

# Corporation of the City of Kingston Drinking Water Supply System 2024-2029 Financial Plan

Approved by Kingston City Council

March 21, 2023

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Date Approved

Endorsed by:



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David Fell

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 2021	Forecast 2022	Budget 2023	Planned 2024	Planned 2025	Planned 2026	Planned 2027	Planned 2028	Planned 2029
<b>Assets</b>									
Cash & Cash Equivalents	\$ 76,141,693	\$ 87,911,973	\$ 52,501,748	\$ 41,064,607	\$ 39,226,287	\$ 30,460,672	\$ 33,325,957	\$ 53,069,673	\$ 57,303,971
Accounts Receivable	2,018,000	2,018,000	2,018,000	2,018,000	2,018,000	2,018,000	2,018,000	2,018,000	2,018,000
Inventory	264,007	352,785	352,785	352,785	352,785	352,785	352,785	352,785	352,785
Total current assets	\$ 78,423,700	\$ 90,282,758	\$ 54,872,533	\$ 43,435,392	\$ 41,597,072	\$ 32,831,457	\$ 35,696,742	\$ 55,440,458	\$ 59,674,756
Tangible Capital Assets - Cost	\$ 452,364,503	\$ 461,045,161	\$ 515,389,660	\$ 546,065,608	\$ 567,619,721	\$ 596,623,796	\$ 615,502,627	\$ 635,219,576	\$ 653,097,374
(detail schedules attached) - Amortization	(142,737,724)	(152,436,870)	(161,981,237)	(173,094,523)	(184,763,017)	(196,723,112)	(208,934,958)	(221,133,721)	(233,481,003)
Total non current assets	\$ 309,626,779	\$ 308,608,290	\$ 353,408,423	\$ 372,971,085	\$ 382,856,704	\$ 399,900,684	\$ 406,567,669	\$ 414,085,855	\$ 419,616,370
<b>Total Assets</b>	<b>\$ 388,050,479</b>	<b>\$ 398,891,048</b>	<b>\$ 408,280,957</b>	<b>\$ 416,406,477</b>	<b>\$ 424,453,775</b>	<b>\$ 432,732,141</b>	<b>\$ 442,264,411</b>	<b>\$ 469,526,313</b>	<b>\$ 479,291,126</b>
<b>Liabilities</b>									
Long Term Liabilities (Net Debt)	\$ 54,583,155	\$ 52,832,330	\$ 51,027,795	\$ 49,167,645	\$ 47,255,815	\$ 45,284,681	\$ 43,314,142	\$ 59,138,102	\$ 56,467,779
<b>Surplus</b>	<b>\$ 333,467,324</b>	<b>\$ 346,058,718</b>	<b>\$ 357,253,161</b>	<b>\$ 367,238,833</b>	<b>\$ 377,197,961</b>	<b>\$ 387,447,461</b>	<b>\$ 398,950,269</b>	<b>\$ 410,388,211</b>	<b>\$ 422,823,348</b>
<b>Total Liabilities &amp; Surplus</b>	<b>\$ 388,050,479</b>	<b>\$ 398,891,048</b>	<b>\$ 408,280,957</b>	<b>\$ 416,406,477</b>	<b>\$ 424,453,776</b>	<b>\$ 432,732,141</b>	<b>\$ 442,264,412</b>	<b>\$ 469,526,313</b>	<b>\$ 479,291,126</b>

