



# AGENDA

## Council Meeting

4:30 PM - Thursday, May 22, 2025  
Municipal Office

	Page
<b>1. CALL TO ORDER</b>	
<b>2. DISCLOSURE OF PECUNIARY INTEREST</b>	
<b>3. MINUTES</b>	
3.1. Regular Council Meeting Minutes of May 8, 2025 <a href="#">Council - 08 May 2025 - Minutes - Pdf</a>	3 - 6
<b>4. BUSINESS ARISING FROM THE MINUTES</b>	
<b>5. DELEGATIONS &amp; TIMED EVENTS</b>	
5.1. Court of Revision: Logan Drain (Warwick Rep: Councillor Joe Manning) <a href="#">Schedule of Assessment</a>	7 - 8
5.2. Brooke-Alvinston-Watford Fall Fair Ambassador Presentation	
<b>6. CORRESPONDENCE</b>	
6.1. Municipal Information  <a href="#">3146 Nauvoo Road - ZBLA - Public Meeting Notice</a> <a href="#">Schouten - Notice of Application Public Meeting - Correction</a> <a href="#">Luhovy McEwen Drain - Southwest Middlesex</a> <a href="#">County of Lambton Letter - York 1 Waste Application</a> <a href="#">Letter from Minister Flack - Bill 17</a> <a href="#">Municipal Information - May 22, 2025</a>	9 - 30
6.2. Correspondence Requiring Action - <a href="#">LGODB OPP policed communities motion request</a> <a href="#">Municipality of Chatham-Kent - Bill 5 Landfill</a> <a href="#">Town of Cobourg - Ontario Works Financial Assistance Rates</a> <a href="#">Town of Blue Mountains - Tax Rate on Ontario-Made Cider</a>	31 - 37
6.3. Bluewater Power - Page 9 Resolution Request <a href="#">2024 Annual Shareholders Update and Governance Report</a> <a href="#">2024 Shareholders Dividends May 1, 2025</a>	38 - 101
<b>7. STAFF REPORTS</b>	
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[Hair Drain Tender Summary Letter](#)  
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- 7.3. **Treasurer's Report:** By-law to Adopt the Municipality's 2025 Tax Rates 105 - 110  
[By-law to Adopt the Municipality's 2025 Tax Rates - Pdf](#)
- 7.4. **Treasurer's Report:** Water and Wastewater Rate Analysis and Rate 111 - 126  
Bylaw  
[Water and Wastewater Rate Analysis and Rate Bylaw - Pdf](#)
- 7.5. **Treasurer's Report:** Alvinston Drinking Water System Financial Plan 127 - 146  
[Alvinston Drinking Water System Financial Plan - Pdf](#)
- 7.6. **Clerk Administrator's Report:** Request from Optimist Club - Tanner 147 - 149  
Redick Memorial Ball Tournament  
[Requests from the Optimist Club - Tanner Redick Memorial Ball Tournament - Pdf](#)

## 8. BY-LAWS

- 8.1. By-law 17 of 2025 - 12-13 Sideroad Drain - third & final reading
- 8.2. By-law 22 of 2025 - Tax Rate By-law
- 8.3. By-law 23 of 2025 - Water & Wastewater Fees

## 9. NEW BUSINESS

- 9.1. Upcoming Meetings:  
May 29th @ 4:30 pm - Venfor Inc.  
June 19 @ 4:30 pm - Plan of Subdivision review (Schouten)

## 10. CLOSED SESSION

## 11. RISE AND REPORT

## 12. BY-LAW CONFIRMING PROCEEDINGS

## 13. ADJOURNMENT



# MINUTES

## Council Meeting

4:30 PM - Thursday, May 8, 2025  
Municipal Office

The Council of the Municipality of Brooke-Alvinston was called to order on Thursday, May 8, 2025, at 4:30 PM, in the Municipal Office, with the following members present:

- Council Present:** Deputy Mayor Frank Nemcek, Councillor Don McCabe, Councillor Jenny Redick, and Councillor Craig Sanders
- Staff Present:** Clerk Administrator Janet Denkers, Treasurer Stephen Ikert, Public Works Superintendent Jamie Butler, Parks & Recreation Manager Greg Thornicroft, and Fire Chief Steve Knight
- Regrets:** Mayor David Ferguson

### 1 CALL TO ORDER

The Deputy Mayor called the meeting to order at 4:30 p.m.

### 2 DISCLOSURE OF PECUNIARY INTEREST

The Deputy Mayor requested that any pecuniary interests be declared when applicable during the meeting.

### 3 MINUTES

- a) Regular Council Meeting Minutes of April 24, 2025

#### RESOLUTION-2025-145

Councillor Craig Sanders made a motion that the minutes of the April 24, 2025 meeting be approved as presented without error or omission. Councillor Jenny Redick seconded the motion.

**Carried**

### 4 BUSINESS ARISING FROM THE MINUTES

### 5 DELEGATIONS & TIMED EVENTS

- a) Lambton Group OPP Detachment Board

Mandi Pearson, Greg Nemcek, Inspector Avery, Staff Sargent VanRoboys and Staff Sargent Yantzi were present at Council to provide information and updates of the Lambton OPP Group. It was noted that a draft motion will be circulated to Council for inclusion on the May 22nd agenda.

### 6 CORRESPONDENCE

- a) Municipal Information

#### RESOLUTION-2025-146

Councillor Jenny Redick made a motion that the circulated correspondence be received and filed. Councillor Craig Sanders seconded the motion.

**Carried**

- b) Guthrie Presbyterian Church - Request for Donation

**RESOLUTION-2025-147**

Councillor Don McCabe made a motion that the Municipality of Brooke-Alvinston donate \$100.00 to Guthrie Presbyterian Church in support of their free community concert. Councillor Jenny Redick seconded the motion.

**Carried**

- c) Township of Otonabee-South Monaghan - Daylight Savings Time

**RESOLUTION-2025-148**

Councillor Don McCabe made a motion that the request from the Township of Otonabee-South Monaghan be received and filed. Councillor Craig Sanders seconded the motion.

**Carried**

- d) Town of Georgina - Salt Management

**RESOLUTION-2025-149**

Councillor Craig Sanders made a motion that the request from the Town of Georgina be received and filed. Councillor Don McCabe seconded the motion.

**Carried**

- e) Champlain Township - Surveillance and Monitoring of Heavy Vehicles in Ontario

**RESOLUTION-2025-150**

Councillor Don McCabe made a motion that the request from Champlain Township be received and filed. Councillor Craig Sanders seconded the motion.

**Carried**

## 7 STAFF REPORTS

- a) **Drainage Superintendent's Report** - Drain Maintenance Requests

**RESOLUTION-2025-151**

Councillor Craig Sanders made a motion that the drain maintenance requests for the Moffatt Lucas Drain and the McKellar Werden Drain be referred to the Drainage Superintendent with the power to act. Councillor Jenny Redick seconded the motion.

**Carried**

- b) **Clerk Administrator's Report:** Time Study Request

**RESOLUTION-2025-152**

Councillor Jenny Redick made a motion that the report prepared by Administration on the Time Study request be received and filed. Councillor Craig Sanders seconded the motion.

**Carried**

- c) **Fire Chief's Report:** Brooke Fire Rescue Quarterly Report - Quarter 1 2025

**RESOLUTION-2025-153**

Councillor Jenny Redick made a motion that this report be received and filed. Councillor Craig Sanders seconded the motion.

**Carried**

- d) **Treasurer's Report:** Accounts Payable Listing - April 2025

**RESOLUTION-2025-154**

Councillor Jenny Redick made a motion that Council receive and file the Accounts Payable Listing for April 2025. Councillor Don McCabe seconded the motion.

Carried

- e) **Parks & Recreation Manager's Report:** BAICCC Playground slide

The estimate received for the slide replacement was reported at \$5,300.

**RESOLUTION-2025-155**

Councillor Jenny Redick made a motion that Council accept the quote from Active Playground Equipment (APE) for the slide replacement at BAICCC playground. Councillor Craig Sanders seconded the motion.

Carried

**8 BY-LAWS**

- a) By-law 20 of 2025: Ale House By-law

**RESOLUTION-2025-156**

Councillor Craig Sanders made a motion that By-law 20 of 2025 be read a first, second and third time and finally passed this 8th day of May, 2025. Councillor Jenny Redick seconded the motion.

Carried

**9 NEW BUSINESS**

- 1) The Fire Chief noted that Lambton College is holding an Emergency Preparedness event on May 10th from 10 a.m. to 2 p.m.
- 2) Councillor Nemcek reminded Council of the Alvinston Optimist Club's Mothers Day Brunch being held on Saturday, May 10th at the BAICCC.

**10 CLOSED SESSION**

**11 RISE AND REPORT**

**12 BY-LAW CONFIRMING PROCEEDINGS**

- a) By-law 21 of 2025

**RESOLUTION-2025-157**

Councillor Jenny Redick made a motion that By-law 21 of 2025 be read a first, second and third time and finally passed this 8th day of May, 2025. Councillor Craig Sanders seconded the motion.

Carried

**13 ADJOURNMENT**

Councillor Redick adjourned the meeting at 5:20 p.m.

\_\_\_\_\_  
Clerk-Administrator

\_\_\_\_\_  
Mayor



## SCHEDULE OF ASSESSMENT

To incorporate one access culvert that was replaced under emergency designation, to install two energy diffusers in the open channel, to repair five washouts in the channel, and to improve the channel with brushing and cleanout as required.

Conc.	Lot or Part	Affected Hect.	Roll No.	Owner	Sp. Benefit	Culverts		Channel		Total
						Benefit	Outlet	Benefit	Outlet	
Municipality of Brooke-Alvinston										
Agricultural Lands										
14	W. 1/2 Lot 22	6.25	50-131	R., L., M., & R.B. King	-	-	1,665.00	-	561.00	2,226.00
	E. 1/2 Lot 22	22.3	50-132	Kam Minten Farms Inc.	-	-	5,941.00	1,316.00	2,002.00	9,259.00
	W. 1/2 Lot 23	23.77	50-133	B. & M. Stevens & Sons Farm	9,840.00	13,592.00	6,332.00	3,948.00	2,134.00	35,846.00
					9,840.00	13,592.00	13,938.00	5,264.00	4,697.00	47,331.00
Non-Agricultural Lands										
14	pt. W. 1/2 Lot 23	0.42	50-13301	D. Butler	-	-	224.00	-	75.00	299.00
				Total Non-Agricultural Lands	-	-	224.00	-	75.00	299.00
Municipal Lands										
	Churchill Line (1/2)	0.81		Municipality of Brooke-Alvinston	-	-	863.00	-	291.00	1,154.00
				Total Municipal Lands	-	-	863.00	-	291.00	1,154.00
				Total Agricultural Lands	47,331.00					
				Total Non-Agricultural Lands	299.00					
				Total Municipal Lands	1,154.00					
				Total - Municipality of Brooke-Alvinston	48,784.00					

Conc.	Lot or Part	Affected Hect.	Roll No.	Owner	Sp. Benefit	Culverts		Channel		Total
						Benefit	Outlet	Benefit	Outlet	
Township of Warrick										
Agricultural Lands										
6	pt. E1/2 Lot 23	3.24	01-013	A. Hoogerbrugge	-	-	863.00	-	291.00	1,154.00
	W. 1/2 Lot 24	23.24	01-014	K. & I. Swine Ltd.	-	-	3,467.00	-	1,169.00	4,636.00
	E. 1/2 Lot 24	30.61	01-01401	Sandwill Farms Ltd.	-	-	8,155.00	-	2,748.00	10,903.00
	pt. W. 1/2 Lot 25	8.91	01-016	L. Brooks	-	-	2,374.00	-	800.00	3,174.00
Total Agricultural Lands					-	-	14,859.00	-	5,008.00	19,867.00
Municipal Lands										
Churchill Line (1/2) Arkona Road		0.81		Township of Warwick	-	-	863.00	-	291.00	1,154.00
		1.21		Township of Warwick	-	-	967.00	-	326.00	1,293.00
Total Municipal Lands					-	-	1,830.00	-	617.00	2,447.00
Total Agricultural Lands						19,867.00				
Total Municipal Lands						2,447.00				
Total - Township of Warrick						22,314.00				
Total - Municipality of Brooke-Alvinston						48,784.00				
Total Assessment						71,098.00				
Total Area		121.57								





**MUNICIPALITY OF BROOKE-ALVINSTON  
NOTICE OF PUBLIC MEETING**

**CONCERNING A PROPOSED ZONING BY-LAW AMENDMENT**

**TAKE NOTICE** that the Council of the Corporation of the Municipality of Brooke-Alvinston will hold a Public Meeting on June 19, 2025, at 4:30 p.m. in the Municipal Council Chambers to consider a proposed Zoning By-law Amendment under Section 34 of the Planning Act, R.S.O. 1990, as amended.

