

Schedule 1

City of Ottawa - Water Infrastructure
STATEMENT OF FINANCIAL POSITION

As at December 31

[dollars in thousands]

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets:											
Cash and cash equivalents	20,762	9,110	7,530	9,855	569	10,770	7,317	10,561	21,939	54,356	98,647
Accounts receivable	25,257	27,433	32,572	43,149	46,985	50,556	52,927	57,330	54,303	48,609	43,422
	46,019	36,543	40,102	53,004	47,554	61,326	60,244	67,891	76,242	102,965	142,069
Financial liabilities:											
Accounts payable and accrued liabilities	25,534	25,534	25,534	37,534	43,534	43,534	43,534	43,534	43,534	43,534	43,534
Deferred revenue	10,872	2,319	-	-	-	-	-	-	-	-	-
Employee future benefits	6,152	6,337	6,527	6,722	6,924	7,132	7,346	7,566	7,793	8,027	8,268
Accrued interest	932	1,013	1,220	1,911	2,785	3,295	3,913	4,174	4,553	4,870	5,395
Net long-term debt	77,606	89,058	129,948	182,060	212,114	248,809	263,797	286,066	304,438	335,468	366,181
	121,096	124,260	163,228	228,227	265,357	302,771	318,590	341,339	360,318	391,899	423,377
Net debt	(75,077)	(87,717)	(123,126)	(175,223)	(217,803)	(241,445)	(258,346)	(273,448)	(284,076)	(288,934)	(281,309)
Non-financial assets:											
Tangible capital assets	1,424,993	1,509,053	1,619,791	1,751,349	1,877,353	1,988,726	2,097,108	2,207,910	2,316,343	2,423,705	2,529,322
Inventories	327	337	347	357	368	379	390	402	414	427	439
Total non financial assets	1,425,320	1,509,390	1,620,138	1,751,706	1,877,721	1,989,105	2,097,498	2,208,312	2,316,757	2,424,131	2,529,762
Accumulated surplus (deficit)	1,350,243	1,421,673	1,497,012	1,576,482	1,659,918	1,747,660	1,839,152	1,934,864	2,032,680	2,135,198	2,248,453
Debt as a % of Net Book Value	5%	6%	8%	10%	11%	13%	13%	13%	13%	14%	14%

Schedule 2

City of Ottawa - Water Infrastructure
STATEMENT OF OPERATIONS

For the year ended December 31

[dollars in thousands]

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues:											
Water rates	117,537	117,188	124,185	135,147	144,062	153,748	160,561	168,548	175,934	184,854	196,309
Fees	1,907	2,088	2,090	2,092	2,113	2,134	2,155	2,177	2,199	2,221	2,243
Investment income	877	500	1,231	1,446	1,643	1,850	2,065	2,290	2,507	2,671	2,814
Contributed Assets	33,498	52,683	54,264	55,892	57,569	59,296	61,074	62,907	64,794	66,738	68,740
Development charges	7,875	7,500	7,700	8,077	8,390	8,495	8,601	8,709	8,818	8,928	9,040
Other revenue	780	684	691	698	705	712	719	726	733	741	748
Total revenues	162,473	180,643	190,161	203,352	214,482	226,235	235,176	245,357	254,985	266,153	279,894
Expenses:											
Operating expenditures	70,932	81,534	83,421	89,076	91,494	95,014	95,788	98,275	102,314	105,561	105,491
Interest	3,222	3,459	4,272	6,369	9,283	10,984	13,044	13,912	15,178	16,232	17,984
Amortization	22,579	24,220	27,129	28,437	30,269	32,495	34,852	37,458	39,677	41,842	43,164
Total Expenses	96,733	109,213	114,822	123,881	131,046	138,493	143,684	149,645	157,169	163,635	166,639
Annual surplus	65,741	71,430	75,339	79,470	83,436	87,742	91,492	95,712	97,816	102,517	113,255
Accumulated surplus beginning of the year	1,284,502	1,350,243	1,421,673	1,497,012	1,576,482	1,659,918	1,747,660	1,839,152	1,934,864	2,032,680	2,135,198
Accumulated surplus , end of the year	1,350,243	1,421,673	1,497,012	1,576,482	1,659,918	1,747,660	1,839,152	1,934,864	2,032,680	2,135,198	2,248,453

Schedule 3
City of Ottawa - Water Infrastructure
STATEMENT OF CASH FLOWS

For the year ended December 31

[dollars in thousands]