*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 2021	Forecast 2022	Budget 2023	Planned 2024	Planned 2025	Planned 2026	Planned 2027	Planned 2028	Planned 2029
<b>Revenues</b>									
Water Rates	\$ 31,871,296	\$ 33,637,990	\$ 34,509,375	\$ 35,979,188	\$ 36,878,668	\$ 37,800,634	\$ 38,430,645	\$ 39,714,292	\$ 40,707,149
Funding - Development (Impost)	1,504,338	1,188,602	1,154,340	1,266,740	1,373,678	1,412,038	2,656,550	2,697,246	2,665,153
Interest Income	1,103,086	2,254,458	1,954,954	1,404,744	1,254,801	1,212,597	1,187,973	1,106,997	1,626,977
User Charges	750,731	696,462	400,000	400,000	400,000	400,000	400,000	400,000	400,000
	<u>\$ 35,229,452</u>	<u>\$ 37,777,511</u>	<u>\$ 38,018,669</u>	<u>\$ 39,050,672</u>	<u>\$ 39,907,147</u>	<u>\$ 40,825,270</u>	<u>\$ 42,675,168</u>	<u>\$ 43,918,534</u>	<u>\$ 45,399,279</u>
<b>Expenses</b>									
Operating	\$ 12,214,858	\$ 13,623,416	\$ 15,477,844	\$ 16,212,915	\$ 16,606,327	\$ 17,009,574	\$ 17,422,903	\$ 17,846,565	\$ 18,280,818
Interest - Long Term	1,923,253	1,863,554	1,802,016	1,738,799	1,673,197	1,606,101	1,537,610	2,435,264	2,336,042
Loss on disposal of assets	2,638,609	-	-	-	-	-	-	-	-
Amortization	9,877,953	9,699,147	9,544,366	11,113,286	11,668,494	11,960,094	12,211,846	12,198,763	12,347,283
	<u>\$ 26,654,672</u>	<u>\$ 25,186,117</u>	<u>\$ 26,824,226</u>	<u>\$ 29,065,000</u>	<u>\$ 29,948,018</u>	<u>\$ 30,575,770</u>	<u>\$ 31,172,359</u>	<u>\$ 32,480,592</u>	<u>\$ 32,964,143</u>
<b>Surplus for the year</b>	\$ 8,574,779	\$ 12,591,394	\$ 11,194,443	\$ 9,985,671	\$ 9,959,128	\$ 10,249,500	\$ 11,502,809	\$ 11,437,942	\$ 12,435,136
<b>Surplus, beginning of year</b>	324,892,545	333,467,324	346,058,718	357,253,161	367,238,833	377,197,961	387,447,461	398,950,269	410,388,212
<b>Surplus, end of year</b>	<u>\$ 333,467,324</u>	<u>\$ 346,058,718</u>	<u>\$ 357,253,161</u>	<u>\$ 367,238,833</u>	<u>\$ 377,197,961</u>	<u>\$ 387,447,461</u>	<u>\$ 398,950,269</u>	<u>\$ 410,388,212</u>	<u>\$ 422,823,348</u>

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

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

	Audited 2021	Forecast 2022	Budget 2023	Planned 2024	Planned 2025	Planned 2026	Planned 2027	Planned 2028	Planned 2029
<b>Operating Activities</b>									
<b>Net Surplus for the year from operations</b>	\$ 8,574,779	\$ 12,591,394	\$ 11,194,443	\$ 9,985,671	\$ 9,959,128	\$ 10,249,500	\$ 11,502,809	\$ 11,437,942	\$ 12,435,136
add back non cash items									
Loss on disposal of assets	2,638,609								
Amortization	9,877,953	9,699,147	9,544,366	11,113,286	11,668,494	11,960,094	12,211,846	12,198,763	12,347,283
change in inventory	-	(88,778)							
<b>Net Cash receipts from operations</b>	<u>\$ 21,091,341</u>	<u>\$ 22,201,763</u>	<u>\$ 20,738,809</u>	<u>\$ 21,098,958</u>	<u>\$ 21,627,623</u>	<u>\$ 22,209,594</u>	<u>\$ 23,714,654</u>	<u>\$ 23,636,705</u>	<u>\$ 24,782,419</u>
<b>Investing Activities</b>									
Purchase of Tangible Capital Assets	-\$ 11,344,835	-\$ 8,680,658	-\$ 54,344,499	-\$ 30,675,948	-\$ 21,554,114	-\$ 29,004,075	-\$ 18,878,831	-\$ 19,716,949	-\$ 17,877,798
<b>Financing Activities</b>									
Receipt of (repayment of) Long Term Debt	-\$ 1,698,954	-\$ 1,750,825	-\$ 1,804,535	-\$ 1,860,151	-\$ 1,911,830	-\$ 1,971,134	-\$ 1,970,538	\$ 15,823,960	-\$ 2,670,324
Increase/(Decrease) in Cash and Cash Equivalents	\$ 8,047,552	\$ 11,770,281	-\$ 35,410,225	-\$ 11,437,141	-\$ 1,838,321	-\$ 8,765,615	\$ 2,865,285	\$ 19,743,716	\$ 4,234,297
Cash and Cash Equivalents, beginning of year	68,094,141	76,141,693	87,911,973	52,501,749	41,064,608	39,226,287	30,460,672	33,325,957	53,069,673
<b>Cash and Cash Equivalents, end of year</b>	<u>\$ 76,141,693</u>	<u>\$ 87,911,973</u>	<u>\$ 52,501,749</u>	<u>\$ 41,064,608</u>	<u>\$ 39,226,287</u>	<u>\$ 30,460,672</u>	<u>\$ 33,325,957</u>	<u>\$ 53,069,673</u>	<u>\$ 57,303,971</u>