**THE PROPOSED ZONING BY-LAW AMENDMENT** would amend the Municipality of Brooke-Alvinston Comprehensive Zoning By-law 9 of 2013 by changing the zoning on lands located at 3146 Nauvoo Road from the “**Residential 1 (h) (R1-h)**” into several separate zones, as shown in Appendix 1, to accommodate a range and mix of housing options related to a proposed Plan of Subdivision (**38T-25002**).

The proposed “**Residential 1 (R1)**” zone is an existing zone that would permit lots intended for single detached dwellings. The proposed “**Residential 1 – Site Specific (R1-\*)**” zone would permit lots also intended for single detached dwellings but with minimum lot frontages of 13 m, minimum lot areas of 405 m<sup>2</sup>, and maximum lot coverages of 45%, whereas the standard R1 Zone requires 15m minimum lot frontages, 465 m<sup>2</sup> minimum lot areas, and 30% maximum lot coverage. The proposed “**Residential (R3)**” zone is the Municipality’s standard multiple dwelling zone and would permit a block intended to be developed for townhouse units. The proposed “**Residential 3 – Site Specific (R3-\*)**” zone would permit a number of blocks also intended for townhouse units but permitting a density of one unit per 200 m<sup>2</sup> of lot area, a maximum lot coverage of 55%, and minimum interior side yard setbacks of 1.2 metres, whereas the standard R3 Zone permits one unit per 280m<sup>2</sup> of lot area, maximum lot coverage of 40%, and 3 m minimum interior side yards. The proposed “**Open Space 1 (OS1)**” zone would apply to proposed stormwater management and servicing blocks.

**THE KEY MAP** shows more particularly the lands affected.

An application for draft approval of a Plan of Subdivision (file 38T-25002) has also been submitted with respect to the subject lands and is under consideration by the County of Lambton.

**ANY PERSON** may attend the public meeting and/or make written or oral representation either in support of or in opposition to the proposed Zoning By-law Amendment. If you wish to submit a written or make an oral presentation at the public hearing, please contact the Municipality of Brooke-Alvinston no later than 4:30 p.m. on June 18, 2025.

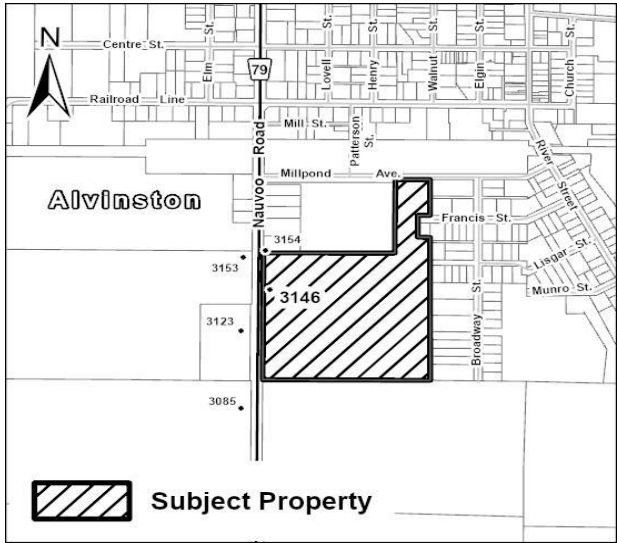
**WRITTEN SUBMISSIONS** in respect of the proposed Zoning By-law Amendment can be made to the Clerk of the Municipality of Brooke-Alvinston.

**IF A PERSON** or public body does not make oral submissions at the public meeting or make written submissions to the Municipality of Brooke-Alvinston before the Zoning By-law Amendment is passed the person or public body is not entitled to appeal the decision of the Municipality of Brooke-Alvinston to the Ontario Land Tribunal.

**IF A PERSON** or public body does not make oral submissions at a public meeting or make written submissions to the Municipality of Brooke-Alvinston before the Zoning By-law Amendment is passed they may not be added as a party to the hearing of an appeal before the Ontario Land Tribunal unless, in the opinion of the Tribunal, there are reasonable grounds to do so.

**IF YOU WISH** to be notified of the proposed Zoning By-law Amendment being passed, you must make a written request to the Clerk of the Municipality of Brooke-Alvinston.

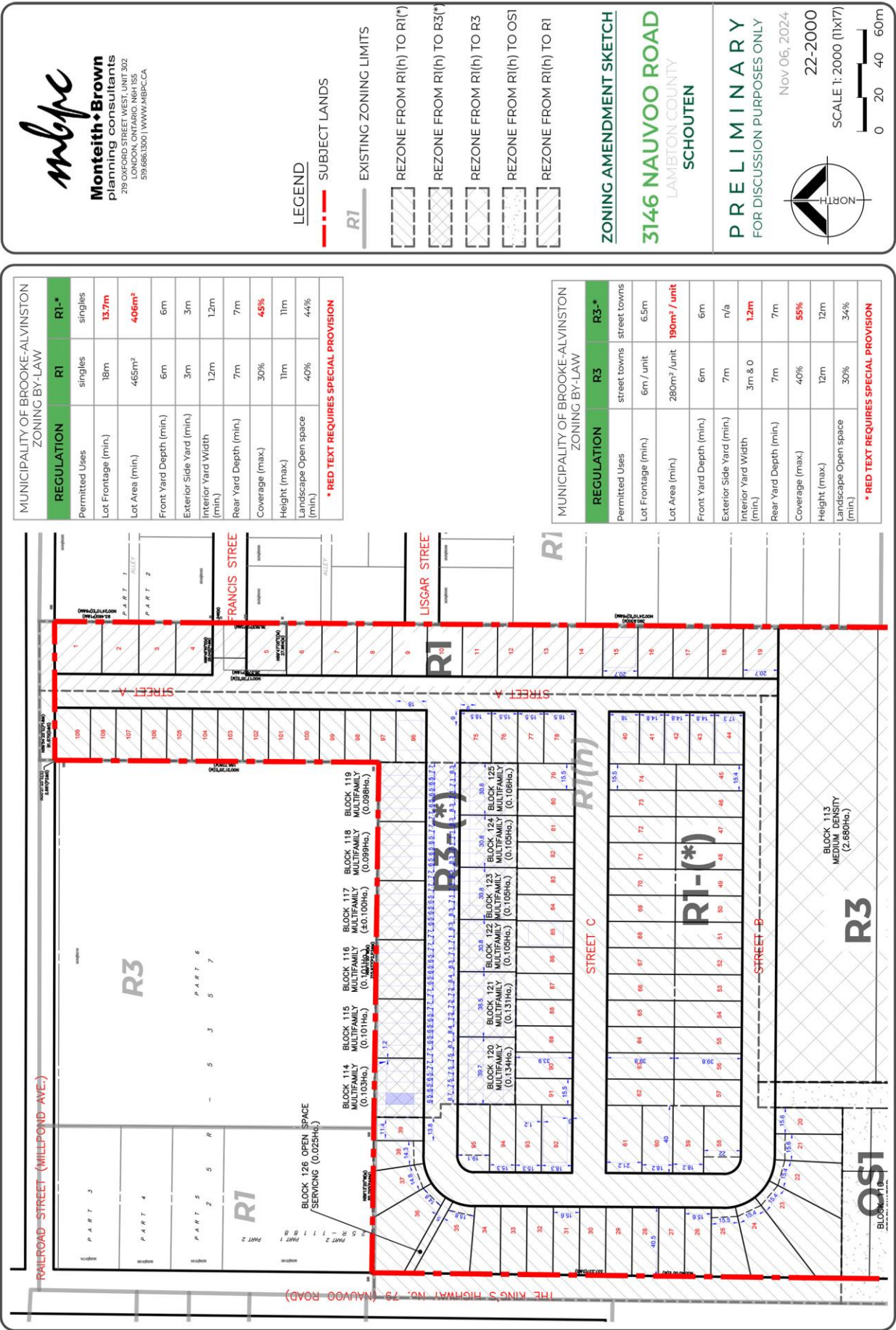
**THE PROPOSED AMENDMENT** will be available for public inspection during regular office hours at the Brooke-Alvinston Municipal Office, located at 3236 River Street in Alvinston and at the public meeting.



Janet Denkers  
Municipality of Brooke-Alvinston  
3236 River Street, Box 28  
Alvinston, ON N0N 1A0  
~  
Telephone: 519-898-2173  
Fax: 519-898-5653  
Email: [jdengk@brookealvinston.com](mailto:jdengk@brookealvinston.com)

Dated: \_\_\_\_May 15\_\_, 2025

## Appendix 1:





**Development Services Department**  
789 Broadway Street, Box 3000  
Wyoming, ON N0N 1T0

Telephone: 519-845-0801  
Toll-free: 1-866-324-6912  
Fax: 519-845-3817

**NOTICE OF A DRAFT PLAN OF SUBDIVISION UNDER SECTION 51 *PLANNING ACT*  
AND  
NOTICE OF PUBLIC MEETING UNDER SECTION 10.9.1 OF THE COUNTY OF LAMBTON  
OFFICIAL PLAN**

**MEETING LOCATION CORRECTION**

**APPLICATION NO. 38T-25002**

Owner: Calvin Schouten  
Location: CON 5 W PT LOT 19, municipally known as 3146 Nauvoo Road  
Municipality of Brooke-Alvinston

**TAKE NOTICE** that an application for Draft Plan of Subdivision has been made for a property located at the above-noted location. The proposal, submitted by the applicant and as shown in the attached Draft Plan of Subdivision, is to create one hundred nine (109) low density residential lots, twelve (12) townhouse blocks containing 56 units and one (1) medium block containing approximately 79 cluster townhouse units as well as four (4) blocks for servicing and stormwater infrastructure at CON 5 W PT LOT 19, 3146 Nauvoo Road, Brooke-Alvinston.

In accordance with subsection 51(19.1) of the *Planning Act*, R.S.O. 1990, c. P.13, as amended, the County of Lambton being the approval authority for draft plans of subdivision has deemed the application to be complete for the purposes of subsections 51(17) and 51(18) of the *Planning Act*.

**AND FURTHER TAKE NOTICE** that the County of Lambton has appointed **Thursday June 19, 2025 at 4:30 p.m.** for the purpose of a public meeting in Council Chambers of the Municipality of Brooke-Alvinston located at 3236 River Street, Alvinston, ON.

**ANY PERSON** may make written or verbal submissions either in support of or in opposition to the proposed plan of Subdivision. Written submissions are to be made to the Planning & Development Services Department at the address noted above or by email to [planning@county-lambton.on.ca](mailto:planning@county-lambton.on.ca) by **Friday, June 5, 2025**. If you wish to speak at the meeting, please email Janet Denkers at [jdengk@brookealvinston.com](mailto:jdengk@brookealvinston.com) or contact at 519-898-2173 for instructions by **12:00 p.m. (noon) on Wednesday, June 18, 2025**.

Please note that all written material submitted, and verbal comments presented at public meetings will form part of the public record and will be available for full disclosure.

If you wish to be notified of the decision of the County of Lambton in respect of the proposed Plan of Subdivision, you must make a written request to the Planning & Development Services Department at the address noted below.

**THE APPLICANT, A PUBLIC BODY OR A "SPECIFIED PERSON"** who has made submissions as outlined below may appeal the decision to the Ontario Land Tribunal not later than 20 days after the notice of the decision is given.

If a person or public body does not make oral submissions at the public meeting or make written submissions to the County of Lambton in respect of the proposed plan of subdivision before the approval authority gives or refuses to give approval to the draft plan of subdivision, the persons or public bodies are not entitled to appeal the decision of the County of Lambton to the Ontario Land Tribunal.

If a person or public body does not make oral submissions at the public meeting or make written submissions to the County of Lambton in respect of the proposed plan of subdivision before the approval authority gives or refuses to give approval to the draft plan of subdivision, the persons or public bodies may not be added as parties to the hearing of an appeal before the Ontario Land Tribunal unless, in the opinion of the Tribunal, there are reasonable grounds to do so.

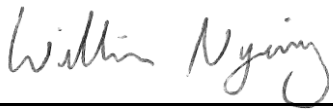
**AN APPLICATION** for a Zoning By-law Amendment for this property has also been submitted to the Municipality of Brooke-Alvinston for consideration.

**ADDITIONAL INFORMATION** about the application is available, during business hours, at the County of Lambton Planning and Development Services Department, 789 Broadway Street,

Wyoming, by appointment only. Please contact the office at 519-845-0801 or by e-mail at [planning@county-lambton.on.ca](mailto:planning@county-lambton.on.ca) to schedule an appointment.

For more information about this matter, including information about preserving your appeal rights, please contact the County of Lambton Development Services Department at 519-845-0801 ex. 5257. If you are aware of any persons affected by this application, who have not received a copy of this notice, it would be appreciated if you would advise them.

