

THE CORPORATION OF THE TOWN OF HEARST

BY-LAW NO. 05-2026

Being a by-law to approve the water service and the sanitary sewer service budgets for the 2026 fiscal year and to set the water consumption and service charges and sewage service charges

WHEREAS the Corporation of the Town of Hearst owns, operates, maintains and rehabilitates municipal infrastructure to supply potable water and sanitary sewage disposal services to residents of the Municipality, and

WHEREAS the annual budgets for the operation and the capital works of the water and sanitary sewer infrastructure must be approved at this time in order that water consumption rates and service charges and sanitary service charges be set for users at the start of the new fiscal year, and

WHEREAS the water line along the north and south boundaries of Highway 11 East from the Mattawishkwia bridge in an easterly direction for a distance of 1,382 meters must be financed in part by the residents and businesses consuming potable water via this new infrastructure,

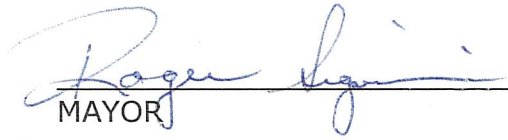
NOW THEREFORE BE IT ENACTED by the Council of the Corporation of the Town of Hearst that:

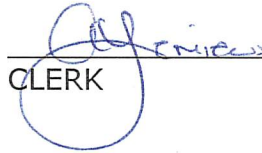
1. THAT the Water Budget for the 2026 fiscal year comprising revenues of \$1,559,200 and expenses of \$1,538,000 as set out in Schedule A appended hereto and forming part of this by-law, be hereby approved.
2. THAT the Water Capital Projects Budget for the 2026 fiscal year totaling \$308,700 as set out in Schedule B appended hereto and forming part of this by-law, be hereby approved.
3. THAT the Sanitary Sewer Budget for the 2026 fiscal year comprising revenues of \$912,400 and expenses of \$693,600 as set out in Schedule C appended hereto and forming part of this by-law, be hereby approved.
4. THAT the Sanitary Sewer Capital Projects Budget for the 2026 fiscal year totaling \$273,800 as set out in Schedule D appended hereto and forming part of this by-law, be hereby approved.
5. THAT the water consumption rate and water service charges as set out in Schedule E appended hereto and forming part of this by-law, be hereby approved.
6. THAT THE sewage service charge be set at the rate of sixty point nine percent (60.9%) of the water consumption charge and the water service charge set out in Schedule E appended hereto and forming part of this by-law, be hereby approved.
7. THAT the residents and businesses along the north and south boundaries of Highway 11 East from the Mattawishkwia bridge in an easterly direction on a distance of 1,382 metres be charged an additional \$1.36 per 1000 gallons of water as set out in Schedule F appended hereto and forming part of this by-law, until such time as 25% of the share of costs for the installation of the said water line apportioned to residents and businesses has been paid.
8. THAT the sewage charge be set at the rate of sixty point nine percent (60.9%) of the water consumption and service charges, not including the additional charge referred to in Clause 7 of this By-law.

9. THAT this by-law shall be deemed to have come into force and taken effect on the 1st day of January 2026.
10. THAT By-law 10-2025 be hereby repealed effective on the 1st day of January 2026.

READ AND PASSED IN OPEN COUNCIL

THIS 27TH DAY OF JANUARY, 2026.