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

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

	Audited 2021	Forecast 2022	Budget 2023	Planned 2024	Planned 2025	Planned 2026	Planned 2027	Planned 2028	Planned 2029
<b>Land</b>									
Opening Balance	\$ 1,953,992	\$ 1,953,992	\$ 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	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
Closing Balance	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992	\$ 1,953,992
<b>Water Facilities</b>									
Opening Balance	\$ 125,581,846	\$ 126,787,818	\$ 126,590,999	\$ 131,229,975	\$ 132,953,770	\$ 136,838,529	\$ 138,379,481	\$ 139,955,671	\$ 145,482,909
Additions during the Year	1,205,972	(196,818)	4,638,975	1,723,795	3,884,759	1,540,952	1,576,190	5,527,238	1,889,448
Disposals during the year	-	-	-	-	-	-	-	-	-
Closing Balance	\$ 126,787,818	\$ 126,590,999	\$ 131,229,975	\$ 132,953,770	\$ 136,838,529	\$ 138,379,481	\$ 139,955,671	\$ 145,482,909	\$ 147,372,357
<b>Distribution System</b>									
Opening Balance	\$ 306,128,276	\$ 307,020,634	\$ 314,737,131	\$ 358,242,786	\$ 383,731,917	\$ 398,857,743	\$ 424,454,908	\$ 440,310,341	\$ 453,137,428
Additions during the Year	9,580,556	7,716,497	43,505,655	25,489,131	15,125,826	25,597,165	15,855,433	12,827,087	14,599,145
Disposals during the year	(8,688,199)	-	-	-	-	-	-	-	-
Closing Balance	\$ 307,020,634	\$ 314,737,131	\$ 358,242,786	\$ 383,731,917	\$ 398,857,743	\$ 424,454,908	\$ 440,310,341	\$ 453,137,428	\$ 467,736,573
<b>Meters</b>									
Opening Balance	\$ 11,663,022	\$ 11,747,717	\$ 12,581,599	\$ 15,328,361	\$ 16,577,713	\$ 17,491,584	\$ 18,338,358	\$ 19,188,313	\$ 20,055,919
Additions during the Year	260,603	833,882	2,746,762	1,249,352	913,870	846,774	849,955	867,606	889,521
Disposals during the year	(175,908)	-	-	-	-	-	-	-	-
Closing Balance	\$ 11,747,717	\$ 12,581,599	\$ 15,328,361	\$ 16,577,713	\$ 17,491,584	\$ 18,338,358	\$ 19,188,313	\$ 20,055,919	\$ 20,945,440
<b>Equipment</b>									
Opening Balance	\$ 4,798,308	\$ 4,854,343	\$ 5,181,439	\$ 8,634,546	\$ 10,848,215	\$ 12,477,873	\$ 13,497,057	\$ 14,094,309	\$ 14,589,328
Additions during the Year	297,704	327,097	3,453,107	2,213,669	1,629,658	1,019,184	597,253	495,019	499,684
Disposals during the year	(241,669)	-	-	-	-	-	-	-	-
Closing Balance	\$ 4,854,343	\$ 5,181,439	\$ 8,634,546	\$ 10,848,215	\$ 12,477,873	\$ 13,497,057	\$ 14,094,309	\$ 14,589,328	\$ 15,089,012
<b>Total Tangible Capital Assets</b>									
Opening Balance	\$ 450,125,443	\$ 452,364,503	\$ 461,045,161	\$ 515,389,660	\$ 546,065,608	\$ 567,619,721	\$ 596,623,796	\$ 615,502,627	\$ 635,219,576
Additions during the Year	11,344,835	8,680,658	54,344,499	30,675,948	21,554,114	29,004,075	18,878,831	19,716,949	17,877,798
Disposals during the year	(9,105,776)	-	-	-	-	-	-	-	-
Closing Balance	\$ 452,364,503	\$ 461,045,161	\$ 515,389,660	\$ 546,065,608	\$ 567,619,721	\$ 596,623,796	\$ 615,502,627	\$ 635,219,576	\$ 653,097,374