Yours truly,

A handwritten signature in cursive script, reading "Will Nywening".

---

Will Nywening, Senior Planning Official  
Development Services Department





May 14, 2025

### **Official Notice**

According to the provisions of the Drainage Act, R.S.O. 1990, Chapter D.17, all Municipalities are responsible for the maintenance and repair of drainage work, constructed under a by-law passed under this Act, and are required to:

1. Inspect every Municipal Drain periodically.
2. Maintain in good repair according to the last revised Engineer's Report every Municipal Drain, if said drain so requires.

The **Luhovy – McEwen drain** has been inspected and has been found to be in an unsatisfactory condition to provide drainage in accordance with the last revised Engineer's Report and therefore requires cleaning and repairing to restore its original condition.

The proposed maintenance work includes: **Reconstruct a short section of drainage ditch**

The maintenance work will be undertaken during the **Spring Summer of 2025**, after crops are harvested.

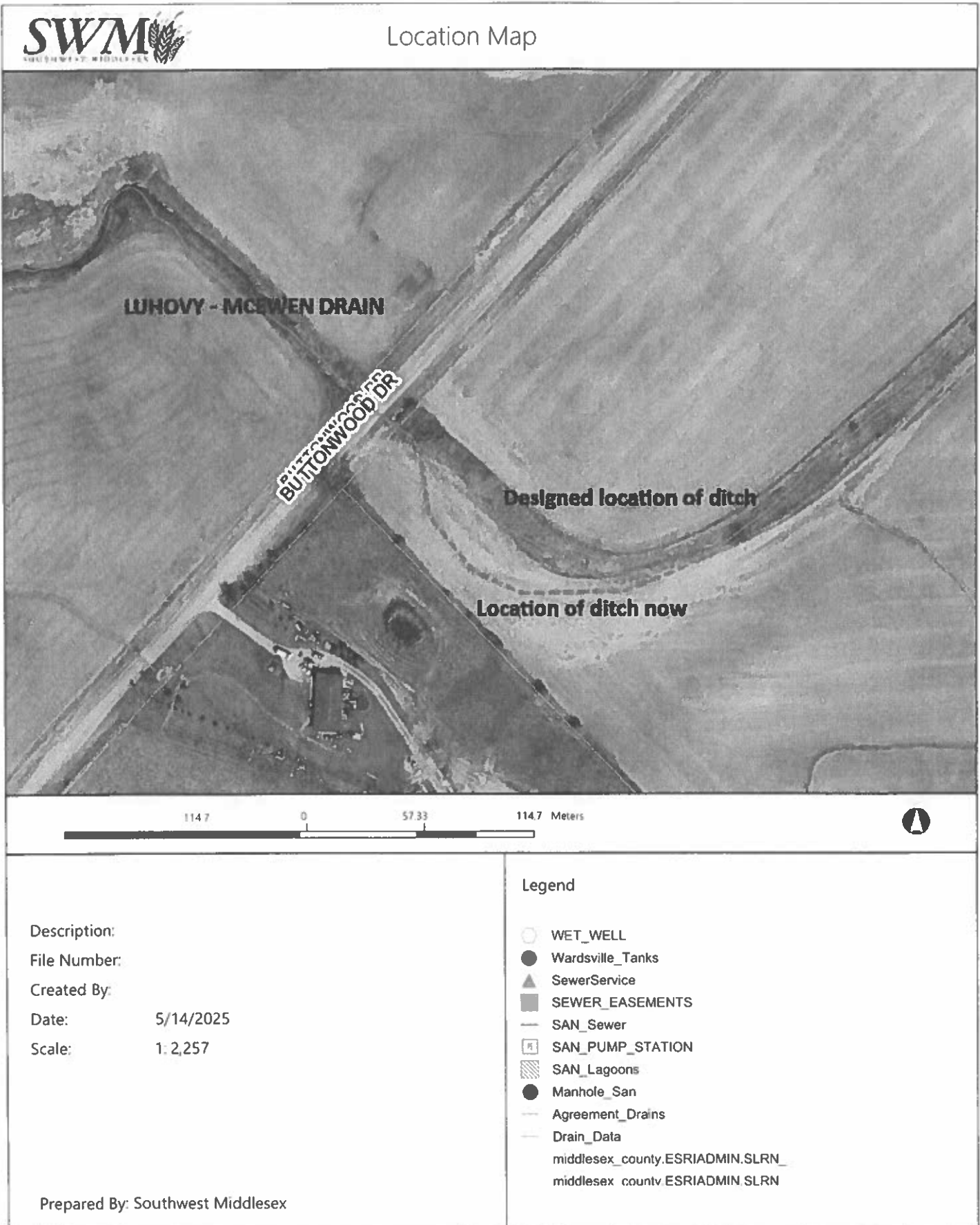
As your property is located within the watershed boundary of the Luhovey McEwen Drain, you will be invoiced for your share of the maintenance costs as per the most recent Schedule of Assessment. Under current ADIP policy, Section 74 Maintenance Works, you may be eligible for 1/3 grant. This grant will be applied to all eligible properties.

If you are contemplating transferring your property, prior to the payment of your cost of the maintenance of this drain, it is recommended that you advise the new owner and / or their solicitor of the impending drainage charge, in order to avoid any misunderstanding to the Agreement of Sale.

Should you have any questions or concerns, please contact me at the number below.

*J. Andrew Neely*

Andrew Neely  
Drainage Superintendent




**Legal Services / Clerk's Department**

789 Broadway Street, Box 3000  
Wyoming, ON N0N 1T0

Telephone: 519-845-0801  
Toll-free: 1-866-324-6912  
Fax: 519-845-0818

May 08, 2025

The Honourable Doug Ford  
Premier of Ontario  
Legislative Building  
Queen's Park  
Toronto ON M7A 1A1

Dear Premier Ford:

**Re: Removal of Environmental Assessment Requirements for York1 Waste Disposal**

At its regular meeting of May 07, 2025, Lambton County Council reviewed correspondence #CC 05-02-25, that being a proposal from the Environmental Registry of Ontario dated April 17, 2025, regarding removal of environmental assessment requirements for the York1 waste disposal site project through the proposed *Protect Ontario by Unleashing our Economy Act, 2025*.

Please be advised that the following motion was passed:

**#6: Broad/Case:** That County Council request that an Environmental Assessment (EA) for the York1 waste disposal project site be required, and that this request be provided to the Premier, the Minister of the Environment, Conservation and Parks, M.P.P. Bob Bailey and M.P.P. Steve Pinsonneault.

A recorded vote starting with Deputy Warden Agar was requested by Councillor Broad on motion #6 of this day's minutes.

Councillor	Vote
J. Agar	Yes (3)
N. McEwen, Alternate Member to G. Atkinson	Yes (3)
D. Boushy	Yes (3)
M. Bradley	Yes (3)
A. Broad	Yes (1)
T. Case	Yes (2)
D. Cook	Yes (3)
B. Dennis	No (3)
D. Ferguson	Yes (1)
B. Hand	Yes (1)
B. Loosley	Yes (2)

EA York1 Waste Disposal

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K. Marriott	Yes (1)
C. McRoberts	Yes (3)
S. Miller	Yes (2)
D. Sageman	Yes (2)
I. Veen	Yes (1)
B. White	Yes (3)

Yeas - 34; Nays - 3.

Motion Carried.

If you have further questions, please contact me.

Kind Regards,

Signed by:

**Ryan Beauchamp**

Ryan Beauchamp

Deputy Clerk

att: CC 05-02-25

cc: Bob Bailey, M.P.P. Sarnia-Lambton Riding  
Steve Pinsonneault, M.P.P. Lambton-Kent-Middlesex-Riding  
The Honourable Todd J. McCarthy, Minister of the Environment, Conservation and Parks





# Removing Environmental Assessment Requirements for the York1 Waste Disposal Site Project

ERO (Environmental Registry of Ontario) number	025-0389
Notice type	Act
Act	Environmental Assessment Act, R.S.O. 1990
Posted by	Ministry of the Environment, Conservation and Parks
Notice stage	Proposal
Proposal posted	April 17, 2025
Comment period	April 17, 2025 - May 17, 2025 (30 days) Open
Last updated	April 17, 2025

This consultation closes at 11:59 p.m. on:  
**May 17, 2025**

## Proposal summary

We are proposing to remove environmental assessment requirements for the York1 waste disposal site project through the proposed *Protect Ontario by Unleashing our Economy Act, 2025*.

## Proposal details

### Proposed Legislation

To help provide additional waste capacity in Ontario due to the threat of US tariffs impacting Ontario's waste sector, the province is proposing to remove environmental assessment (EA) requirements for the York1 waste project through the proposed *Protect Ontario by Unleashing our Economy Act, 2025*.

This would include revoking Ontario Regulation 284/24 designating Chatham-Kent Waste Disposal Site and removing environmental assessment (EA) requirements for York1 Environmental Waste Solutions Ltd.'s proposal to resume landfill operations and expand waste handling, processing, and transfer operations at the former Dresden Tile Yard, in Chatham-Kent (the Project).

The proposed legislation, if passed, would:

- Revoke Ontario Regulation 284/24: Designation - Chatham-Kent Waste Disposal Site, which designates the Project as a Part II.3 project requiring a comprehensive environmental assessment; and
- Amend the *Environmental Assessment Act* (EAA) to exempt the Project from other EA requirements.

The project will remain subject to strong provincial oversight and other regulatory requirements including Environmental Compliance Approvals (ECA) under the *Environmental Protection Act* (EPA) and *Ontario Water Resources Act* (OWRA).

## Proposed project

6.1.

York1 Environmental Waste Solutions Ltd. is proposing to build an 8-hectare engineered landfill cell and re-establish landfill operations at an existing landfill site, including construction of any other works or facilities such as onsite roads, and fencing to receive waste and restart waste management activities and landfilling at the site, located at 29831 Irish School Road, in the former Township of Camden, Municipality of Chatham-Kent, Ontario.

The existing landfill site has a theoretical approved capacity of 1,620,000 cubic metres to landfill non-hazardous solid waste including construction and demolition waste and excess soil that are not reusable.

As part of the project, York1 Environmental Waste Solutions Ltd. is also proposing to re-establish and expand waste processing and transfer operations at the site, including expanding the existing 0.8-hectare waste processing site to 25 hectares.

Other activities are also anticipated, including:

- the construction of a new processing and sorting building capable of indoor storage
- the addition of waste classes for accepted and processed waste
- installation of stationary equipment for processing construction and demolition waste into alternative low-carbon fuels (ALCF) in the new processing/sorting building
- placement of mobile diesel-powered shredding/grinding equipment for wood/construction & demolition waste outdoors
- installation of a soil treatment/soil washing system for processing solid and liquid soil to recover sand and aggregate material
- construction of stormwater management infrastructure

## Permitting requirements for the project

There are existing ECAs under the EPA for the site, which allow for an 8-hectare landfilling area and for a 0.8-hectare waste processing site within the 35-hectare property.

Modifications to the waste disposal site will be subject to ECA requirements for air, noise emissions, waste management activities and sewage works under the EPA and OWRA for the landfill site, as well as the processing and transfer facility.

## Timelines

If the legislation is passed, it would come into effect on Royal Assent.

## Supporting materials

### Related links

Legislative Assembly of Ontario (<https://www.ola.org/en/legislative-business/bills/current>)

Environmental Assessment Act ([https://www.ontario.ca/laws/statute/90e18?highlight=true&lang=en&option=%7B%22selection%22%3A%5B%22current%22%5D%2C%22result%22%3A%5B%22statute%22%2C%22regulation%22%5D%7D&paging=%7B%22page%22%3A1%2C%22pageSize%22%3A50%2C%22sort%22%3A%22Relevance%22%7D&searchMode=search&searchWithin=%5B%22title%22%2C%22body%22%5D&searchWithinResult=false&selection=consolidated%20law&text=Environmental%20Assessment%20Act&trigger=1&useExact=false&withinResultSearch=\)](https://www.ontario.ca/laws/statute/90e18?highlight=true&lang=en&option=%7B%22selection%22%3A%5B%22current%22%5D%2C%22result%22%3A%5B%22statute%22%2C%22regulation%22%5D%7D&paging=%7B%22page%22%3A1%2C%22pageSize%22%3A50%2C%22sort%22%3A%22Relevance%22%7D&searchMode=search&searchWithin=%5B%22title%22%2C%22body%22%5D&searchWithinResult=false&selection=consolidated%20law&text=Environmental%20Assessment%20Act&trigger=1&useExact=false&withinResultSearch=))

**O. Reg. 284/24: Designation – Chatham-Kent Waste Disposal Site**  
**(<https://www.ontario.ca/laws/regulation/240284>)**

**Chatham-Kent Waste Disposal Site (<https://www.ontario.ca/page/chatham-kent-waste-disposal-site>)**

## **Related ERO (Environmental Registry of Ontario) notices**

**Proposed designation under the Environmental Assessment Act of the landfill site and waste transfer and processing expansion, located in the Municipality of Chatham-Kent (/notice/019-8417)**

## **View materials in person**

Some supporting materials may not be available online. If this is the case, you can request to view the materials in person.