MAYOR


CLERK

THE CORPORATION OF THE TOWN OF HEARST
Financial Statements for Water Department

Schedule A

Statement of Operations For the Years Ending December 31	2023 Actual	2024 Actual	2025 Projected	2,5% 2026 Budget	Per WFP 2026 Forecast	Per WFP 2027 Forecast	Per WFP 2028 Forecast	Per WFP 2029 Forecast	Per WFP 2030 Forecast	Per WFP 2031 Forecast
Revenues										
Sale of water	873,036	983,385	1,064,506	1,091,100	1,078,600	1,105,600	1,133,300	1,161,600	1,190,700	1,220,400
Service charges	380,009	425,309	457,084	468,100	464,600	475,800	487,200	498,900	510,800	523,100
Government transfers - Capital	807,363	151,460	9,296	-	-	-	-	-	-	-
	2,060,408	1,560,154	1,530,886	1,559,200	1,543,200	1,581,400	1,620,500	1,660,500	1,701,500	1,743,500
Expenses										
Administration	96,512	102,445	107,600	112,100	112,000	116,000	120,200	124,500	128,900	133,500
Transmission & distribution	18,610	79,852	105,213	105,900	85,900	88,000	90,200	92,400	94,700	97,100
Meters	34,211	37,485	43,458	56,000	45,700	46,900	48,100	49,300	50,500	51,800
Water plant operation	853,164	916,257	890,031	906,400	949,800	969,200	1,005,300	1,022,100	1,055,600	1,083,900
Amortization	273,102	320,964	322,916	350,000	325,100	334,100	343,100	343,400	341,800	340,000
Asset retirement obligation	7,595	7,595	7,595	7,600	7,600	7,600	7,600	7,600	7,600	7,600
	1,283,194	1,464,598	1,476,813	1,538,000	1,526,100	1,561,800	1,614,500	1,639,300	1,679,100	1,713,900
Annual surplus	\$ 777,214	\$ 95,556	\$ 54,073	\$ 21,200	\$ 17,100	\$ 19,600	\$ 6,000	\$ 21,200	\$ 22,400	\$ 29,600
Accumulated surplus, beginning of year	6,250,805	7,028,019	7,123,575	7,177,648	7,177,648	7,194,748	7,214,348	7,220,348	7,241,548	7,263,948
Accumulated surplus, end of year	\$7,028,019	\$7,123,575	\$7,177,648	\$7,198,848	\$7,194,748	\$7,214,348	\$7,220,348	\$7,241,548	\$7,263,948	\$7,293,548

Per WFP= Approved Water Financial Plan
 See Appendix A for the Detail Statement of Operations

THE CORPORATION OF THE TOWN OF HEARST
Financial Statements for Water Department

Schedule A

Statement of Financial Position
As of December 31

	2023	2024	2025	2026	Per WFP	Per WFP	Per WFP	Per WFP	Per WFP	Per WFP
	Actual	Actual	Projected	Budget	2026	2027	2028	2029	2030	2031
					Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Financial assets										
Cash	1,076,994	913,946	1,262,836	1,370,436	1,500,136	1,741,436	1,983,136	2,240,336	2,502,136	2,774,336
Liabilities										
Asset retirement obligations										
Balance, beginning of year	140,844	148,439	156,034	163,629	163,629	171,229	178,829	186,429	194,029	201,629
Accretion expense	7,595	7,595	7,595	7,600	7,600	7,600	7,600	7,600	7,600	7,600
Balance, end of year	148,439	156,034	163,629	171,229	171,229	178,829	186,429	194,029	201,629	209,229
Net assets	928,555	757,912	1,099,207	1,199,207	1,328,907	1,562,607	1,796,707	2,046,307	2,300,507	2,565,107
Non-financial assets										
Tangible capital assets (Note 1)	6,099,464	6,365,663	6,078,441	5,999,641	5,865,841	5,651,741	5,423,641	5,195,241	4,963,441	4,728,441
Accumulated surplus	\$ 7,028,019	\$ 7,123,575	\$ 7,177,648	\$ 7,198,848	\$ 7,194,748	\$ 7,214,348	\$ 7,220,348	\$ 7,241,548	\$ 7,263,948	\$ 7,293,548

Note 1: Schedule of Tangible Capital Assets

Cost, beginning of year	13,460,188	14,447,751	15,034,914	15,070,608	15,070,608	15,183,108	15,303,108	15,418,108	15,533,108	15,643,108
Additions (detailed on Schedule B)	987,563	587,163	35,694	271,200	112,500	120,000	115,000	115,000	110,000	105,000
Cost, end of year	14,447,751	15,034,914	15,070,608	15,341,808	15,183,108	15,303,108	15,418,108	15,533,108	15,643,108	15,748,108
Accumulated amortization, beginning of year	8,075,185	8,348,287	8,669,251	8,992,167	8,992,167	9,317,267	9,651,367	9,994,467	10,337,867	10,679,667
Amortization	273,102	320,964	322,916	350,000	325,100	334,100	343,100	343,400	341,800	340,000
Accumulated Amortization, end of year	8,348,287	8,669,251	8,992,167	9,342,167	9,317,267	9,651,367	9,994,467	10,337,867	10,679,667	11,019,667
Net book value	\$ 6,099,464	\$ 6,365,663	\$ 6,078,441	\$ 5,999,641	\$ 5,865,841	\$ 5,651,741	\$ 5,423,641	\$ 5,195,241	\$ 4,963,441	\$ 4,728,441

