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Meeting Date: April,30, 2026
File No.:



To: Chair and Members
Lambton Area Water Supply System Joint Board of Management

From: Michael Helps
Budget Analyst/ Assistant System Administrator

Subject: Financial Report Update- April 30, 2026

Recommendation

This report is to be received as information; the report will detail the financial progress to February 2026 Year to date.

Background:

The 2026 LAWSS Operating and Capital Budget was approved by the Joint Board of Management in September 2025. The total operating budget was \$6.7 million (\$5.4 million for OCWA and \$1.3 million for LAWSS) and the total capital budget is \$7.5 million.

All information is available in detail in the February Financial Binders.

Comments:

Revenues: All Members have been invoiced and paid up to date for up to the end of February.

Interest Income is currently higher than budgeted; this is due to the higher-than-expected bank balance and the higher interest rates. We have received \$133,544.05 in interest revenue, LAWSS' annual budget is \$86,000. All additional revenues will be transferred to the Reserve at the end of the year, to help with future project costing.

Expenditures: Overall LAWSS is currently under budget, with most of this coming from Capital Projects. LAWSS currently has utilized 5% of the budget. The Expenditures are broken up into 3 main categories:

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LAWSS Capital Projects:

2026 Capital projects are currently at 1% of the annual budget. Project Status: There are 8 projects budgeted for 2026. There has been a total of \$17,103 spent so far on 2026 projects. 5 of the 8 projects have been awarded and are in the beginning stages: 26-01 New watermain construction, 26-03 Asset Management Plan and 26-06 Low Lift #3 Rehabilitation. 2 projects are currently being recommended for approval at the April meeting are: 26-02 Phase 3 Construction and 26-05 Pipeline Assessment Program. The remaining projects Request for Proposals are currently under development.

Capital projects before 2026; have spent \$172,893 for 9 projects (Main plant Various Panels, SCADA Phase 3, WLPS Engineering and Reservoir Repair, and Generator Switchgear, Electrical Condition Assessment of WTP, Phase 3 Engineering, LAWSS Master Panel, Engineering for ELPS Watermain, and Various Panels Construction). Projects carrying forward from previous years are all in progress, Master Plan & Engineering for ELPS and Various Panels construction are all almost complete. All Projects will utilize their assigned budgets.

Distributions Repairs are currently at 3% of the Annual Budget. \$6,479 has been spent.

Major Maintenance and Service Agreements:

OCWA has a total of 31 planned projects for 2026, as of February 2026, The project status: Currently 5 projects are completed, 6 projects have been approved by LAWSS Staff and are in progress, and remaining 20 projects in progress by OCWA staff.

Major Maintenance are currently at 0% of the total annual budget. A total of \$0 has been spent, LAWSS receives invoices from OCWA on a quarterly basis and will receive their first invoice in April for Jan-March.

Operations:

Operations are currently at 22% of the annual budget and are on pace to utilize the full annual budget. A total of \$1.66 Million has been spent, the majority of this is for OCWA’s contract (\$900K).

Highlights of General and Administration Accounts that are over/under budget:
 -OCWA Operations & Maintenance and LAWSS Wages & Benefits are on budget.
 A total of \$553K has been spent, the majority of this is Wages and Benefits (\$54K), Legal Fees (\$428K), Property Tax (\$67K), and the remaining is spread over various

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Administration Accounts (Education, Office Supplies, etc.)

Annually there is a \$30,000 Facility Maintenance budget for projects around the LAWSS Facility. This is currently under budget, \$0 has been spent, this is 0% of the annual budget.

Consultation:

Not applicable.

Financial Implications:

Not applicable

This report was prepared by Michael Helps - Budget Analyst/Assistant System Administrator

Attachment(s):
February 2025 Financial Report Binder