Get in touch with the office listed below to find out if materials are available.

## **Comment**

Let us know what you think of our proposal.

Have questions? Get in touch with the contact person below. Please include the ERO (Environmental Registry of Ontario) number for this notice in your email or letter to the contact.

**[Read our commenting and privacy policies. \(/page/commenting-privacy\)](#)**

## **Submit by mail**

Dresden Landfill Comments  
Environmental Assessment Branch  
135 St. Clair Ave W  
4th Floor  
Toronto, ON  
M4V 1P5  
Canada

## **Connect with us**

### **Contact**

**Dresden Landfill Comments**

 **[416-314-8001](tel:416-314-8001) or [1-800-461-6290](tel:1-800-461-6290)**

 **[DresdenLandfill@ontario.ca](mailto:DresdenLandfill@ontario.ca)**

**Ministry of  
Municipal Affairs  
and Housing**

Office of the Minister

777 Bay Street, 17<sup>th</sup> Floor  
Toronto ON M7A 2J3  
Tel.: 416 585-7000

**Ministère des  
Affaires municipales  
et du Logement**

Bureau du ministre

777, rue Bay, 17<sup>e</sup> étage  
Toronto (Ontario) M7A 2J3  
Tél. : 416 585-7000



234-2025-2204

May 13, 2025

Dear Head of Council,

On May 12, 2025 I introduced the *Protect Ontario by Building Faster and Smarter Act, 2025* ([Bill 17](#)). Through this legislation, and other changes, we are responding to recommendations and requests from municipal leaders to make it easier and faster to build new homes and infrastructure Ontario needs like transit, roads, water, and wastewater systems.

The bill contains bold actions to protect Ontario from the Ministry of Municipal Affairs and Housing, the Ministry of Infrastructure and the Ministry of Transportation. Details about the range of measures can be found in the [news release](#).

### **Building Code Act – Ministry of Municipal Affairs and Housing**

Schedule 1 of the Bill proposes changes to the *Building Code Act* which include:

- Adding a provision to clarify that municipalities do not have the authority to create or enforce their own construction standards.
- Eliminating the requirement for a secondary provincial approval of innovative construction products for products that have already undergone a “Canadian Code Compliance Evaluation” by the federal Canadian Construction Materials Centre ([25-MMAH0042](#)). Comments can be made through the Regulatory Registry of Ontario (RR) from May 12, 2025, to June 11, 2025.

### **Development Charges Act – Ministry of Municipal Affairs and Housing**

Schedule 4 of the Bill proposes changes to the *Development Charges Act, 1997*, to standardize the development charge (DC) methodology and framework and improve predictability of costs, include:

- Creating a regulation-making authority to merge service categories for DC credits.
- Creating a regulation-making authority to specify what constitutes a “local service.”
- Expanding the DC deferral to non-rental residential developments. Related changes include:

.../2

- 2 -

- Providing municipalities authority, in circumstances set out in regulation, to require financial security for payment of deferred DCs for non-rental residential developments; and
- Removing authority for municipalities to charge interest on any legislated DC deferral amounts.
- Enabling municipalities to make any changes to their DC by-laws for the sole purpose of reducing DCs or removing indexing without undertaking certain procedural requirements.
- Creating a regulation-making authority to prescribe exceptions, including conditional exceptions, to capital costs that are eligible to be recovered from DCs.
- Providing that the frozen DC rates on a development would not be applicable if the current DC rates in effect would result in a lower payment.
- Exempting long-term care homes within the meaning of subsection 2 (1) of the *Fixing Long-Term Care Act, 2021* from municipal DCs.

We are interested in receiving your comments on these proposed measures. Comments can be made through the Regulatory Registry of Ontario (RR) from May 12, 2025, to June 11, 2025:

- [RR 25-MMAH003](#): Changes to the *Development Charges Act, 1997*, to Simplify and Standardize the Development Charge (DC) Framework.

### **Planning Act – Ministry of Municipal Affairs and Housing**

Schedules 3 and 7 of the Bill propose changes to the *Planning Act* and the *City of Toronto Act, 2006* that would help streamline and standardize municipal development processes. If passed, the proposed changes would:

- Provide authority for regulations to limit municipal complete application studies and provide greater recognition of planning reports prepared by prescribed certified professionals,
- Remove the need for certain minor variances,
- Give the Minister of Municipal Affairs and Housing the authority to impose conditions on a use permitted by a Minister's zoning order, and
- Streamline planning approvals for publicly funded kindergarten to grade 12 schools.

We are interested in receiving your comments on these proposed measures. Comments can be made through the Environmental Registry of Ontario from May 12, 2025, to June 11, 2025:

- [ERO 025-0461](#): Proposed Planning Act and City of Toronto Act, 2006 Changes (Schedules 3 and 7 of Bill 17- Protect Ontario by Building Faster and Smarter Act, 2025).

We are also interested in receiving any comments you may have on associated regulatory changes. The government is undertaking 45-day consultations on the following proposals from May 12, 2025, to June 26, 2025:

.../3

- 3 -

- [ERO 025-0462](#): Proposed Regulations – Complete Application (seeking feedback on proposed regulations to address complete application requirements (study/report requirements) and submissions from certified professionals)
- [ERO 025-0463](#): Proposed Regulation – As-of-right Variations from Setback Requirements (seeking feedback on a proposed regulation that would allow variations to be permitted “as-of-right” if a proposal is within 10% of requirements for setbacks from property lines applicable to specified lands)

The Environmental Registry postings provide additional details regarding the proposed changes.

### **Ministry of Infrastructure Act – Ministry of Infrastructure**

Schedule 6 of the Bill proposes changes to the *Ministry of Infrastructure Act, 2011* (MOIA), to provide the Minister of Infrastructure with the authority to request information and data from municipalities and municipal agencies, where needed to support provincially funded infrastructure projects. This would help speed up the delivery of critical infrastructure that our growing communities need, while also supporting jobs and economic growth. Comments can be made through the Regulatory Registry of Ontario ([RR-25MOI003](#)) from May 12, 2025, to June 11, 2025.

### **Transit-Oriented Communities Act – Ministry of Infrastructure**

Proposed changes to the *Transit-Oriented Communities (TOC) Act, 2020*, would reduce barriers to implementing the Transit Oriented Communities (TOC) by:

- Amending the definition of a “Transit Oriented Communities project” to include projects along the GO and LRT network more efficiently,
- Removing OIC approval requirements for any agreements between the Minister (or an entity with delegated powers) and a municipality, and
- Enabling the Minister to delegate certain responsibilities to Infrastructure Ontario for the purpose of developing TOCs.

We are interested in receiving your comments on these proposed changes. Comments can be made through the Environmental Registry of Ontario from May 12, 2025, to June 11, 2025:

- [ERO 025-0504](#): Proposed *Transit-Oriented Communities Act, 2020*, changes to reduce barriers to implementing municipal agreements.

### **Ministry of Transportation**

Schedule 2 of the bill proposes a change to the *Building Transit Faster Act, 2020* (BTFA) that, if passed, would extend the use of the BTFA measures to all provincial transit projects. This change would remove barriers to building transit faster and get shovels in the ground quicker to build major provincial transit projects that connect communities.

.../4

- 4 -

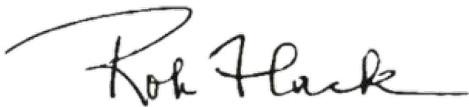
A proposed amendment to the *Metrolinx Act, 2006*, permits the Minister of Transportation to request certain information and data from municipalities or municipal agencies necessary to support the development of provincial transit projects or Transit-Oriented Communities projects.

You may provide your comments on the proposed change to the BTFA through the Environmental Registry of Ontario (ERO) notice [ERO 025-0450](#) and the Ontario Regulatory Registry notice ([RR 25-MTO005](#)) and the Metrolinx Act ([RR 25-MTO006](#)) from May 12, 2025 to June 11, 2025.

The government invites you to review the [Environmental Registry of Ontario](#) and [Regulatory Registry of Ontario](#) posting links provided above and share any feedback you may have. If you have any questions, please reach out to my Director of Stakeholder and Caucus Relations, Tanner Zelenko, at [Tanner.Zelenko@ontario.ca](mailto:Tanner.Zelenko@ontario.ca).

In the face of economic uncertainty, we must protect Ontario by speeding up construction so we can lower housing costs and keep workers on the job. I look forward to continued collaboration with you, our municipal partners, to create the homes that Ontario need today, tomorrow, and in the decades to come.

Sincerely,



Hon. Robert J. Flack  
Minister of Municipal Affairs and Housing

- c. The Honourable Kinga Surma, Minister of Infrastructure
- The Honourable Prabmeet Sarkaria, Minister of Transportation
- The Honourable Graydon Smith, Associate Minister of Municipal Affairs and Housing
- Robert Dodd, Chief of Staff, Minister's Office
- Matthew Rae, Parliamentary Assistant, Municipal Affairs and Housing
- Laura Smith, Parliamentary Assistant, Municipal Affairs and Housing
- Brian Saunderson, Parliamentary Assistant, Municipal Affairs and Housing
- Martha Greenberg, Deputy Minister, Municipal Affairs and Housing
- David McLean, Assistant Deputy Minister, Municipal Affairs and Housing
- Caspar Hall, Assistant Deputy Minister, Municipal Affairs and Housing
- Municipal Chief Administrative Officers

## Janet Denkers

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**From:** Janet Denkers  
**Sent:** May 12, 2025 11:43 AM  
**To:** 'Avery, Chris (OPP)'; Lambton Group OPP Detachment Board  
**Cc:** Community Member at Large | Greg Nemcek; Vanroboys, Erica (OPP); Yantzi, Jordan (OPP)  
**Subject:** RE: Continued funding motion for municipal circulation

Thank-you

Janet Denkers BA, Dipl. M.M.  
 Clerk Administrator  
 Municipality of Brooke-Alvinston  
 3236 River Street, PO Box 28  
 Alvinston, ON N0N 1A0  
 Phone: 519-898-2173

---

**From:** Avery, Chris (OPP) <chris.avery@opp.ca>  
**Sent:** May 12, 2025 11:33 AM  
**To:** Janet Denkers <jdenkers@brookealvinston.com>; Lambton Group OPP Detachment Board <lambtongroupodb@gmail.com>  
**Cc:** Community Member at Large | Greg Nemcek <gregory.nemcek@lkdsb.net>; Vanroboys, Erica (OPP) <Erica.Vanroboys@opp.ca>; Yantzi, Jordan (OPP) <Jordan.Yantzi@opp.ca>  
**Subject:** RE: Continued funding motion for municipal circulation

Good morning Janet,

Thanks for hosting us at your meeting last week, we always appreciate the opportunity to tell folks about the amazing work our OPP members do in Lambton County.

Specific to the queries by one of your councillors, I can provide the following information regarding our involvement at Brooke Central Public School and the community of Brooke-Alvinston.

Our School Resource Officers (SRO) are Constables Tyler Campbell and Peter Karlsson. They have stopped by Brooke Central Public School on numerous occasions for both visits and calls for service and maintained regular contact with the principal there. The SRO also attended a call for service regarding a disturbance with a student in March of 2025 and assisted the school staff there with options for resolution.

The SROs have been running the OPP Kids' Program at several schools, and this program is scheduled to start in classes at Brooke Central Public School on May 14, 2025, in coordination with the principal there. (This was scheduled before our meeting with council!)

Our Community Services Officer, Constable Jeanine Robertson is a former SRO who maintains involvement with youth and is tasked with media and community events. Robertson generally attends events, coordinating participation with shift uniform members, auxiliaries, special constables, and cadets. In 2024 Robertson coordinated events in Brooke-Alvinston and attended the Alvinston Rodeo, patrolled during special events at the Community Centre, (including school dances), participated in events including Farm Safety Day, the First Responders' Event at the Brooke-Alvinston Fire Department and functions with the Lambton 4H Club.



On May 29, 2025, at 6:00 pm, Robertson has an event scheduled with the Brooke-Alvinston Fire Hall involving First Responders and the Lambton 4H Club. The Farm Safety Coordinator has not reached out yet for this year's event.

Aside from the events above, we have not received any invitations from other local groups or clubs to participate in events. If a group in your community would like participation or presentations from our folks, we are always glad to come and participate, depending on operational requirements.

I hope this information is helpful. If you need anything further, please let me know.