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
OPERATING ACTIVITIES											
Annual surplus (deficit)	65,741	71,430	75,339	79,470	83,436	87,742	91,492	95,712	97,816	102,518	113,255
Adjustment for non-cash items:											
Amortization of tangible capital assets	22,579	24,220	27,129	28,437	30,269	32,495	34,852	37,458	39,677	41,842	43,164
Loss on sale of tangible capital assets	28	-	-	-	-	-	-	-	-	-	-
Contributed Assets	(33,498)	(52,683)	(54,264)	(55,892)	(57,569)	(59,296)	(61,074)	(62,907)	(64,794)	(66,738)	(68,740)
Uses:											
Increase in accounts receivable	(23)	(2,176)	(5,138)	(10,577)	(3,836)	(3,571)	(2,372)	(4,403)	3,027	5,694	5,188
Increase in inventories	-	(10)	(10)	(10)	(11)	(11)	(11)	(12)	(12)	(12)	(13)
Decrease in deferred revenue	(3,826)	(8,553)	(2,319)	-	-	-	-	-	-	-	-
	51,001	32,227	40,738	41,428	52,290	57,359	62,887	65,848	75,714	83,303	92,854
Sources:											
Increase in accounts payable and accrued liabilities	6,588	-	-	12,000	6,000	-	-	-	-	-	-
Increase in employee future benefits	290	185	190	196	202	208	214	220	227	234	241
Increase in accrued interest	93	81	206	691	874	510	618	260	380	316	526
Decrease in inventories	10	-	-	-	-	-	-	-	-	-	-
	6,981	266	396	12,887	7,076	718	832	481	607	550	766
Cash provided by (used in) operating activities	57,982	32,493	41,134	54,315	59,366	58,078	63,718	66,329	76,321	83,853	93,620
CAPITAL ACTIVITIES											
Acquisition of tangible capital assets	(62,337)	(55,596)	(83,603)	(104,103)	(98,705)	(84,572)	(82,159)	(85,353)	(83,316)	(82,467)	(80,042)
Net change in cash from capital activities	(62,337)	(55,596)	(83,603)	(104,103)	(98,705)	(84,572)	(82,159)	(85,353)	(83,316)	(82,467)	(80,042)
FINANCING ACTIVITIES											
New debt issued	7,380	15,000	45,000	57,000	35,933	44,531	24,979	33,101	30,517	44,164	45,106
Debt principal repayments	(2,840)	(3,548)	(4,110)	(4,888)	(5,879)	(7,835)	(9,991)	(10,832)	(12,145)	(13,134)	(14,394)
Cash provided by financing activities	4,540	11,452	40,890	52,112	30,054	36,696	14,988	22,268	18,372	31,031	30,712
Net increase (decrease) in cash and cash equivalents during the year	185	(11,651)	(1,579)	2,324	(9,285)	10,201	(3,453)	3,244	11,378	32,417	44,290
Cash and cash equivalents, beginning of the year	20,577	20,762	9,110	7,531	9,855	569	10,770	7,318	10,562	21,939	54,357
Cash and cash equivalents, end of the year	20,762	9,110	7,531	9,855	569	10,770	7,318	10,562	21,939	54,357	98,647

Schedule 4

City of Ottawa - Water Infrastructure

TANGIBLE ASSET CONTINUITY SCHEDULE

For the year ended December 31

[dollars in thousands]