THE CORPORATION OF THE TOWN OF HEARST
Financial Statements for Water Department

Schedule A

Statement of Changes in Net Assets
As of December 31

	2023	2024	2025	2026	Per WFP	Per WFP	Per WFP	Per WFP	Per WFP	Per WFP
	Actual	Actual	Projected	Budget	2026	2027	2028	2029	2030	2031
					Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Annual surplus	\$ 777,214	\$ 95,556	\$ 54,073	\$ 21,200	\$ 17,100	\$ 19,600	\$ 6,000	\$ 21,200	\$ 22,400	\$ 29,600
Tangible capital assets activities										
Acquisition of tangible capital assets	(987,563)	(587,163)	(35,694)	(271,200)	(112,500)	(120,000)	(115,000)	(115,000)	(110,000)	(105,000)
Amortization of tangible capital assets	273,102	320,964	322,916	350,000	325,100	334,100	343,100	343,400	341,800	340,000
	(714,461)	(266,199)	287,222	78,800	212,600	214,100	228,100	228,400	231,800	235,000
Changes in net financial assets	62,753	(170,643)	341,295	100,000	229,700	233,700	234,100	249,600	254,200	264,600
Net assets, beginning of year	865,802	928,555	757,912	1,099,207	1,099,207	1,328,907	1,562,607	1,796,707	2,046,307	2,300,507
Net assets, end of year	<u>\$ 928,555</u>	<u>\$ 757,912</u>	<u>\$ 1,099,207</u>	<u>\$ 1,199,207</u>	<u>\$ 1,328,907</u>	<u>\$ 1,562,607</u>	<u>\$ 1,796,707</u>	<u>\$ 2,046,307</u>	<u>\$ 2,300,507</u>	<u>\$ 2,565,107</u>

THE CORPORATION OF THE TOWN OF HEARST
Financial Statements for Water Department

Schedule A

Statement of Cash Flows As of December 31	2023 Actual	2024 Actual	2025 Projected	2026 Budget	Per WFP 2026 Forecast	Per WFP 2027 Forecast	Per WFP 2028 Forecast	Per WFP 2029 Forecast	Per WFP 2030 Forecast	Per WFP 2031 Forecast
Operating activities										
Annual surplus	\$ 777,214	\$ 95,556	\$ 54,073	\$ 21,200	\$ 17,100	\$ 19,600	\$ 6,000	\$ 21,200	\$ 22,400	\$ 29,600
Items non affecting cash:										
Amortization	273,102	320,964	322,916	350,000	325,100	334,100	343,100	343,400	341,800	340,000
Asset retirement obligation	7,595	7,595	7,595	7,600	7,600	7,600	7,600	7,600	7,600	7,600
	1,057,911	424,115	384,584	378,800	349,800	361,300	356,700	372,200	371,800	377,200
Capital activities										
Acquisition of tangible capital assets	987,563	587,163	35,694	271,200	112,500	120,000	115,000	115,000	110,000	105,000
Changes in cash position	70,348	(163,048)	348,890	107,600	237,300	241,300	241,700	257,200	261,800	272,200
Cash position, beginning of year	1,006,646	1,076,994	913,946	1,262,836	1,262,836	1,500,136	1,741,436	1,983,136	2,240,336	2,502,136
Cash position, end of year	<u>\$ 1,076,994</u>	<u>\$ 913,946</u>	<u>\$ 1,262,836</u>	<u>\$ 1,370,436</u>	<u>\$ 1,500,136</u>	<u>\$ 1,741,436</u>	<u>\$ 1,983,136</u>	<u>\$ 2,240,336</u>	<u>\$ 2,502,136</u>	<u>\$ 2,774,336</u>

THE CORPORATION OF THE TOWN OF HEARST
Water Department - Detail Statement of Operations