Best regards,

Chris

C.C.(Chris) Avery  
Inspector  
Detachment Commander  
Lambton County Detachment  
Ontario Provincial Police  
(519) 882-1011

*"Do ordinary things in an extraordinary way, remembering that  
we are what we repeatedly do. Excellence therefore is not an act, but a habit"*

The following is a summary of the Plumbing Permits issued for the Municipality of Brooke-Alvinston for the month of April, 2025:

<u>PERMIT #</u>	<u>DESCRIPTION &amp;/OR LOCATION</u>	<u>OWNER/CONTRACTOR</u>
PP-25-003	7435 Shiloh Line, Con 6, W Pt Lot 13	Clayton McWilliams
PP-25-004	7977 Railroad Line, Con 5, Pt Lot 18	Boko Properties Inc



**Our May Meeting is being held at the Dawn-Euphemia Township Fire Hall  
4696 Lambton Line (Rutherford), Dresden, Ontario  
May 22, 2025 7:00 pm**



We welcome our guest speaker, Darrell Randell of Port Lambton. Darrell is the local director for the Ontario Barn Preservation group, which was founded in 2019. He has lived his whole life in an 1870s farmhouse owned by his aunt and uncle. On the farm exists a barn built in 1923 that Darrell modified for hog farming. Once he retired from Ducks Unlimited in 2019, he decided to restore the old barn, making a significant investment to preserve the barn and make it into a storage building. This project is significant in that many of the barns in Lambton County have already been lost, and there is an opportunity to help preserve more farm history by the Society to augment history already captured in our Family Farms book series.

Darrell is an advocate of heritage and the environment, having served on Sombra and St. Clair Township councils from 1994 until 2018. He was given an award in 2019 by the St. Clair Region Conservation Authority recognizing his lifelong dedication to improving local watersheds. Darrell is currently on the board of the Sombra Museum.

**Please park carefully at the fire hall so as not to obstruct fire department operations**

**Summer Events:**

**Moore Museum** is celebrating its 50th anniversary on **Saturday, June 7**. Some artists will be on site, demonstrating their skills.

**Alvinston** is having a Pro Rodeo on **June 13, 14, 15** at the Fair Grounds.

**Sombra Optimists** are having their annual car show in Brander Park in Port Lambton on **Saturday, June 21**, from 8 am until 8 pm. Live music and food are available.

**Moore Museum** is having its train day on **Sunday, July 6**, from 1 to 4 pm.

**Sombra Museum** is having a Blueberry Social on **Saturday, July 5**, as part of **Sombra Days**. Some marine books and local interest titles will be for sale as a small fundraiser.

**Black Gold Fest & Village of Oil Springs 150 Anniversary** will be held on **Saturday, July 19**. Free event in the village and at the Oil Museum of Canada.

**2025 Steam Threshers Reunion** is at the Forest Fairground **August 9, 10, 11**. Featuring John Deere.

**We would like to thank all the Lambton municipalities for their assistance and support.  
The Society has a new executive, and we are endeavoring to enhance our engagement in the  
community by improving our online presence.**

**If you have a local event with a heritage or cultural interest or a commemorative milestone,  
please let us know. e-mail LCHS secretary Bill Moran at [wm\\_moran@hotmail.com](mailto:wm_moran@hotmail.com).**

**Next meetings:**

- Oil Museum of Canada – June 26, 2025, 7 pm-9 pm, 2423 Kelly Road, Oil Springs
- Enniskillen – August 28, 2025 – 7 pm – 9 pm Enniskillen Municipal Building, 4465 Rokeby Line, Enniskillen
- Watford/Warwick Township – September 25, 2025 – 7 pm – 9 pm East Lambton Community Centre Complex, 61 Centennial Avenue, Watford
- Sarnia - October 23, 2025 – to be determined

**2025 MOUNT CARMEL CEMETERY**  
**DECORATION DAY & MEMORIAL SERVICE**  
7649 LA SALLE LN, BROOKE-ALVINSTON TWSP., LAMBTON COUNTY

**DATE:** Sunday, June 22, 2025  
**SPEAKER:** Jon Forbs

**SPECIAL MUSIC:** Mary Jean Henson  
**TIME:** 2:30 p.m.  
**PIANO:** Raymond Greer

The Mt Carmel Board welcomes you to join us for a time together with a great service, good music and a visit to our beautiful church and the grounds.

There has been some road maintenance done in front of the church. Please take care when dropping off, picking up and parking.

Your continued financial support is so Appreciated to maintain and care for our precious property. We Thank You!

If you or someone you know has moved, deceased or would like to be Added to our database, email ( [lynda.teskey@gmail.com](mailto:lynda.teskey@gmail.com) ) or contact Lynda Teskey at the address or phone number below and leave a Message. Thank You.  
We would like to continue updating our database to keep you updated and informed.

Please join us after the service for a time of reflection and fellowship. Refreshments will be served.

Our board is open to addressing new members, so please contact Muriel, Lynda or any other member.  
And if you have any email updates, questions or concerns, please contact:

Chair of the Board: Muriel Wright	Secretary: Lynda Teskey	Treasurer: Stewart Cran
5174 Egremont Rd.	434 First Ave.	8571 Churchill Ln.
Camlachie, ON N0N 1E0	Petrolia, ON N0N 1R0	Watford, ON N0M 2S0
519-899-2345 <a href="mailto:wrightmj49@gmail.com">wrightmj49@gmail.com</a>	226-738-0724 <a href="mailto:lynda.teskey@gmail.com">lynda.teskey@gmail.com</a>	519-849-5288 <a href="mailto:secran@brktel.on.ca">secran@brktel.on.ca</a>

Ontario  
Provincial  
Police

Police  
provinciale  
de l'Ontario



**Crime Prevention and Community  
Support Bureau**  
**Bureau de la prévention du crime et du  
soutien communautaire**

777 Memorial Ave.  
Orillia ON L3V 7V3

777, av. Memorial  
Orillia ON L3V 7V3

Tel: 705 329-7680  
Fax: 705 329-7593

Tél. : 705 329-7680  
Télééc. : 705 329-7593

File Reference: GOV-1200

May 13, 2025

Mayor Reeve and Clerk CAO,

The Ontario Provincial Police (OPP) regularly evaluates its operations to ensure the effective use of resources while maintaining high-quality service. As part of this process, the OPP has undertaken an organizational realignment to better align with its strategic goals and priorities.

Effective immediately Municipal Policing Bureau has been dissolved. Municipal Policing Unit and Financial Service Unit have been realigned and will fall under the OPP's Crime Prevention and Community Support Bureau.

Municipal Policing Unit and Financial Services Unit will continue their regular business, including managing the cost recovery process for municipal policing services in accordance with the *Community Safety and Policing Act (CPSA) O. Reg. 413/23 Amount Payable by Municipalities for Policing from Ontario Provincial Police*, managing municipal policing agreements under the CPSA, delivering presentations, and providing clarifications on municipal inquiries.

Please continue to direct all future inquiries on municipal policing billing, requests for presentations, etc. to [OPP.MunicipalPolicing@opp.ca](mailto:OPP.MunicipalPolicing@opp.ca). Please note, the general email inbox [OPP.MPB.Financial.Services.Unit@opp.ca](mailto:OPP.MPB.Financial.Services.Unit@opp.ca) will be decommissioned and will no longer be monitored. We also encourage you to visit [www.opp.ca/billingmodel](http://www.opp.ca/billingmodel) where the 2025 estimate updates have been posted for your reference and planning purposes.

The OPP remains committed to working collaboratively with municipalities to ensure effective, efficient and sustainable policing services across Ontario.

Thank you for your continued cooperation. I look forward to your support during this transition and to a successful partnership.

J.G. (John) Dumond,  
Chief Superintendent  
Bureau Commander  
Crime Prevention and Community Support Bureau

cc: OPP Regional and Detachment Commanders

# LAMBTON GROUP OPP DETACHMENT BOARD



LAMBTON GROUP  
OPP DETACHMENT BOARD

**Mailing Address:**

PO BOX 273 | Petrolia, Ontario | N0N 1R0

**Website:** [www.lgodb.ca](http://www.lgodb.ca)

**e-mail:** [lgpsb.secretary@gmail.com](mailto:lgpsb.secretary@gmail.com)

Dear Lambton OPP, Policed municipalities.

**RE: Continued supplement of provincial funding for OPP policed municipalities.**

It was released that in 2023, the OPP hired and trained more than 500 new recruits and experienced officers. This was an increase of almost 40 per cent from 2022, ensuring continued dedication to the safety and well-being of the communities the OPP serve across the province, creating a safe communities and a secure Ontario.

The Lambton Group OPP Detachment Board members recognize the necessity of this increase in expenses in response to increased hiring, and implementation of recommendations issued through the Solicitor General's 2021 audit report.

Recognizing that implementation of these recommendations does lead to safer municipalities in Lambton now and in future years. The Lambton Group OPP Detachment Board is very supportive of these continued initiatives in creating safe communities, recognizing that it comes at a cost, and as a result it is anticipated that municipalities will continue to experience increases in the annual billing statement.

The Lambton Group OPP Detachment Board supports our member municipalities in their concerns raised over the concern of continued increased billing expenses. As a result, during the Lambton Group OPP Detachment Board February 2025 meeting, a motion was brought forward and carried regarding the identified need for continued provincial supplement to offset future annual billing statements.

The Lambton Group OPP Detachment Board has provided OPP policed municipalities in Lambton with this motion for consideration.

Thank you.

Greg Nemcek, Chair

[lgpsb.chair@gmail.com](mailto:lgpsb.chair@gmail.com)

encl.



# LAMBTON GROUP OPP DETACHMENT BOARD



LAMBTON GROUP  
OPP DETACHMENT BOARD

**Mailing Address:**

PO BOX 273 | Petrolia, Ontario | N0N 1R0

**Website:** [www.lgodb.ca](http://www.lgodb.ca) **e-mail:** [lgpsb.secretary@gmail.com](mailto:lgpsb.secretary@gmail.com)

Moved By:

Seconded By:

*That the (insert municipality) request that the Province of Ontario continue to provide Ontario municipalities with funding to offset the increased costs associated with implementation of the CSPA, the ratification of several collective agreements, implementation of recommendations from the Solicitor General's audit and Bill 124; and*

*THAT While the funding provided in 2024 to offset the unexpected increases received through the annual billing statement was appreciated, there needs to be a more sustainable commitment from the province to continue to provide offsetting funding.*

*THAT this motion be forwarded to all municipalities in Ontario with OPP policing, AMO, the Solicitor General of Ontario Michael Kerzner, MPP Bob Bailey and Premier Doug Ford.*



May 13, 2025

To all Ontario Municipalities, AMO, ROMA and FCM:

Re: Bill 5 - Risks to your communities and support requested

As Mayor of the Municipality of Chatham-Kent, I am sharing this motion to bring to your attention the potential risks to your communities and ask for your support to oppose this approach. The following motion was approved yesterday, May 12, 2025:

“Whereas 29831 Irish School Road in the Municipality of Chatham-Kent is a property approximately 800 metres from the Town of Dresden;

And Whereas the property contain small fill areas used for historic local landfill purposes, and the property has never been properly studied or zoned for any significant landfilling use;

And Whereas the current property owners are attempting to create a new recycling and landfill facility for millions of tonnes of waste, which would result in hundreds of trucks travelling through towns and communities in the area;

And Whereas this approach has been strongly opposed by Council, the Community, neighbouring Indigenous Nations and many other voices, due to impacts to the environment, our homes, the safety of our families and children, and the fabric of our communities;

And Whereas the Provincial government has proposed Bill 5, which includes a section removing the obligation for a full Environmental Assessment for this new landfill and recycling facility;

And Whereas if this limited, historic local landfill use on the edge of Dresden can be expanded into a massive landfill and recycling facility, then this can happen anywhere;

And Whereas there are likely hundreds of properties across the Province that may have had limited, historic waste uses, which could also face this threat;

And Whereas Bill 197 established a veto for Municipalities within 3.5 kms of a new landfill, which reflected the need for local government and community approval of landfill sites;

And Whereas the approach being taken for this property disregards the importance of our rural communities, and local voices, in determining appropriate landfill sites within their communities:

Cont'd...

Now Therefore to ensure that other Municipal Councils and communities know about what is happening in Dresden, and the potential risk to their community if this approach is taken by the Province, Council requests that the Mayor's Office write a letter to all other Ontario Municipalities, AMO, ROMA and FCM:

1. Advising them of this issue and the risks to their community if a similar approach is taken for other historic landfill properties; the possibility of the Ontario government setting a precedence and
2. Requesting their support in opposing this approach and ensuring that full Environmental Assessments are required for all landfills and that municipalities have a strong voice in determining appropriate locations for landfills in their communities."

Thank you for your time and attention to this important matter.

