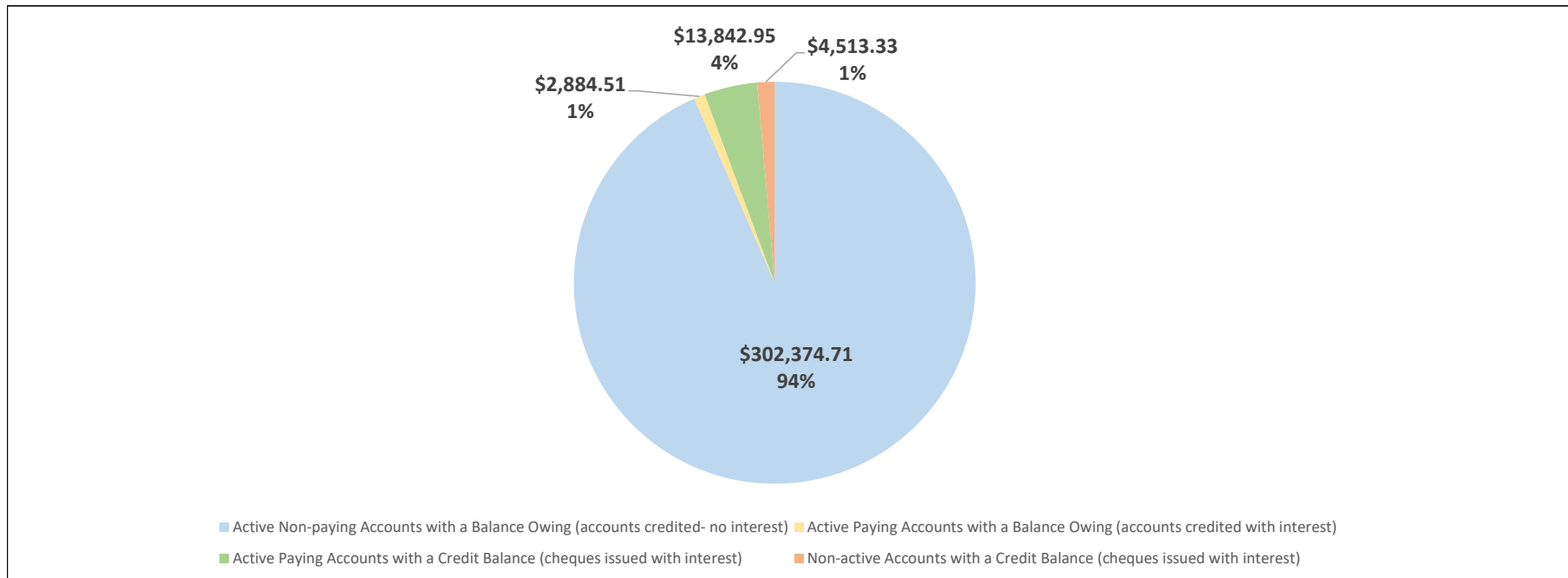


ADJUSTMENTS TO WATER BILLING PENALTIES APPLIED IN ERROR JULY 2018 TO DECEMBER 2020

Accounts	Variance Amount	% of Total	Interest Given	Total Adjustment	Cheques Issued	#Acct's
Active Non-paying Accounts with a Balance Owing (accounts credited- no interest)	\$302,374.71	93.44%	\$0.00	\$302,374.71	\$0.00	55
Active Paying Accounts with a Balance Owing (accounts credited with interest)	\$2,884.51	0.89%	\$57.68	\$2,942.19	\$0.00	74
Active Paying Accounts with a Credit Balance (cheques issued with interest)	\$13,842.95	4.28%	\$286.86	\$14,119.81	\$8,840.62	27
Non-active Accounts with a Credit Balance (cheques issued with interest)	\$4,513.33	1.39%	\$90.26	\$4,603.60	\$4,471.52	39
Total Variance (before interest)	\$323,615.50		\$434.80	\$324,040.31	\$13,312.14	195
Variance Less Than \$1.00 (8 accounts adjusted)	<u>\$2.77</u>			<u>\$2.77</u>		<u>8</u>
	\$323,618.27			\$324,043.08		203



Refer to Page 2 for more details on Accounts:

ADJUSTMENTS TO WATER BILLING PENALTIES APPLIED IN ERROR JULY 2018 TO DECEMBER 2020

Account Details:

Active Non-paying Accounts with a Balance Owing (accounts credited- no interest):

These are accounts that could be deemed as "uncollectible accounts receivable". Most of these accounts have been in arrears for years with no attempt to pay. The incorrect date entered for the calculation of penalty charges resulted in the amount increasing exponentially over time. The reason the variance is significant is because the principal was significant.

Active Paying Accounts with a Balance Owing (accounts credited with interest):

These are accounts that are in arrears on occasion. As the penalty calculation from the error only occurred on past due amounts, the resulting dollar figure was relatively minimal. These accounts still had a balance owing after the correction was made and therefore no cheque was issued.

Note: Also, no cheque issued on accounts that were in a credit balance exceeding the amount of the error.

Active Paying Accounts with a Credit Balance (cheques issued with interest):

These are accounts that are in arrears on occasion. As the penalty calculation from the error only occurred on past due amounts, the resulting dollar figure was relatively minimal. A cheque was issued for the amount the account was in credit after the correction was made.

Non-active Accounts with a Credit Balance (cheques issued with interest):

These are accounts that have had a change in ownership during the period the error had occurred. Typically, the lawyer will deduct the amount owing at time of sale, therefore the amount of error on these accounts are owed to the Seller. Cheques have been issued for most of these accounts and every attempt will be made to find their current addresses.