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land										
Cost										
Balance, Beginning of the Year	24,197	24,197	24,683	24,726	24,726	24,726	24,726	24,726	24,726	24,726
Additions	0	486	43	0	0	0	0	0	0	0
Disposals										
Balance at year end	24,197	24,683	24,726	24,726	24,726	24,726	24,726	24,726	24,726	24,726
Accumulated depreciation										
Balance, Beginning of the Year	0	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0	0
Amortization expense	0	0	0	0	0	0	0	0	0	0
Balance at year end	0	0	0	0	0	0	0	0	0	0
Net Book Value, end of year	24,197	24,683	24,726	24,726	24,726	24,726	24,726	24,726	24,726	24,726
Infrastructure /Linear Water										
Cost										
Balance, Beginning of the Year	1,663,677	1,734,498	1,811,156	1,890,204	2,008,520	2,178,342	2,327,379	2,453,016	2,586,005	2,722,476
Additions	70,821	76,658	79,048	118,316	169,822	149,037	125,637	132,989	136,471	130,314
Disposals										
Balance at year end	1,734,498	1,811,156	1,890,204	2,008,520	2,178,342	2,327,379	2,453,016	2,586,005	2,722,476	2,852,790
Accumulated depreciation										
Balance, Beginning of the Year	438,372	460,199	482,970	506,743	531,560	557,882	586,382	616,742	648,692	682,330
Disposals	0	0	0	0	0	0	0	0	0	0
Amortization expense	21,827	22,771	23,773	24,817	26,322	28,500	30,360	31,950	33,638	34,670
Balance at year end	460,199	482,970	506,743	531,560	557,882	586,382	616,742	648,692	682,330	717,000
Net Book Value, end of year	1,274,299	1,328,186	1,383,461	1,476,960	1,620,460	1,740,997	1,836,274	1,937,313	2,040,146	2,135,790
Machinery and Equipment										
Cost										
Balance, Beginning of the Year	84,519	142,999	149,241	196,539	214,286	218,134	230,240	238,176	251,527	266,711
Additions	58,480	6,241	47,298	17,747	3,848	12,106	7,937	13,351	15,184	18,657
Disposals	0	0	0	0	0	0	0	0	0	0
Balance at year end	142,999	149,241	196,539	214,286	218,134	230,240	238,176	251,527	266,711	285,368
Accumulated depreciation										
Balance, Beginning of the Year	43,666	45,088	48,235	51,536	55,506	60,056	64,621	69,721	75,255	81,128
Disposals	0	0	0	0	0	0	0	0	0	0
Amortization expense	1,422	3,147	3,301	3,970	4,549	4,565	5,101	5,534	5,872	6,282
Balance at year end	45,088	48,235	51,536	55,506	60,056	64,621	69,721	75,255	81,128	87,410
Net Book Value, end of year	97,911	101,005	145,002	158,779	158,078	165,619	168,455	176,272	185,584	197,958

Schedule 4 - Continued

City of Ottawa - Water Infrastructure

TANGIBLE ASSET CONTINUITY SCHEDULE

For the year ended December 31

[dollars in thousands]

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Vehicles										
Cost										
Balance, Beginning of the Year	11,329	13,901	16,800	18,824	20,808	22,938	24,922	27,052	29,036	31,126
Additions	2,572	2,899	2,024	1,984	2,130	1,984	2,130	1,984	2,090	2,024
Disposals	0	0	0	0	0	0	0	0	0	0
Balance at year end	13,901	16,800	18,824	20,808	22,938	24,922	27,052	29,036	31,126	33,150
Accumulated depreciation										
Balance, Beginning of the Year	5,973	6,943	8,155	9,518	11,000	12,624	14,410	16,407	18,601	20,933
Disposals	0	0	0	0	0	0	0	0	0	0
Amortization expense	970	1,211	1,363	1,482	1,624	1,786	1,997	2,193	2,332	2,212
Balance at year end	6,943	8,155	9,518	11,000	12,624	14,410	16,407	18,601	20,933	23,144
Net Book Value, end of year	6,958	8,646	9,306	9,809	10,314	10,512	10,645	10,435	10,193	10,005
Work in Progress										
Balance, Beginning of the Year	129,283	105,689	157,272	188,854	207,080	175,148	155,255	167,811	167,597	163,057
Additions	55,596	83,603	104,103	98,705	84,572	82,159	85,353	83,316	82,467	80,042
Transfer to completed assets	79,190	32,020	72,521	80,478	116,504	102,052	72,797	83,530	87,007	82,255
Balance at year end	105,689	157,272	188,854	207,080	175,148	155,255	167,811	167,597	163,057	160,843
Total Tangible Capital Assets										
Cost										
Balance, Beginning of the Year	1,913,005	2,021,284	2,159,151	2,319,146	2,475,419	2,619,287	2,762,521	2,910,781	3,058,890	3,208,095
Additions	187,470	169,887	232,516	236,751	260,373	245,286	221,057	231,639	236,211	231,037
Transfer to completed assets	79,190	32,020	72,521	80,478	116,504	102,052	72,797	83,530	87,007	82,255
Disposals	0	0	0	0	0	0	0	0	0	0
Balance at year end	2,021,284	2,159,151	2,319,146	2,475,419	2,619,287	2,762,521	2,910,781	3,058,890	3,208,095	3,356,877
Accumulated depreciation										
Balance, Beginning of the Year	488,011	512,231	539,360	567,797	598,066	630,562	665,413	702,871	742,548	784,390
Disposals	0	0	0	0	0	0	0	0	0	0
Amortization expense	24,220	27,129	28,437	30,269	32,495	34,852	37,458	39,677	41,842	43,164
Balance at year end	512,231	539,360	567,797	598,066	630,562	665,413	702,871	742,548	784,390	827,554
Net Book Value, end of year	1,509,053	1,619,791	1,751,349	1,877,353	1,988,726	2,097,108	2,207,910	2,316,343	2,423,705	2,529,322

Note: Lead service pipe replacement costs of approximately \$1.5M per annum are included in the above projections