



**THE CORPORATION OF THE TOWN OF AMHERSTBURG**  
**OFFICE OF ENGINEERING & INFRASTRUCTURE SERVICES**

*MISSION STATEMENT: Committed to delivering cost-effective and efficient services for the residents of the Town of Amherstburg with a view to improve and enhance their quality of life.*

<b>Author's Name: Dwayne Grondin</b>	<b>Report Date: March 21, 2024</b>
<b>Author's Phone: 519 736-3664 ext. 2314</b>	<b>Date to Council: April 22, 2024</b>
<b>Author's E-mail: dgrondin@amherstburg.ca</b>	<b>Resolution #:</b>

**To: Mayor and Members of Town Council**

**Subject: Financial Plan for the Town of Amherstburg's Municipal Drinking Water System Licence**

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**1. RECOMMENDATION:**

It is recommended that:

1. The six-year Financial Plan (2024 to 2029) for the Town of Amherstburg Municipal Drinking Water System Licence **BE APPROVED**; and,
2. Administration **BE AUTHORIZED** to submit to the Ontario Ministry of Municipal Affairs and Housing in accordance with Ontario Regulation 453/07 in order to meet the requirements of the Municipal Drinking Water Licence renewal.

**EXECUTIVE SUMMARY:**

N/A

**2. BACKGROUND:**

On August 14, 2007 the Ministry of the Environment released Regulation 453/07 requiring all municipalities to complete a Financial Plan for their drinking water system.

The Drinking Water Quality Management Standard (DWQMS), under the Safe Drinking Water Act, requires that the Town of Amherstburg remain licensed to operate and maintain Amherstburg's Drinking Water System. The Town was issued the most recent Municipal Drinking Water Licence on February 6, 2020. The Licence is due for renewal on February 4, 2025 and will be eligible for renewal so long as the following 4 criteria are met:

1. The Town maintains its status as (or employ) an accredited operating authority
2. The Town prepares a financial plan that is approved by Council
3. The Town has a valid permit to take water
4. The Town operates the municipal drinking water system in accordance to the conditions in their licence

Presently, the Town meets criteria 1, 3 and 4. In order for the Town to meet its obligations for licence renewal under criteria 2, Administration must complete and submit a financial plan which must be approved by Council. The purpose of this report is to present a Drinking Water System Financial Plan for Council's review and approval so that Administration can renew the Town's licence.

### **3. DISCUSSION:**

The Financial plan is prepared for a six year planning period and must include, for each year, details of the proposed or projected financial operations of the drinking water system itemized by:

- a) Total revenue, further itemized by water rates, user charges and other revenues.
- b) Total expenses, further itemized by amortization expenses, interest expenses and other expenses.
- c) Annual surplus or deficit.
- d) Accumulated surplus or deficit.

Regulation 453/07 states that the Financial Plan must be made available, on request, to members of the public who are served by the drinking water system and notice must be given advising the public of the availability of the financial plan. The Town of Amherstburg Financial Plan will be updated on the Town's website.

### **4. RISK ANALYSIS:**

The Ministry of the Environment, Conservation & Parks has placed a deadline for our licence renewal application of August 5, 2024. Our licence expires on February 4, 2025. The Ministry requires Council's resolution accepting the financial plan in order to complete the licence renewal. The Ontario Clean Water Agency will submit the Municipal Drinking Water Licence renewal application to the Ministry of the Environment, Conservation & Parks once this has been accomplished. A municipal drinking water system must be licensed to be authorized to supply drinking water to the public, therefore a delay or failure of Council to approve the financial plan may jeopardize the status of the Town's licence, fines may be levied and political and community implications may result.

### **5. FINANCIAL MATTERS:**

The attached 2024-2029 Financial Plan provides a summary of the projected financial viability of the drinking water system.

The Plan was derived from the 2023 Amherstburg Water and Wastewater Rate Study that was recently completed by the Ontario Clean Water Agency and approved by Council

January 29, 2024. The water rates model looks at operating revenue and expenses as well as capital outlays and anticipated borrowing to complete such works.

Timing of capital projects and borrowing may vary from the plan however are anticipated to occur within the 5 year window.

**6. CONSULTATIONS:**

The Treasurer and the Ontario Clean Water Agency were consulted with regards to this report.

**7. CONCLUSION:**

The current Municipal Drinking Water Licence expires on February 4, 2025 and, as per the regulations, the financial plan must be approved by Council and submitted as part of the Municipal Drinking Water Licence renewal application. Ontario Clean Water Agency will submit the Municipal Drinking Water Licence renewal application to the Ministry of the Environment, Conservation & Parks once the financial plan is approved.



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Dwayne Grondin  
**Manager of Environmental Services**

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<b>DEPARTMENTS/OTHERS CONSULTED:</b> <b>Name: Tracy Prince, Director of Corporate Services</b> <b>Phone #: 519 736-0012 ext. 2254</b>
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<b>NOTIFICATION :</b>				
Name	Address	Email Address	Telephone	FAX

## Report Approval Details

Document Title:	Financial Plan for the Town of Amherstburg's Municipal Drinking Water System Licence.docx
Attachments:	- Amherstburg FP - final.pdf
Final Approval Date:	Mar 28, 2024

This report and all of its attachments were approved and signed as outlined below:



Antonietta Giofu



Tracy Prince



Valerie Critchley

**No Signature - Task assigned to Kevin Fox was completed by workflow administrator Sarah Sabihuddin**

Kevin Fox