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

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

	Audited 2021	Forecast 2022	Budget 2023	Planned 2024	Planned 2025	Planned 2026	Planned 2027	Planned 2028	Planned 2029
<b>Land</b>									
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions during the Year	-	-	-	-	-	-	-	-	-
Closing Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Water Facilities Accumulated Amortization</b>									
Opening Balance	\$ 52,443,924	\$ 56,556,709	\$ 60,506,034	\$ 64,222,208	\$ 67,990,275	\$ 71,643,385	\$ 75,309,521	\$ 78,856,152	\$ 82,291,978
Additions during the Year	4,112,785	3,949,325	3,716,174	3,768,066	3,653,110	3,666,137	3,546,631	3,435,826	3,553,433
Disposals during the year	-	-	-	-	-	-	-	-	-
Closing Balance	\$ 56,556,709	\$ 60,506,034	\$ 64,222,208	\$ 67,990,275	\$ 71,643,385	\$ 75,309,521	\$ 78,856,152	\$ 82,291,978	\$ 85,845,411
<b>Distribution System Accumulated Amortization</b>									
Opening Balance	\$ 79,870,381	\$ 78,422,708	\$ 83,155,378	\$ 87,949,822	\$ 93,545,706	\$ 99,553,440	\$ 105,749,946	\$ 112,348,105	\$ 119,137,917
Additions during the Year	4,684,224	4,732,670	4,794,444	5,595,884	6,007,734	6,196,506	6,598,159	6,789,812	6,914,802
Disposals during the year	(6,131,897)	-	-	-	-	-	-	-	-
Closing Balance	\$ 78,422,708	\$ 83,155,378	\$ 87,949,822	\$ 93,545,706	\$ 99,553,440	\$ 105,749,946	\$ 112,348,105	\$ 119,137,917	\$ 126,052,719
<b>Meters Accumulated Amortization</b>									
Opening Balance	\$ 4,077,976	\$ 4,740,985	\$ 5,461,845	\$ 6,194,333	\$ 7,134,052	\$ 8,105,627	\$ 9,071,265	\$ 10,024,674	\$ 10,967,439
Additions during the Year	780,358	720,860	732,488	939,719	971,574	965,638	953,409	942,765	935,033
Disposals during the year	(117,350)	-	-	-	-	-	-	-	-
Closing Balance	\$ 4,740,985	\$ 5,461,845	\$ 6,194,333	\$ 7,134,052	\$ 8,105,627	\$ 9,071,265	\$ 10,024,674	\$ 10,967,439	\$ 11,902,472
<b>Equipment Accumulated Amortization</b>									
Opening Balance	\$ 2,934,656	\$ 3,017,323	\$ 3,313,614	\$ 3,614,873	\$ 4,424,491	\$ 5,460,566	\$ 6,592,380	\$ 7,706,028	\$ 8,736,386
Additions during the Year	300,586	296,291	301,260	809,617	1,036,075	1,131,814	1,113,648	1,030,359	944,014
Disposals during the year	(217,920)	-	-	-	-	-	-	-	-
Closing Balance	\$ 3,017,323	\$ 3,313,614	\$ 3,614,873	\$ 4,424,491	\$ 5,460,566	\$ 6,592,380	\$ 7,706,028	\$ 8,736,386	\$ 9,680,401
<b>Total Tangible Capital Assets Accumulated Amortization</b>									
Opening Balance	\$ 139,326,937	\$ 142,737,724	\$ 152,436,870	\$ 161,981,237	\$ 173,094,523	\$ 184,763,017	\$ 196,723,112	\$ 208,934,958	\$ 221,133,721
Additions during the Year	9,877,954	9,699,147	9,544,366	11,113,286	11,668,494	11,960,094	12,211,846	12,198,763	12,347,283
Disposals during the year	(6,467,167)	-	-	-	-	-	-	-	-
Closing Balance	\$ 142,737,724	\$ 152,436,870	\$ 161,981,237	\$ 173,094,523	\$ 184,763,017	\$ 196,723,112	\$ 208,934,958	\$ 221,133,721	\$ 233,481,003

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