Appendix A

							WFP	WFP	WFP	WFP	WFP	WFP
							5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
							2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Account description		2023 Actual	2024 Actual	2025 Budget	2025 Projected	2026 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget	2031 Budget
Sale of water - Residential	1-3-40140-600	544,845	625,656	669,500	659,755	676,200	686,200	703,400	721,000	739,000	757,500	776,400
Sale of water - General service	1-3-40140-601	328,191	357,729	382,800	404,751	414,900	392,400	402,200	412,300	422,600	433,200	444,000
Service charge - Residential	1-3-40140-602	268,201	301,998	323,100	325,930	334,100	331,200	339,500	348,000	356,700	365,600	374,700
Service charge - General service	1-3-40140-603	64,694	72,699	77,800	78,197	80,200	79,700	81,700	83,700	85,800	87,900	90,100
Fire hydrants charges	1-3-40140-604	18,818	18,818	18,800	18,818	18,800	18,800	18,800	18,800	18,800	18,800	18,800
Sprinkler charges	1-3-40140-605	28,296	31,794	34,000	34,139	35,000	34,900	35,800	36,700	37,600	38,500	39,500
Government transfers - Capital												
Ontario Specific		442,882	72,933	-	4,225	-	-	-	-	-	-	-
Canada Specific		364,481	78,527	-	5,071	-	-	-	-	-	-	-
Total revenues		2,060,408	1,560,154	1,506,000	1,530,886	1,559,200	1,543,200	1,581,400	1,620,500	1,660,500	1,701,500	1,743,500
Total expenses		1,283,194	1,464,598	1,520,100	1,476,813	1,538,000	1,526,100	1,561,800	1,614,500	1,639,300	1,679,100	1,713,900
Annual surplus (deficit)		777,214	95,556	(14,100)	54,073	21,200	17,100	19,600	6,000	21,200	22,400	29,600
Accumulated surplus, beginning of year		6,250,805	7,028,019	7,123,575	7,123,575	7,177,648	7,177,648	7,194,748	7,214,348	7,220,348	7,241,548	7,263,948
Accumulated surplus, end of year		7,028,019	7,123,575	7,109,475	7,177,648	7,198,848	7,194,748	7,214,348	7,220,348	7,241,548	7,263,948	7,293,548

							WFP	WFP	WFP	WFP	WFP	WFP
							5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
							2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Account description		2023	2024	2025	2025	2026	2026	2027	2028	2029	2030	2031
Water distribution administration		Actual	Actual	Budget	Projected	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Insurance	1-4-16550-200	38,694	44,172	46,800	47,789	49,000	49,100	51,600	54,200	56,900	59,700	62,700
Billing & collecting - Supplies	1-4-16550-212	11,560	10,278	11,600	11,816	12,100	11,900	12,200	12,500	12,800	13,100	13,400
Telephone	1-4-16550-214	1,875	1,678	1,700	1,735	1,800	1,700	1,700	1,700	1,700	1,700	1,700
Telephone answering service	1-4-16550-310	1,211	1,241	800	794	800	800	800	800	800	800	800
Administration HPDC contract	1-4-16550-315	38,078	39,443	40,100	40,063	41,100	41,100	42,100	43,200	44,300	45,400	46,500
Office rental	1-4-16550-465	2,852	2,923	3,000	2,976	3,100	3,100	3,200	3,300	3,400	3,500	3,600
Professional fees	1-4-16550-850	2,242	2,710	4,200	2,427	4,200	4,300	4,400	4,500	4,600	4,700	4,800
Amortization expense	1-4-16550-994	197,851	197,851	242,200	196,234	196,200						
Total administration		294,363	300,296	350,400	303,834	308,300	112,000	116,000	120,200	124,500	128,900	133,500
Water distribution maintenance												
Salaries	1-4-16552-1??	6,418	19,304	17,300	27,963	23,000	17,700	18,100	18,600	19,100	19,600	20,100
Equipment	1-4-16552-400	5,054	19,443	16,700	31,506	33,000	17,100	17,500	17,900	18,300	18,800	19,300
Courses & travelling	1-4-16552-218	-	-	1,500	-	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Supplies & services	1-4-16552-415	7,138	41,105	25,400	19,994	25,400	26,000	26,700	27,400	28,100	28,800	29,500
Street restoration	1-4-16552-305	-	-	23,000	25,750	23,000	23,600	24,200	24,800	25,400	26,000	26,700
Total transmission & distribution		18,610	79,852	83,900	105,213	105,900	85,900	88,000	90,200	92,400	94,700	97,100