Sincerely,



Darrin Canniff, Mayor/CEO  
Municipality of Chatham-Kent



# The Corporation of the Town of Cobourg

## Resolution

Honourable Doug Ford, Premier of Ontario  
Premier of Ontario  
Legislative Building  
Queen's Park  
Toronto, ON M7A 1A1

Town of Cobourg  
55 King Street West,  
Cobourg, ON, K9A 2M2  
[clerk@cobourg.ca](mailto:clerk@cobourg.ca)

### Delivered via email

Doug.fordco@pc.ola.org  
premier@ontario.ca

May 5, 2025

### RE: Ontario Works Financial Assistance Rates

Please be advised that the Town of Cobourg Council, at its meeting held on April 30, 2025, passed the following resolution:

THAT Council requests the Provincial Government to urgently:

- Increase Ontario Works rates to match the ODSP rate increases that have already been made and be indexed to inflation;
- Commit to ongoing cost of living increases above and beyond the rate of inflation to make up for the years they were frozen; and

FURTHER THAT a copy of this resolution be sent to the Minister of Children, Community, and Social Services, the Minister of Health, the Minister of Municipal Affairs and Housing, the Association of Municipalities of Ontario, the Ontario Municipal Social Services Association, and all Ontario Municipalities.

Sincerely,

Kristina Lepik  
Deputy Clerk/Manager, Legislative Services

Enclosure.

cc. Honourable Michael Parsa, Minister of Children, Community and Social Services;  
Honourable Sylvia Jones, Minister of Health;  
Honourable Rob Flack, Minister of Municipal Affairs and Housing;  
Association of Municipalities of Ontario (AMO);  
Ontario Municipal Social Services Association; and  
All Ontario Municipalities



**The Town of The Blue Mountains, Special Meeting of Council  
Special Meeting of Council**

**Date:** Wednesday, May 14, 2025

**Time:** 4:28 PM

**Moved by:** Councillor Ardiel

**Seconded by:** Deputy Mayor Bordignon

WHEREAS the Town of The Blue Mountains boasts a robust agricultural sector and a thriving agritourism industry, with numerous local cideries contributing significantly to the local economy, employment, and tourism;

AND WHEREAS Ontario's craft cider industry is experiencing substantial growth, with over 60 craft cideries across the province, many of which are situated in rural communities and utilize 100% Ontario-grown apples and are 100% made in Ontario, thereby supporting local agriculture and local economies;

AND WHEREAS under the current provincial tax structure, cider is officially classified and taxed at the same rate as imported wine which results in higher markups and taxes compared to craft beer, despite cider's comparable production processes and market positioning;

AND WHEREAS this tax disparity places Ontario's craft cider producers at a competitive disadvantage compared to craft brewers, despite the fact that Ontario cider utilize 100% Ontario-grown apples and is 100% made in Ontario;

AND WHEREAS the Ontario Craft Cider Association (OCCA) has been actively advocating for a tax structure that levels the playing field between craft cider and craft beer, recognizing the potential for job creation, economic growth, and the promotion of local agriculture;

AND WHEREAS the Town acknowledges and appreciates the Province's investment in marketing and promotional support for the craft cider industry, but maintains that long-term sustainability and competitiveness for Ontario cider producers requires an adjustment to the underlying tax framework;

AND WHEREAS this motion is meant to support, not oppose, initiatives for fair taxation of the Ontario Craft Cider industry the Province of Ontario may be considering.

THEREFORE BE IT RESOLVED THAT the Council of the Town of The Blue Mountains:

1. Supports the efforts of the Ontario Craft Cider Association in advocating for a fair and equitable tax structure for Ontario-made craft cider.
2. Urges the Province of Ontario to review and amend the current tax regulations to align the tax rate of craft cider with that of craft beer, thereby fostering a more balanced and supportive environment for local cider producers.
3. Acknowledges the Province of Ontario's recent investment in marketing initiatives for the cider sector, while calling for complementary reform of the tax and markup structure that continues to disadvantage cider producers relative to other craft alcohol categories;

4. Directs the Mayor to forward this resolution to the Premier of Ontario, the Minister of Finance, the Minister of Agriculture, Food and Rural Affairs, MPP Brian Saunderson, MPP Paul Vickers and MPP Nina Tangri and the County of Grey requesting their consideration and support.
5. Directs the Mayor to forward this resolution to all municipalities in Ontario, encourages other municipalities with vested interests in agriculture and agri-tourism to adopt similar resolutions, amplifying the collective voice advocating for the prosperity of Ontario's craft cider industry.

**YES: 5****NO: 0****ABSENT: 2****The motion is Carried****YES: 5**

Deputy Mayor Bordignon   Councillor Ardiel  
Councillor Porter

Councillor Hope

Councillor Maxwell

**NO: 0****ABSENT: 2**

Mayor Matrosovs

Councillor McKinlay



# Annual Shareholders Update and Governance Report

Including Request for Board of Director  
Appointments

May 2025



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## *Annual Shareholders Update and Governance Report*

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#### **2024 Financial Statements**




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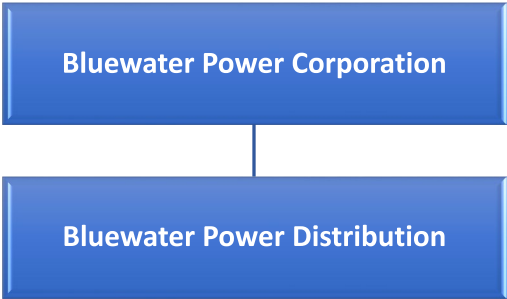
## *Part I - Success Stories*

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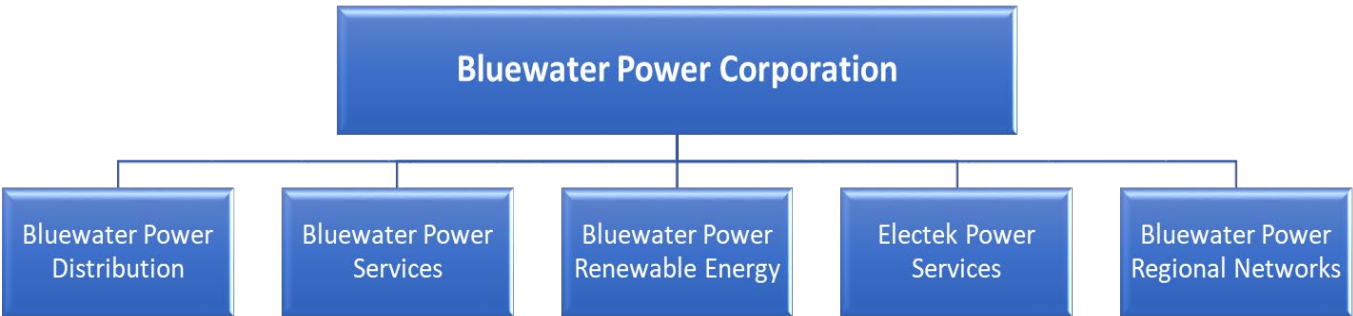
- Most importantly, the 2024 year was very safe for our Team. We had no lost time accidents and hit 2,411,020 hours. Safety is job one!
- In 2024, the BP Group of Companies broke all time financial records in terms of revenue and profitability.
- When we win - you win, we are pleased to report that the most recent 2024 period represented all time high financial returns to our Shareholders! Bluewater Power Group has returned approximately \$65M in cash to our Municipal Shareholders since inception.
- In addition to PUC cash, the value of your equity investment in BP has quadrupled over time, 441% growth to be exact.
- In 2024 we achieved operating dividend levels above budget to the benefit of our Municipal Shareholders including the City of Sarnia. This was not on the backs of our utility ratepayers, but due primarily to revenue from non-regulated activities.
- In 2024, Bluewater Power paid total financial returns of \$3.8M to our Shareholders, of which over \$3.3M went to the City of Sarnia as the majority Shareholder. We actually had record breaking revenue in three of our affiliate Companies. Our overall performance is a direct result of hard work, an outstanding reputation and our commitment to excellence.
- In 2024 our CEO was elected to the illustrious Chair position for the Electricity Distribution Association (EDA) Board of Directors for the Ontario Industry as well as re-appointed to the provincial MEARIE Board of Directors and the MEARIE Management Inc. (MMI) Board of Directors. Our Director of Health, Safety & Quality Assurance was also elected as Chair for the Association of Electrical Utility Safety Professionals (AEUSP) for the Ontario sector. Several other employees also actively participate in industry associations and committees. As such, Bluewater Power is very well represented at the Provincial level.
- We have added four new companies over the years to our Corporate family representing over 100 new lines of business since our inception. An overview of our corporate structure follows:



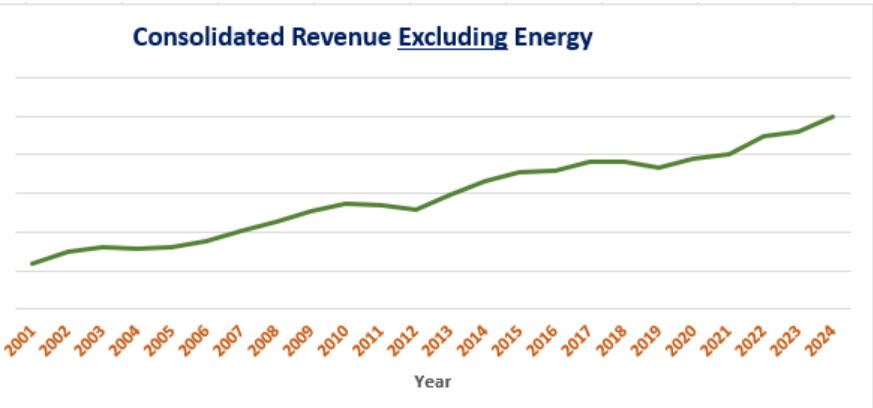
Original Structure – Year 2000



Current Structure – Year 2025



- We have grown our non-utility businesses to now represent approximately half of our financial returns to Municipal Shareholders and as a result, net income has grown approximately 30 times over the last 15 years. Our non-utility businesses now serve customers all over North America and we have established offices in London and Sudbury.
- BP was one of the first Utilities in Ontario to bring home community value through the development of affiliate operating companies. The graph below shows the history of revenue growth for our corporate family over the years. This extraordinary growth is to the benefit of our communities, shareholders and customers.



- These four new affiliated Companies not only pay dividends to shareholders but pay over \$1.5M every year in service fees to the utility – which directly helps to control local utility rates.
- Over the last ten years, Bluewater Power has also reinvested approximately \$100 million in local community capital/infrastructure.
- The Bluewater Power Group continues to support countless local charities annually by providing both financial and non-financial assistance through our ‘Community Fund.’ This support includes a range of Community involvement from helping with the Celebration of Lights to planting charitable gardens.

*In summary, we are very proud to continue to provide both exceptional financial returns and outstanding service to our Shareholders and Communities.*

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## ***Part II - Board of Directors Overview***

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- We are pleased to report that our current Chair of the Board, Garry McDonald, and our current Vice Chair, Margaret Dragan have both been unanimously voted by the Board to continue in their positions.
- The original unanimous Shareholders' Agreement which includes all "rules" pertaining to the Board of Directors was signed in the year 2000 by all Shareholders as follows:
  - ✓ City of Sarnia
  - ✓ Municipality of Brooke-Alvinston
  - ✓ Village of Oil Springs
  - ✓ Town of Petrolia
  - ✓ Village of Point Edward
  - ✓ Township of Warwick
- At the time of signing, all Municipalities agreed the Bluewater Power Board would work best if run strictly as a business and removed from the political sphere.
- This model has served us exceptionally well and our Board structure has been cited in industry papers as a model of good governance. In the Ontario Provincial paper entitled "The Ontario Distribution Sector Review Panel" it was stated "*The Panel considers that it would be preferable to have 100% independent Board membership. This has worked with the merged utility of Bluewater Power Distribution.*"

➤ Our Board of Directors is an accomplished business group with an extensive matrix of skills including:

- Executive
- Finance/Accounting
- Human Resources
- Labour Relations
- Legal
- Engineering
- Information Technology
- Construction
- Entrepreneurship
- Operations Management
- Environmental Stewardship
- Health and Safety/Loss Mitigation
- Large and Small Business

➤ In terms of process, the Nominating and Governance Committee of the Board recommends the reappointment/appointment of Board members annually to our Shareholders. That Committee has met and, with the Board's endorsement, recommends the re-appointment of our current slate of Directors. This accompanying recommendation needs to be confirmed annually by our Municipal Shareholders through the approval of the attached Annual General Meeting Resolution.

➤ There is a one-year term for Directors but no maximum number of renewal terms. Although this is not typical for Corporate Boards, it is common in our Industry. At the time of the Provincial restructuring of the Electricity Industry, it was recommended by the law firm representing many municipalities to not have a maximum term limit for Directors. The last third-party industry survey suggests the existence of "no maximum terms" is still common in our industry. We have had twelve Board positions turnover since inception of the Corporation, representing more than a 100% turnover rate.

