7	Cash Applied to capital transactions	17,000	0	0	0	0	0	0
	Finance Transactions							
8	Proceeds from debt Issues	0	0	0	0	0	0	0
9	Debt Repayment	0	0	0	0	0	0	0
	Cash applied to financing transactions	0	0	0	0	0	0	0
11	Increase/(decrease) in cash and cash equivalents	(215)	17,099	17,803	18,420	19,055	19,709	20,382
12	Cash and cash equivalents, beginning of period	234,565	234,349	251,448	269,251	287,671	306,726	326,435
13	Cash and cash equivalents, end of period	234,349	251,448	269,251	287,671	306,726	326,435	346,817

- Line 1: Revenues increase at a rate of between 2% -
Line 2: Operating expenses increase at a rate of 2-3% per year
Line 3: Interest on Debts
Line 4: Total costs = Line 2 + Line 3
Line 5: Operating transactions is the operating cash flow i.e. Line 1 + Line 4
Line 6: The value of assets acquired
Line 7: Cash used for the capital expenditure
Line 8: Debt incurred
Line 9: Debt repayments
Line 10: Cash applied to financing transactions = Line 8 + Line 9
Line 11: Increase (decrease) in cash = Line 5 + Line 7 + Line 10
Line 12: Cash beginning of period is the reserve fund balance
Line 13: Cash end of period = Line 11 + Line 12

2025-2032 CAPITAL PROJECTS										
ENVIRONMENTAL SERVICES	2025	2026	2027	2028	2029	2030	2031	2032	Total	COMMENTS
CARDINAL DRINKING WATER SYSTEM										
Filter Upgrades									0	
Work Station/software upgrades	60,000								60,000	
Generator Fuel/Exhaust System repairs	30,000								30,000	
UV Replacements at Water Plant	387,000								387,000	
Interior touch ups Water tower			55,000						55,000	
Heating and Air Conditioning Replacements				50,000					50,000	
County Road 2 main replacement East limit						1,600,000			1,600,000	Depending on Funding
Dundas Street Engineer and Design	18,699									
Dundas Street West water main replacement			300000						300,000	Depending on Funding
Cardinal Water Tower communication upgrades		19,000								2024 Quote- 13,000 for equip, doesn't include electrical/mechanical
Dishaw St water main replacement							318,496		318,496	Depending on Funding
INDUSTRIAL PARK WATER SYSTEM										
Chlorine Analyzer relocation to Guard House		17,000								High level estimate, includes purchasing replacement analyzer.