

Table S1
North Red Deer River Water Services Commission
2022 - 2040 Financial Model
2022 - 2025 Operating Budget

[Index](#)

	2021		2022	2023	2024	2025
	Budget	Projected	Budget	Proposed	Proposed	Proposed
Sales Volume (m3)						
Town of Ponoka	676,010	682,902	686,449	693,313	702,165	707,249
City of Lacombe	1,322,079	1,298,035	1,330,421	1,359,690	1,393,410	1,420,174
Town of Blackfalds	873,602	828,836	886,515	939,706	998,728	1,055,573
Lacombe County	37,722	38,004	63,194	63,510	63,827	64,147
Wolf Creek Village (Ponoka Cnty)	13,162	9,582	9,630	9,678	9,726	9,775
Ermineskin Cree Nation	-	-	-	63,120	128,743	131,653
Total Sales	2,922,575	2,857,359	2,976,208	3,065,897	3,167,857	3,256,918
Annual Expense						
Operating Purposes						
Board	\$6,000	\$7,450	\$6,120	\$7,167	\$7,311	\$7,457
Administration	\$106,946	\$133,866	\$109,259	\$118,584	\$120,956	\$123,375
System Operations	\$182,984	\$168,612	\$178,169	\$209,209	\$213,717	\$218,329
Purchase of Treated Water						
Volume (m3)	3,046,263	2,966,805	3,023,827	3,179,081	3,349,346	3,442,788
Average Rate (/m3)	\$1.55	\$1.55	\$1.56	\$1.58	\$1.61	\$1.64
Expense	\$4,716,964	\$4,593,927	\$4,712,461	\$5,038,367	\$5,406,795	\$5,658,972
Total Operating Expense	\$5,012,894	\$4,903,855	\$5,006,009	\$5,373,327	\$5,748,778	\$6,008,132
Capital Purposes						
Debt Payments	\$1,274,902	\$1,274,901	\$1,274,901	\$1,274,901	\$1,274,901	\$1,274,901
To Reserves (Restricted Surplus)	\$400,000	\$400,000	\$269,046	\$254,872	\$260,263	\$279,501
Total Capital Expense	\$1,674,902	\$1,674,901	\$1,543,947	\$1,529,773	\$1,535,164	\$1,554,403
Total Annual Expense	\$6,687,796	\$6,578,756	\$6,549,956	\$6,903,100	\$7,283,942	\$7,562,535
Rate to Members (/m3)						
Cost of Service Rate		\$1.98	\$1.97	\$1.98	\$1.98	\$1.98
Phase in to Cost of Service Rate		\$0.14	\$0.17	\$0.16	\$0.16	\$0.16
Sales Rate	\$2.12	\$2.12	\$2.14	\$2.14	\$2.14	\$2.14

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[Index](#)

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	Budget	Projected	Budget	Proposed	Proposed	Proposed
Annual Revenue						
Sales to Members						
Town of Ponoka	\$1,433,142	\$1,447,752	\$1,469,001	\$1,483,691	\$1,502,633	\$1,513,513
City of Lacombe	\$2,802,807	\$2,751,834	\$2,847,100	\$2,909,736	\$2,981,898	\$3,039,173
Town of Blackfalds	\$1,852,035	\$1,757,133	\$1,897,142	\$2,010,970	\$2,137,278	\$2,258,926
Lacombe County	\$79,971	\$80,568	\$135,235	\$135,911	\$136,591	\$137,274
Wolf Creek Village (Ponoka Cnty)	\$27,903	\$20,313	\$20,607	\$20,710	\$20,814	\$20,918
Ermineskin Cree Nation		\$0	\$0	\$135,077	\$275,510	\$281,736
Total Member Sales	\$6,195,858	\$6,057,601	\$6,369,085	\$6,696,096	\$7,054,724	\$7,251,541
Non-rate Revenue						
Other Revenue	\$1,530	\$500	\$1,500	\$1,500	\$1,500	\$1,500
Interest	\$125,000	\$113,000	\$70,000	\$99,500	\$127,500	\$208,000
Government Grants		\$47,000				
County Contributions	\$145,820	\$138,501	\$129,372	\$126,004	\$120,218	\$121,494
Transfer from Reserves	\$250,000	\$150,000	\$0	\$0	\$0	\$0
Total Non Rate Revenue	\$522,350	\$449,001	\$200,872	\$227,004	\$249,218	\$330,994
Total Revenue	\$6,718,208	\$6,506,602	\$6,569,956	\$6,923,100	\$7,303,942	\$7,582,535
Unrestricted Surplus	\$30,412	-\$72,154	\$20,000	\$20,000	\$20,000	\$20,000
Surplus Balance at Year End						
Restricted Surplus						
Operating Reserve	\$513,543	\$613,543	\$613,543	\$613,543	\$613,543	\$613,543
Capital Reserve	\$4,300,364	\$4,300,364	\$4,569,410	\$4,824,281	\$5,084,544	\$5,277,451
	\$4,813,907	\$4,913,907	\$5,182,953	\$5,437,824	\$5,698,087	\$5,890,994
Unrestricted Surplus						
Operating	\$3,330,603	\$3,228,037	\$3,248,037	\$3,268,037	\$3,288,037	\$3,308,037
Capital	\$233,104	\$233,104	\$233,104	\$233,104	\$233,104	\$233,104
	\$3,563,707	\$3,461,141	\$3,481,141	\$3,501,141	\$3,521,141	\$3,541,141
Total Surplus	\$8,377,614	\$8,375,048	\$8,664,093	\$8,938,965	\$9,219,228	\$9,432,135