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### ***Part III***

## ***Board of Director Seat – Request For Reappointment***

---

**Bluewater Power respectfully request the minority Shareholders consisting of the Municipality of Brooke-Alvinston, Village of Point Edward, Town of Petrolia, Village of Oil Springs and Township of Warwick reappoint Brad Goodhill to their combined seat on the Bluewater Power Board of Directors.**



P.O. Box 2140  
 855 Confederation Street  
 Sarnia, Ontario N7T 7L6  
 Tel: (519) 337-8201  
 Fax: (519) 344-6094

May 8, 2025

The Municipality of Brooke-Alvinston  
 3236 River Street, Box 28  
 Alvinston, ON N0N 1A0

*Via E-mail*

Attention: D. Ferguson, Mayor – [mayor@brookealvinston.com](mailto:mayor@brookealvinston.com)  
 J. Denkers, Clerk-Administrator – [jdenkers@brookealvinston.com](mailto:jdenkers@brookealvinston.com)

Dear Sir and Madame:

**Re: Shareholders Annual General Meeting – Written Resolution**

---

Bluewater Power Distribution Corporation and its affiliates (collectively the “Corporations”) are required to hold an Annual General Meeting (AGM) of its shareholders. As we have done for a number of years, we will meet the technical requirements for the AGM by resolution in writing and we will hold a separate informational session for the public on May 8, 2025 at 7:00 pm at the Sheraton Four Points Point Edward/Sarnia.

With respect to the required written resolutions, please find enclosed the resolution required to be executed by your municipality as the shareholders of your electricity holding company. One aspect of that resolution is to appoint your mayor and clerk as the directors of your holding company and, then, the second resolution is to be signed by your mayor and clerk as the directors of the holding company, which is a shareholder in Bluewater Power Corporation. The resolutions deal with the business of the shareholders as follows:

- (1) *Appoint your director to Bluewater Power Distribution Corporation and its affiliates;*
- (2) *Appoint the Auditors of the Corporations: confirm the re-appointment of KPMG;*
- (3) *Acknowledge receipt of audited financial statements dated April 30, 2025; and*
- (4) *Confirm all actions in the prior year, including the declaration of dividends as evidenced in the financial statements.*

We trust the foregoing is satisfactory. If you have any questions, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "AP", is placed below the word "Sincerely,".

Alex Palimaka  
 Senior Vice President & General Counsel  
 Tel: (519) 337-8201 ext. 2292 / Fax: (519) 344-6094  
 email: [apalimaka@bluewaterpower.com](mailto:apalimaka@bluewaterpower.com)

cc: Janice McMichael-Dennis

/Enc.

**ALVINSTON ELECTRICITY HOLDINGS INCORPORATED**

(the “Corporation”)

**RESOLUTION OF SHAREHOLDER**

**Annual Financial Statements**

BE IT RESOLVED:

THAT the financial statements of the Corporation are hereby accepted, which financial statements are comprised of the financial position as at December 31, 2024, and the statements for the year ended December 31, 2024 related to comprehensive income, changes in equity, cash flows and the notes to the financial statement therein.

BE IT RESOLVED:

THAT all acts, intentions and undertakings of the Board and the Officers of the Corporation, including the declaration of dividends evidenced in the financial statements set out above, are confirmed and approved.

**Appointment of Auditors**

BE IT RESOLVED:

THAT KPMG LLP Chartered Accountants be appointed as auditors of the subsidiaries of the Corporation until the next annual meeting of shareholders or until a successor is appointed, but the shareholder waives the requirement for an audit of the Corporation. The Audit shall be performed on a consolidated basis and the shareholders waive the requirement for an audit of the Corporation on a non-consolidated basis.

**Election of Directors**

BE IT RESOLVED that:

David Ferguson  
Janet Denkers

are elected as directors of the Corporation to hold office until the next annual meeting of the Corporation or until his or her successor has been duly elected or appointed, subject to the provisions of the Corporation's bylaws.

BE IT RESOLVED that;

Brad Goodhill

is elected as director, of the affiliates to the Corporation, namely Bluewater Power Corporation, Bluewater Power Distribution Corporation, Bluewater Power Services Corporation, Bluewater Power Renewable Energy Inc., Electek Power Services Inc., and Bluewater Regional Networks Inc. to hold office until the next annual meeting, or until his or her successor has been duly elected or appointed, subject to the provisions of the bylaws. Further, the directors of the Corporation are authorized to execute such further documentation as may be required to further this resolution.

THE FOREGOING RESOLUTIONS are hereby consented to by the shareholders of the Corporation pursuant to the Business Corporations Act (Ontario), as evidenced by its signature hereto.

DATED effective the 30th day of June, 2025.

THE MUNICIPALITY OF BROOKE-ALVINSTON

---

Mayor

---

Clerk-Administrator



**BLUEWATER POWER CORPORATION**

(the “Corporation”)

**RESOLUTION OF SHAREHOLDERS**

**Annual Financial Statements**

BE IT RESOLVED:

THAT the financial statements of the Corporation are hereby accepted, which financial statements are comprised of the financial position as at December 31, 2024, and the statements for the year ended December 31, 2024 related to comprehensive income, changes in equity, cash flows and the notes to the financial statement therein.

BE IT RESOLVED:

THAT all acts, intentions and undertakings of the Board and the Officers of the Corporation, including the declaration of dividends evidenced in the financial statements set out above, are confirmed and approved.

**Appointment of Auditors**

BE IT RESOLVED:

THAT KPMG LLP Chartered Accountants be appointed as auditors of the Corporation until the next annual meeting of shareholders or until a successor is appointed. The Audit shall be performed in a consolidated basis and the shareholders waive the requirement for an audit of the Corporation on a non-consolidated basis.

**Election of Directors**

BE IT RESOLVED that:

Garry McDonald  
Margaret Dragan  
Brad Goodhill

are elected as directors of the Corporation to hold office until the next annual meeting of the Corporation or until his or her successor has been duly elected or appointed, subject to the provisions of the Corporation’s bylaws.

THE FOREGOING RESOLUTIONS are hereby consented to by the shareholders of the Corporation pursuant to the Business Corporations Act (Ontario), as evidenced by its signature hereto.

*This resolution is signed effective June 30, 2025 and may be signed in counterparts and signature by copy or electronic means shall be treated as original.*

**SARNIA POWER CORPORATION**

\_\_\_\_\_  
Garry McDonald, Chair

\_\_\_\_\_  
Margaret Dragan, Vice Chair

\_\_\_\_\_  
Date

**PETROLIA ELECTRICITY HOLDINGS INC.**

\_\_\_\_\_  
Brad Loosley

\_\_\_\_\_  
Rick Charlebois

\_\_\_\_\_  
Date

**ALVINSTON ELECTRICITY  
HOLDINGS INC.**

\_\_\_\_\_  
Dave Ferguson

\_\_\_\_\_  
Janet Denkers

\_\_\_\_\_  
Date

**OIL SPRINGS ELECTRICITY  
HOLDINGS INC.**

\_\_\_\_\_  
Ian Veen

\_\_\_\_\_  
Martha Gawley

\_\_\_\_\_  
Date

**WARWICK ELECTRICITY  
HOLDINGS INC.**

\_\_\_\_\_  
Todd Case

\_\_\_\_\_  
Ron Van Horne

\_\_\_\_\_  
Date

**POINT EDWARD ELECTRICITY  
HOLDINGS INC.**

\_\_\_\_\_  
Bev Hand

\_\_\_\_\_  
Jim Burns

\_\_\_\_\_  
Date

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## *Appendix A*

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### *Financial Statements*

Consolidated Financial Statements of

# **BLUEWATER POWER CORPORATION**

And Independent Auditor's Report thereon

Year ended December 31, 2024



**KPMG LLP**  
 140 Fullarton Street, Suite 1400  
 London, ON N6A 5P2  
 Canada  
 Telephone 519 672 4880  
 Fax 519 672 5684

## INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Bluewater Power Corporation

### ***Opinion***

We have audited the consolidated financial statements of Bluewater Power Corporation (the Entity), which comprise:

- the consolidated statement of financial position as at end of December 31, 2024
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at end of December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



Page 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

London, Canada

April 25, 2025

# BLUEWATER POWER CORPORATION

Consolidated Statement of Financial Position

December 31, 2024, with comparative information for December 31, 2023

	Note	2024	2023
<b>Assets</b>			
<b>Current assets</b>			
Cash		\$ 11,955,039	\$ 5,030,816
Accounts receivable and unbilled contract assets	5	20,023,903	17,906,403
Due from related parties	6	864,848	705,040
Unbilled revenue		10,954,093	10,270,694
Materials and supplies	7	1,325,578	1,404,098
Prepaid expense		1,329,300	1,218,464
Total current assets		46,452,761	36,535,515
<b>Non-current assets</b>			
Property, plant and equipment	8	106,756,018	101,615,249
Intangible assets	9	5,600,390	5,422,156
Right-of-use assets	26	341,257	399,147
Prepaid income taxes	10	689,382	2,412,846
Total non-current assets		113,387,047	109,849,398
<b>Total assets</b>		<b>159,839,808</b>	<b>146,384,913</b>
Regulatory balances	11	5,877,024	6,777,728
<b>Total assets and regulatory balances</b>		<b>\$ 165,716,832</b>	<b>\$ 153,162,641</b>

See accompanying notes to the consolidated financial statements.



# BLUEWATER POWER CORPORATION

Consolidated Statement of Financial Position

December 31, 2024, with comparative information for December 31, 2023

	Note	2024	2023
<b>Liabilities and Equity</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	12	\$ 15,735,059	\$ 14,450,476
Due to related parties	6	3,346,463	3,186,583
Income taxes payable		616,654	102,168
Dividends payable	15	2,244,285	2,070,534
Current portion of lease liabilities	26	53,874	48,725
Deposits in aid of construction		4,103,809	3,610,464
Deferred revenue	24	919,615	1,296,077
<b>Total current liabilities</b>		<b>27,019,759</b>	<b>24,765,027</b>
<b>Non-current liabilities</b>			
Long-term debt	13	39,310,941	33,210,941
Derivative liability	13	449,403	73,633
Post-employment benefits	14	13,046,148	12,999,165
Deferred revenue	24	4,719,451	4,012,857
Lease liabilities	26	331,259	385,134
Customer and other deposits		1,804,207	1,708,959
Deferred tax liabilities	10	3,648,000	4,540,000
<b>Total non-current liabilities</b>		<b>63,309,409</b>	<b>56,930,689</b>
<b>Total liabilities</b>		<b>90,329,168</b>	<b>81,695,716</b>
<b>Equity</b>			
Share capital	15	18,032,105	18,032,105
Retained earnings		55,017,910	52,577,061
Accumulated other comprehensive loss		(353,880)	(600,132)
<b>Total equity</b>		<b>72,696,135</b>	<b>70,009,034</b>
<b>Total liabilities and equity</b>		<b>163,025,303</b>	<b>151,704,750</b>
Regulatory balances	11	2,691,529	1,457,891
Commitments and contingencies (note 20 and 23)			
<b>Total liabilities, equity and regulatory balances</b>		<b>\$ 165,716,832</b>	<b>\$ 153,162,641</b>

See accompanying notes to the consolidated financial statements.

On behalf of the Board:

Director

Director

# BLUEWATER POWER CORPORATION

Consolidated Statement of Comprehensive Income  
Year ended December 31, 2024, with comparative information for 2023

	Note	2024	2023
<b>Revenue</b>			
Electricity sales	25	\$ 104,494,787	\$ 93,665,546
Distribution revenue	25	26,079,786	24,750,729
Other	16	23,114,497	21,044,737
		153,689,070	139,461,012
<b>Operating expenses</b>			
Electricity purchased		103,226,231	93,266,880
Employee salaries and benefits	17	17,949,204	16,816,644
Other expenses	18	13,326,248	11,927,771
Amortization of intangible assets	9	1,321,004	1,197,877
Amortization of right-of-use assets	26	57,890	57,891
Amortization of property, plant and equipment	8	5,956,506	5,654,889
		141,837,083	128,921,952
<b>Income from operating activities</b>		11,851,987	10,539,060
Finance income	19	523,485	378,700
Finance costs	19	3,155,996	2,314,448
<b>Income before income taxes</b>		9,219,476	8,603,312
Income tax expense	10	2,339,000	2,205,000
<b>Net income for the year</b>		6,880,476	6,398,312
<b>Net movement in regulatory balances</b>			
Net movement in regulatory balances	11	(1,401,342)	(466,004)
Income tax	10	(794,000)	603,000
		(2,195,342)	136,996
<b>Net income for the year and net movement in regulatory balances</b>		4,685,134	6,535,308
<b>Other comprehensive income (loss)</b>			
Items that will not be reclassified to profit or loss:			
Remeasurements of post-employment benefits	14	252,252	(629,039)
Tax on remeasurements	10	(67,000)	167,000
Net movement in regulatory balances, net of tax	11	61,000	(155,000)
<b>Other comprehensive income (loss) for the year</b>		246,252	(617,039)
<b>Total comprehensive income for the year</b>		\$ 4,931,386	\$ 5,918,269

See accompanying notes to the consolidated financial statements.