							WFP	WFP	WFP	WFP	WFP	WFP
							5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
							2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
<u>Account description</u>		2023	2024	2025	2025	2026	2026	2027	2028	2029	2030	2031
		Actual	Actual	Budget	Projected	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Water meters maintenance												
Meter maintenance - Salaries contract	1-4-16555-315	4,716	2,986	5,000	3,811	3,900	5,100	5,200	5,300	5,400	5,500	5,600
Meter maintenance - Supplies & services	1-4-16555-415	1,240	-	2,000	14,151	14,500	2,100	2,200	2,300	2,400	2,500	2,600
Meter reading - Salaries				-		-	-	-	-	-	-	-
Meter reading - Supplies	1-4-16560-415	28,255	34,499	37,600	25,496	37,600	38,500	39,500	40,500	41,500	42,500	43,600
Total meters		34,211	37,485	44,600	43,458	56,000	45,700	46,900	48,100	49,300	50,500	51,800
<u>Water treatment</u>												
Salaries	1-4-16500-1??	950	433	600	848	1,400	600	600	600	600	600	600
Equipment	1-4-16500-400	151	277	1,500	419	800	1,500	1,500	1,500	1,500	1,500	1,500
Heating	1-4-16500-240	31,891	19,262	20,300	19,508	20,500	21,300	22,400	23,500	24,700	25,900	27,200
Hydro	1-4-16500-242	43,257	45,417	47,700	45,112	47,400	50,100	52,600	55,200	58,000	60,900	63,900
Property taxes	1-4-16500-260	19,817	20,689	21,500	21,261	22,100	22,000	22,600	23,200	23,800	24,400	25,000
Chemical cost	1-4-16500-315	295,861	349,384	366,900	299,988	325,000	385,200	394,800	404,700	414,800	425,200	435,800
O.C.W.A. - Operation charge	1-4-16500-320	417,738	420,981	421,300	421,285	423,400	431,800	442,600	453,700	465,000	476,600	488,500
Building repairs & maintenance	1-4-16500-430	8,176	8,805	7,300	9,636	8,400	7,500	7,700	7,900	8,100	8,300	8,500
Water filtration system R&M	1-4-16500-460	13,477	43,526	23,200	13,428	19,900	23,800	24,400	25,000	25,600	26,200	26,900
Non-routine expenses	1-4-16500-991	21,846	7,483	18,000	58,546	37,500	6,000	-	10,000	-	6,000	6,000
ARO Accretion	1-4-16500-997	7,595	7,595	7,600	7,595	7,600	7,600	7,600	7,600	7,600	7,600	7,600
Amortization expense	1-4-16500-994	75,251	123,113	105,300	126,682	153,800	325,100	334,100	343,100	343,400	341,800	340,000
Total water plant operation		936,010	1,046,965	1,041,200	1,024,308	1,067,800	1,282,500	1,310,900	1,356,000	1,373,100	1,405,000	1,431,500
<u>Total expenses</u>		1,283,194	1,464,598	1,520,100	1,476,813	1,538,000	1,526,100	1,561,800	1,614,500	1,639,300	1,679,100	1,713,900

THE CORPORATION OF THE TOWN OF HEARST
Water Department - Detail Capital Projects

Schedule B

For the Years Ending December 31	2025	2025	2026	WFP	WFP	WFP	WFP	WFP	WFP
Project description	Budget	Projected	Budget	2026	2027	2028	2029	2030	2031
				Budget	Budget	Budget	Budget	Budget	Budget
Soda ash /Lime pump - Peralistic Pump	15,000	17,628							
Emergency Well - Engineering	15,000	8,367							
Sludge Lagoon Residue Removal	170,000								
Reservoir Level Controller	5,000	3,124							
Rehabilitation of Water Reservoir		2,513							
Sludge Piping Repairs	5,000		5,000						
Backwash Pump VFD Alarm	3,500								
Hearst Water Plant - Emergency Pressure Relief	15,000		15,000						
Hearst Water Plant - 6" Backflow Preventer	7,500		7,500						
Hearst Water Plant - Emergency Supply Pump	10,000		10,000						
Clearwell Inspection	1,000	6,660							
Treated Ph Analyzer	7,500	7,539							
Filter#1 Turb Analyzer	11,000	10,269							
Lab Turbidity Portable Unit	4,500	3,076							
High Lift Pumps - Claval Check Valve - Repair/Replacement	7,500	7,328							
Emergency Work at Water Plan - Communication Card									
Replacement		9,670							
Chlorination System Repairs		18,066							
Desludge (Wheels, Motor and Gearbox)				35,000	35,000				
High Lift Pump #3 Replacement					50,000				
Hearst Water Plant - Emergency Pressure Relief				15,000					
Hearst Water Plant - 6" Backflow Preventer				7,500					
Hearst Water Plant - Emergency Supply Pump				10,000					
SCADA System Upgrade + Larger UPS			150,000			50,000			
Clearwell Cleaning - (5y) - Rehab Work in 2023 - Deferred to 2028						10,000			
Alarm Dialer Upgrade - Dialer Card					20,000				
Tower Inspection (5y)				20,000					20,000
Chemical Header PRV Repairs or Replacement								6,000	
High Lift Pumps - Claval Check Valve - Repair/Replacement				6,000					6,000