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[Index](#)

	2021		2022	2023	2024	2025
	Budget	Projected	Budget	Proposed	Proposed	Proposed
Debenture Debt						
Annual Payments						
Interest	\$469,512	\$469,512	\$432,785	\$394,383	\$354,230	\$312,246
Principal	\$805,389	\$805,389	\$842,116	\$880,518	\$920,671	\$962,655
Total Payments	\$1,274,901	\$1,274,901	\$1,274,901	\$1,274,901	\$1,274,901	\$1,274,901
Average Interest Rate	4.509%	4.509%	4.509%	4.509%	4.509%	4.509%
Debt Principal Owning at Year End	\$9,806,425	\$9,806,425	\$8,964,309	\$8,083,791	\$7,163,120	\$6,200,465
Debt Limit						
Statutory Debt Limit (2 x Revenue)	\$12,936,416	\$12,619,204	\$13,139,913	\$13,846,200	\$14,607,884	\$15,165,070
Actual Debt	\$9,806,425	\$9,806,425	\$8,964,309	\$8,083,791	\$7,163,120	\$6,200,465
% of Debt Limit Used	76%	78%	68%	58%	49%	41%
Annual Debt Servicing Limit						
Statutory Limit (35% of Rev)	\$2,263,873	\$2,208,361	\$2,299,485	\$2,423,085	\$2,556,380	\$2,653,887
Annual Payments	\$1,274,901	\$1,274,901	\$1,274,901	\$1,274,901	\$1,274,901	\$1,274,901
% of Servicing Limit Used	56%	58%	55%	53%	50%	48%
Liquidity						
<u>Annual Revenue</u>	\$6,718,208	\$6,506,602	\$6,569,956	\$6,923,100	\$7,303,942	\$7,582,535
<u>Unrestricted Surplus Target</u>						
Proportion of Revenue	25%	25%	25%	25%	25%	25%
Amount	\$1,679,552	\$1,626,651	\$1,642,489	\$1,730,775	\$1,825,986	\$1,895,634
<u>Unrestricted Surplus</u>						
At Year End	\$3,330,603	\$3,228,037	\$3,248,037	\$3,268,037	\$3,288,037	\$3,308,037
Proportion of Revenue	50%	50%	49%	47%	45%	44%

Table S2
North Red Deer River Water Services Commission
2022 - 2040 Financial Model
Capital Budget 2022 - 2031

[Index](#)

	2021 Projected	2022 Proposed	2023 Proposed	2024 Proposed	2025 Proposed	2026 Proposed	2027 Proposed	2028 Proposed	2029 Proposed	2030 Proposed	2031 Proposed
Capital Projects											
Asset Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Main Transmission System	\$158,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Laterals											
Meter Replacement - Laterals 1, 3-9)					\$86,595						
Meter Replacement - Lateral 2							\$11,262				
SCADA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$119,509	\$0
Maskwacis Extension	\$0	\$0	\$39,452,444	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Capital Expense	\$158,000	\$0	\$39,452,444	\$0	\$86,595	\$0	\$11,262	\$0	\$0	\$119,509	\$0
Capital Funding											
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants	\$0	\$0	\$39,452,444	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
From Reserves	\$158,000	\$0	\$0	\$0	\$86,595	\$0	\$11,262	\$0	\$0	\$119,509	\$0
Total Capital Funding	\$158,000	\$0	\$39,452,444	\$0	\$86,595	\$0	\$11,262	\$0	\$0	\$119,509	\$0
Capital Reserve Funds											
Additions	\$400,000	\$269,046	\$3,663,968	\$260,263	\$279,501	\$248,788	\$126,276	\$206,913	\$107,375	(\$4,671)	\$416,544
Withdrawals	(\$158,000)	\$0	\$0	\$0	(\$86,595)	\$0	(\$11,262)	\$0	\$0	(\$119,509)	\$0
Closing Balance	\$4,533,468	\$4,802,514	\$8,466,481	\$8,726,744	\$8,919,650	\$9,168,438	\$9,283,453	\$9,490,365	\$9,597,740	\$9,473,560	\$9,890,104
Total											
Asset Management											
Capital Cost Estimate - Asset Management Plan											
Total 25 Year Expenditures - 2022 - 2046	\$5,088,757										
Yearly Average	\$203,550										
Funding From Operating Revenue											
Transfers to Capital Reserves - 2022 - 2046	\$18,608,549										
Yearly Average	\$744,342										
Capital Reserve											
Lowest Balance	\$8,211,609										
Highest Balance	\$18,861,307										
Amortization of Tangible Capital Assets											
Total 2021 - 2040	\$18,139,536										
Yearly average	\$906,977										