THE CORPORATION OF THE TOWN OF HEARST
Water Department - Detail Capital Projects

Schedule B

For the Years Ending December 31
Project description

	2025 Budget	2025 Projected	2026 Budget	WFP 2026 Budget	WFP 2027 Budget	WFP 2028 Budget	WFP 2029 Budget	WFP 2030 Budget	WFP 2031 Budget
Mongeon Cres. and McManus St. - Upgrade to Urban Standards			121,200						
Extra Project, to keep reinvestment around 115-125K\$ without grants				25,000	15,000	65,000	115,000	110,000	85,000
Total Capital Budget	277,500	94,240	308,700	118,500	120,000	125,000	115,000	116,000	111,000
Total transferred to operations (Non-routine expenses)	18,000	58,546	37,500	6,000	-	10,000	-	6,000	6,000
Total new addition for Tangible Capital Assets	89,500	35,694	271,200	112,500	120,000	115,000	115,000	110,000	105,000
Added yearly amortization (10 years)	8,950	3,569	27,120	11,250	12,000	11,500	11,500	11,000	10,500

THE CORPORATION OF THE TOWN OF HEARST
Financial Statements for Sanitary Sewer Department

Schedule C

Statement of Operations

For the Years Ending December 31

	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Budget
Revenues					
Sewer surcharge	841,425	891,328	853,277	875,825	889,700
Sewer surcharge - Cécile Trailer Park Lagoon	8,291	8,645	8,351	8,583	8,800
Other	11,724	13,395	13,696	13,842	13,900
Government transfers - Capital	-	-	-	-	-
	<u>861,440</u>	<u>913,368</u>	<u>875,324</u>	<u>898,250</u>	<u>912,400</u>
Expenses					
Wastewater collection	231,983	224,027	321,903	238,537	293,300
Wastewater treatment	132,613	156,192	156,944	154,746	166,900
Amortization	270,730	218,881	221,446	221,209	230,900
Asset retirement obligation	2,535	2,535	2,535	2,535	2,500
	<u>637,861</u>	<u>601,635</u>	<u>702,828</u>	<u>617,027</u>	<u>693,600</u>
Annual surplus	<u>\$ 223,579</u>	<u>\$ 311,733</u>	<u>\$ 172,496</u>	<u>\$ 281,223</u>	<u>\$ 218,800</u>
Accumulated surplus, beginning of year	5,692,637	5,916,216	6,227,949	6,400,445	6,681,668
Accumulated surplus, end of year	<u><u>\$ 5,916,216</u></u>	<u><u>\$ 6,227,949</u></u>	<u><u>\$ 6,400,445</u></u>	<u><u>\$ 6,681,668</u></u>	<u><u>\$ 6,900,468</u></u>

See Appendix B for the Detail Statement of Operations

THE CORPORATION OF THE TOWN OF HEARST
Financial Statements for Sanitary Sewer Department

Schedule C

Statement of Financial Position
As of December 31

	2022 Actual	2023 Actual	2024 Actual	2025 Projected	2026 Budget
Financial assets					
Cash	1,790,208	2,313,867	2,645,256	3,150,223	3,348,623
Liabilities					
Asset retirement obligations					
Balance, beginning of year	47,019	49,554	52,089	54,624	57,159
Accretion expense	2,535	2,535	2,535	2,535	2,500
Balance, end of year	49,554	52,089	54,624	57,159	59,659
Net assets	1,740,654	2,261,778	2,590,632	3,093,064	3,288,964
Non-financial assets					
Tangible capital assets (Note 1)	4,175,562	3,966,171	3,809,813	3,588,604	3,611,504
Accumulated surplus	\$ 5,916,216	\$ 6,227,949	\$ 6,400,445	\$ 6,681,668	\$ 6,900,468

Note 1: Schedule of Tangible Capital Assets

Cost, beginning of year	10,825,099	10,925,610	10,935,100	11,000,188	11,000,188
Additions (detailed on Schedule D)	100,511	9,490	65,088	-	253,800
Cost, end of year	10,925,610	10,935,100	11,000,188	11,000,188	11,253,988
Accumulated amortization, beginning of year	6,479,318	6,750,048	6,968,929	7,190,375	7,411,584
Amortization	270,730	218,881	221,446	221,209	230,900
Accumulated amortization, end of year	6,750,048	6,968,929	7,190,375	7,411,584	7,642,484
Net book value	\$ 4,175,562	\$ 3,966,171	\$ 3,809,813	\$ 3,588,604	\$ 3,611,504

THE CORPORATION OF THE TOWN OF HEARST
Financial Statements for Sanitary Sewer Department

Schedule C

Statement of Changes in Net Assets
As of December 31

	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Projected	Budget
Annual surplus	\$ 223,579	\$ 311,733	\$ 172,496	\$ 281,223	\$ 218,800
Tangible capital assets activities					
Acquisition of tangible capital assets	(100,511)	(9,490)	(65,088)	-	(253,800)
Amortization of tangible capital assets	270,730	218,881	221,446	221,209	230,900
	170,219	209,391	156,358	221,209	(22,900)
Changes in net financial assets	393,798	521,124	328,854	502,432	195,900
Net assets, beginning of year	1,346,856	1,740,654	2,261,778	2,590,632	3,093,064
Net assets, end of year	<u>\$ 1,740,654</u>	<u>\$ 2,261,778</u>	<u>\$ 2,590,632</u>	<u>\$ 3,093,064</u>	<u>\$ 3,288,964</u>

THE CORPORATION OF THE TOWN OF HEARST
Financial Statements for Sanitary Sewer Department

Schedule C

Statement of Cash Flows
As of December 31

	2022	2023	2024	2025	2026
	Actual	Actual	Actual	Projected	Budget
Operating activities					
Annual surplus	\$ 223,579	\$ 311,733	\$ 172,496	\$ 281,223	\$ 218,800
Items non affecting cash:					
Amortization	270,730	218,881	221,446	221,209	230,900
Asset retirement obligation	2,535	2,535	2,535	2,535	2,500
	496,844	533,149	396,477	504,967	452,200
Capital activities					
Acquisition of tangible capital assets	100,511	9,490	65,088	-	253,800
Changes in cash position	396,333	523,659	331,389	504,967	198,400
Cash position, beginning of year	1,393,875	1,790,208	2,313,867	2,645,256	3,150,223
Cash position, end of year	\$ 1,790,208	\$ 2,313,867	\$ 2,645,256	\$ 3,150,223	\$ 3,348,623

THE CORPORATION OF THE TOWN OF HEARST
Sanitary Sewer Department - Detail Statement of Operations

Appendix B

					Water 7% Sewer rate 60.9%		Water 2,5% Sewer rate 60.9%
<u>Account description</u>		2022 Actual	2023 Actual	2024 Actual	2025 Budget	2025 Projected	2026 Budget
Sewer surcharge on water billings	1-3-40142-600	841,425	891,328	853,277	849,500	875,825	889,700
Operations - Cécile Trailer Park lagoon	1-3-20200-202	8,291	8,645	8,351	8,900	8,583	8,800
Overhead recovered	1-3-60100-681	11,724	13,395	13,696	14,000	13,842	13,900
Government transfers - Capital							
Ontario Specific							
Canada Specific							
Total revenues		861,440	913,368	875,324	872,400	898,250	912,400
Total expenses		637,861	601,635	702,828	705,700	617,027	693,600
Annual surplus		223,579	311,733	172,496	166,700	281,223	218,800
Accumulated surplus, beginning of year		5,692,637	5,916,216	6,227,949	1,472,992	6,400,445	6,681,668
Accumulated surplus, end of year		5,916,216	6,227,949	6,400,445	1,639,692	6,681,668	6,900,468

THE CORPORATION OF THE TOWN OF HEARST
Sanitary Sewer Department - Detail Statement of Operations

Appendix B

					Water 7%			Water 2,5%
					Sewer rate			Sewer rate
					60.9%			60.9%
<u>Account description</u>			2022	2023	2024	2025	2025	2026
			Actual	Actual	Actual	Budget	Projected	Budget
<u>Wastewater collection</u>								
Repairs & maintenance - salaries	1-4-16100-1??	30,197	37,679	50,377	42,000	38,504	42,000	
Repairs & maintenance - equipment	1-4-16100-400	50,722	58,447	76,988	75,000	71,205	80,000	
Repairs & maintenance - supplies & services	1-4-16100-415	25,303	27,912	69,796	56,100	23,509	56,100	
Insurance	1-4-16100-200	1,721	2,185	3,523	3,700	3,979	4,100	
Heating	1-4-16100-240	352	314	352	400	492	500	
Hydro	1-4-16100-242	70,150	60,571	83,944	84,000	79,220	83,000	
Water & sewer	1-4-16100-244	9,004	7,100	7,392	8,100	4,909	7,100	
Property taxes	1-4-16100-260	458	471	501	500	521	500	
Non-routine expenses	1-4-16100-991	44,076	29,348	29,030	45,000	16,198	20,000	
Amortization expense	1-4-16100-994	149,247	142,748	142,748	149,700	142,511	152,200	
ARO Accretion	1-4-16100-997	2,418	2,418	2,418		2,418	2,400	
Total Wastewater collection		383,648	369,193	467,069	464,500	383,466	447,900	
<u>Wastewater treatment</u>								
Lagoon salaries	1-4-16150-1??	71	1,641	1,535	2,700	885	2,700	
Lagoon equipment	1-4-16150-400	-	230	749	2,300	371	1,000	
Chemical cost	1-4-16150-315	9,721	15,034	20,973	22,000	22,355	22,000	
O.C.W.A. lagoon charges	1-4-16150-320	105,205	117,824	115,985	118,100	116,068	116,600	
Operations - Cécile's Trailer Park lagoon	1-4-16150-321	12,042	13,859	14,279	14,600	14,407	14,600	
Treatment supplies & services	1-4-16150-415	5,377	7,407	3,226	5,200	463	9,800	
Amortization expense	1-4-16150-994	121,483	76,133	78,698	76,300	78,698	78,700	
Accretion Expense	1-4-16150-994	197	197	197		197	200	
ARO Accretion	1-4-16150-997	117	117	117		117	100	
Total Wastewater treatment		254,213	232,442	235,759	241,200	233,561	245,700	
<u>Total expenses</u>								
		637,861	601,635	702,828	705,700	617,027	693,600	

THE CORPORATION OF THE TOWN OF HEARST
Detailed Sanitary Sewer Department Capital Projects

Schedule D

For the Years Ending December 31

Project description

	2025 Budget	2025 Projected	2026 Budget
Mongeon Cres.and McManus St. - Upgrade to Urban Standards			138,800
East End SPS - Electrical Service and Control Panel Upgrade			57,500
Sensor for Lagoon Effluent Meter - New Technologies			10,000
Lagoon Building - Alum Pump Replacement - Lag Pump	10,000		
5th St SPS - Assessment and Major Maintenance	10,000	7,992	
Effluent Valve - Addition or Replacement	10,000		
CLI - Sewage Pump Station, O&M Manual			
East End SPS - Assessment and Major Maintenance			
Wyborn SPS - Assessment and Major Maintenance	15,000	7,709	
Tin Can SPS - Assessment and Major Maintenance			
Diesel SPS - Assessment and Major Maintenance	20,000	497	10,000
Diesel SPS - Electrical Service and Control Panel Upgrade	50,000		57,500
Total Capital Budget	115,000	16,198	273,800
Total transferred to operations (Non-routine expenses)	65,000	16,198	20,000
Total new addition for Tangible Capital Assets	50,000	-	253,800
Added yearly amortization (10 years)	5,000	-	25,380

The following monthly water rates shall be imposed pursuant to Article 5 of this by-law.

- A monthly service charge shall be imposed to every water service user, irrespective of any quantity of water used, in accordance with the amounts calculated for the applicable meter size as per the following:

The rate for the 1" meter shall be the rate used to calculate all other rates in relation to meter sizes in accordance with the formulas set out hereunder:

 - For meter sizes smaller than 1" and up to and including 4" in diameter, the rate shall be the 1" rate times the size of the meter.
 - For meter sizes greater than 4" up to and including 5", the rate shall be 90% of the 1" rate times the size of the meter.
 - For meter sizes greater than 5" up to and including 6", the rate shall be 80% of the 1" rate times the size of the meter.
 - For meter sizes greater than 6", the rate shall be 75% of the 1" rate times the size of the meter.
- Based on the formula set out in section 1 hereabove, the following service charges will apply effective on January 1st, 2026:

<u>Meter Size</u>	<u>Monthly Service Charge</u>
5/8"	\$12.89
3/4"	15.47
1"	20.62
1 1/4"	25.78
1 1/2"	30.93
2"	41.24
3"	61.86
4"	82.48
5"	92.79
6"	98.98
7"	108.26

The water service charge may be adjusted to the size of the principal internal plumbing system of a building provided the meter is of the same size or is changed to the same size and provided the charge is not lower than for the minimum size of 5/8". Any adjustment in this respect shall be granted retroactively for a period not to exceed 40 weeks.
- Where a multiple dwelling is serviced by a single meter, the minimum rate to be charged for each dwelling unit shall be the minimum rate for that multiple dwelling, based on meter size, divided by the number of dwelling units, save and except that each minimum rate shall in no case be less than \$12.89 per dwelling unit.
- A charge of \$11.74 per 1,000 gallons of water used or in proportion thereof, shall be imposed to all users, irrespective of meter size.
- A sprinkler charge of \$225.68 per month shall be imposed to users who have sprinkler systems.
- A charge of \$18,817.88 per year shall be imposed to the Corporation of the Town of Hearst for the fire hydrants.
- In the case of a second water line to a single dwelling residential property that is used solely for seasonal purposes, the service charge shall apply for only those months where water consumption is registered on the water meter.