## BLUEWATER POWER CORPORATION

Consolidated Statement of Changes in Equity

Year ended December 31, 2024, with comparative information for 2023

	Note	Share Capital	Retained Earnings	Accumulated other comprehensive income (loss)	Total
<b>Balance at January 1, 2023</b>		\$ 18,032,105	\$ 48,112,287	\$ 16,907	\$ 66,161,299
Net income and net movement					
in regulatory balances		-	6,535,308	-	6,535,308
Other comprehensive loss		-	-	(617,039)	(617,039)
Dividends	15	-	(2,070,534)	-	(2,070,534)
<b>Balance at December 31, 2023</b>		\$ 18,032,105	\$ 52,577,061	\$ (600,132)	\$ 70,009,034
<b>Balance at January 1, 2024</b>		\$ 18,032,105	\$ 52,577,061	\$ (600,132)	\$ 70,009,034
Net income and net movement					
in regulatory balances		-	4,685,134	-	4,685,134
Other comprehensive income		-	-	246,252	246,252
Dividends	15	-	(2,244,285)	-	(2,244,285)
<b>Balance at December 31, 2024</b>		\$ 18,032,105	\$ 55,017,910	\$ (353,880)	\$ 72,696,135

See accompanying notes to the consolidated financial statements.

# BLUEWATER POWER CORPORATION

## Consolidated Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	Note	2024	2023
<b>Operating activities</b>			
Net income and net movement in regulatory balances		\$ 4,685,134	\$ 6,535,308
Adjustments for:			
Amortization of intangible assets		1,321,004	1,197,877
Amortization of right-of-use assets		57,890	57,891
Amortization of property, plant and equipment		5,956,506	5,654,889
Post-employment benefits		299,235	402,478
Gain on disposal of property, plant and equipment		(244,978)	(134,361)
Net finance costs		2,632,511	1,935,748
Income tax expense		2,339,000	2,205,000
Change in non-cash operating working capital	22	(1,431,677)	(1,927,372)
Regulatory balances		2,195,342	(136,996)
Interest paid		(2,780,226)	(2,240,815)
Interest received		523,485	378,700
Income tax paid		(1,283,771)	(1,594,083)
Income tax received		223,721	176,283
<b>Net cash from operating activities</b>		<b>14,493,176</b>	<b>12,510,547</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment		(11,178,481)	(12,247,734)
Proceeds on disposal of property, plant and equipment		326,184	139,663
Purchase of intangible assets		(1,499,238)	(939,930)
<b>Net cash used in investing activities</b>		<b>(12,351,535)</b>	<b>(13,048,001)</b>
<b>Financing activities</b>			
Dividends paid		(2,070,534)	(2,065,974)
Receipt of deferred revenue, net		706,594	620,437
Customer and other deposits received, net		95,248	59,270
Repayment of lease liabilities		(48,726)	(43,924)
Proceeds from long-term debt		6,100,000	23,833,337
Repayment of long-term debt		-	(14,333,336)
<b>Net cash from financing activities</b>		<b>4,782,582</b>	<b>8,069,810</b>
Change in cash		6,924,223	7,532,356
Cash (bank indebtedness), beginning of year		5,030,816	(2,501,540)
<b>Cash, end of year</b>		<b>11,955,039</b>	<b>5,030,816</b>

See accompanying notes to the consolidated financial statements.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 1. Reporting entity

Bluewater Power Corporation (the "Corporation") is a municipally owned holding company incorporated under the laws of Ontario, Canada. The Corporation is located in the City of Sarnia. The address of the Corporation's registered office is 855 Confederation Street, Sarnia, Ontario.

The Corporation is owned by six municipalities which includes The City of Sarnia, The Town of Petrolia, The Village of Point Edward, The Municipality of Brooke-Alvinston, The Township of Warwick and the The Village of Oil Springs. The Corporation delivers electricity and related energy services to residential and commercial customers in these municipalities. The Corporation also provides services to the various municipal shareholders, including streetlight maintenance and installation services, traffic light maintenance and installation services, water meter maintenance services, and water meter reading and billing services. It also provides civil services, high voltage line service work, solar installation services and highly specialized power distribution system services to third parties. The Corporation has also invested in electricity generation projects relating to landfill gas and solar, as well as providing internet connectivity services.

The consolidated financial statements (hereafter referred to as "financial statements") are for the Corporation as at and for the year ended December 31, 2024.

## 2. Basis of presentation

### (a) Statement of compliance

The Corporation's financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS").

### (b) Approval of financial statements

The financial statements were approved by the Board of Directors on April 24, 2025.

### (c) Basis of consolidation

#### (i) Business combinations

The Corporation accounts for business combinations using the acquisition method when control is transferred to the Corporation. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested for impairment.

#### (ii) Subsidiaries

Subsidiaries are entities controlled by the Corporation. The Corporation controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statement of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

#### (iii) Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 2. Basis of presentation (continued)

### (d) Basis of measurement

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

### (e) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

### (f) Use of estimates and judgments

#### Assumptions and estimation uncertainty

The preparation of the Corporation's Consolidated Financial Statements in accordance with IFRS requires management to make judgments, estimates and assumptions which affect the application of accounting policies, reported assets, liabilities, and regulatory balances, disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements, and the reported revenues and expenses for the year. The estimates are based on historical experience, current conditions and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities as well as for identifying and assessing the accounting treatment with respect to commitments and contingencies. Actual results could differ from those estimates, including changes as a result of future decisions made by the OEB, the IESO, the Ontario Ministry of Energy, or the Ontario Ministry of Finance. Due to current uncertain economic conditions, the estimates and judgments made by management in the preparation of the Corporation's Consolidated Financial Statements are subject to uncertainty.

Management has analyzed the impact of the uncertain economic conditions on its estimates and adjusted the expected credit loss allowance as at December 31, 2024 (note 21). The extent of the future impact of the uncertain economic conditions on the Corporation's financial results and business operations is not known at this time.

Information about judgments in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in note 3(j) relating to recognition of regulatory balances and note 3(c) relating to principal versus agent determination for recording revenue on a gross or net basis.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. Assumptions and estimates that have the most significant effect on the amounts recognized in these financial statements are included in the following notes:

- (i) Note 3(c) – measurement of unbilled revenue and unbilled contract assets
- (ii) Notes 8, 9 – determination of useful lives of its property, plant and equipment and intangible assets
- (iii) Note 8 – estimation of impairment of property, plant and equipment
- (iv) Note 11 – recognition and measurement of regulatory balances
- (v) Note 14 – measurement of post-employment benefits: key actuarial assumptions
- (vi) Note 20 – recognition and measurement of provisions and contingencies

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 2. Basis of presentation (continued)

### (f) Use of estimates and judgments (continued)

Assumptions and estimation uncertainty (continued)

- (vii) Note 3(c) – determination of the performance obligation for contributions from customers and the related amortization period
- (viii) Note 3(n) – leases: whether an arrangement contains a lease
- (ix) Note 10 – Recognition of deferred tax assets – availability of future taxable income against which deductible temporary differences and tax loss carryforwards can be used

### (g) Rate regulation

A wholly owned subsidiary corporation is regulated by the Ontario Energy Board (“OEB”), under the authority granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies (“LDCs”), such as the subsidiary corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

Rate setting

#### *Distribution revenue*

For the distribution revenue included in the statement of comprehensive income, the Corporation files a “Cost of Service” (“COS”) rate application with the OEB when required. Distribution rates are determined through a review of the forecasted annual amount of operating and capital expenditures, debt, and shareholder’s equity required to support the Corporation’s business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including any revisions resulting from that review.

In the intervening years an Incentive Rate Mechanism application (“IRM”) is filed. The OEB issued a Decision to approve the Corporation’s 2025 IRM rates on March 20, 2025 (2024 IRM rates – March 21, 2024). An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year’s rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflation for Final Domestic Demand (“GDP IPI-FDD”) net of a productivity factor and a “stretch factor” determined by the relative efficiency of an electricity distributor.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 2. Basis of presentation (continued)

### (g) Rate regulation (continued)

#### Rate setting (continued)

#### *Distribution revenue (continued)*

As a licensed distributor, a subsidiary corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers.

The Corporation last filed a COS application in October 2022 for rates effective May 1, 2023 to April 30, 2024. The GDP IPI-FDD for rates effective May 1, 2025 is 3.6% (2024 = 4.8%), less the Corporation's productivity factor of 0.0% (2024 = 0.0%), and less a stretch factor of 0.3% (2024 = 0.3%), resulting in a net adjustment of 3.3% (2024 = 4.5%) to the previous year's rates. This rate increase was approved by the OEB on March 20, 2025.

#### *Electricity rates*

The OEB sets electricity prices for low-volume consumers twice each year based on an estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

## 3. Material accounting policies

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

### (a) Financial instruments

#### Non-derivative

All financial assets and financial liabilities are classified as "Amortized cost". These financial instruments are recognized initially at fair value adjusted for any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets. The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's length transaction between willing parties.

The Corporation uses the following methods and assumptions to estimate the fair value of each class of financial instruments for which carrying amounts are included in the balance sheets:

- (i) Cash and cash equivalents are classified as "Amortized cost" and are initially measured at fair value. The carrying amounts approximate fair value due to the short maturity of these instruments.



# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (a) Financial instruments (continued)

#### Non-derivative (continued)

- (ii) Accounts receivable and unbilled contract assets are classified as “Amortized cost” and are initially measured at fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method, less expected credit loss allowance. The carrying amounts approximate fair value due to the short maturity of these instruments.
- (iii) Due from related parties are classified as “Amortized cost” and are initially measured at fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method, less expected credit loss allowance. The carrying amounts approximate fair value due to the short maturity of these instruments.
- (iv) Bank indebtedness is classified as “Amortized cost” and is initially measured at fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method. The carrying amounts approximate fair value due to the short maturity of these instruments. Transaction costs incurred in connection with the Corporation’s bank indebtedness are included in finance costs.
- (v) Accounts payable and accrued liabilities are classified as “Amortized cost” and are initially measured at fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method. The carrying amounts approximate fair value due to the short maturity of these instruments.
- (vi) Due to related parties are classified as “Amortized cost” and are initially measured at fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method. The carrying amounts approximate fair value due to the short maturity of these instruments.
- (vii) Long-term debt is classified as “Amortized cost” and is initially measured at fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date.
- (viii) Customer and other deposits are classified as “Amortized cost” and are initially measured at fair value. Subsequent measurements are recorded at cost plus accrued interest. The carrying amounts approximate fair value taking into account interest accrued on the outstanding balance.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (a) Financial instruments (continued)

#### Derivative

The Corporation holds derivative financial instruments to manage its interest rate risk exposures. Derivatives are initially recognized at fair value; any directly attributable transaction costs are recognized in the Statement of Comprehensive Income as incurred as a change in interest rate swap. Subsequent to initial recognition, derivatives are measured at fair value using Level 2 inputs, and changes therein are recognized in the Statement of Comprehensive Income.

Hedge accounting has not been used in the preparation of these consolidated financial statements.

### (b) Fair value measurements

The Corporation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A fair value hierarchy exists that prioritizes observable and unobservable inputs used to measure fair value. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Corporation's assumptions with respect to how market participants would price an asset or liability. The fair value hierarchy includes three levels of inputs that may be used to measure fair value:

- (i) Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis;
- (ii) Level 2: Other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly; and
- (iii) Level 3: Unobservable inputs, supported by little or no market activity, used to measure the fair value of the assets or liabilities to the extent that observable inputs are not available.

### (c) Revenue recognition

The Corporation determines revenue recognition through the following steps: a) identification of the contract with a customer, b) identification of the performance obligations in the contract, c) determination of the transaction price, d) allocation of the transaction price to the performance obligations in the contract and e) recognition of revenue when the Corporation satisfies a performance obligation.

The Corporation principally generates revenue from the sale and distribution of electricity. It also generates revenue from the provision of electricity distribution related services, solar rooftop installations, electricity generation, fiber optic connectivity, streetlight and traffic light maintenance and installations, civil work, water meter maintenance, water meter reading and billing, electricity conservation programs, pole rental revenue, and collection and other service charges.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (c) Revenue recognition (continued)

#### *Sale and distribution of electricity*

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

The Corporation provides water and wastewater billing services to certain shareholders. The Corporation has determined that it is acting as an agent for these billing services as any uncollectable amounts related to water billings are collected by the Corporation from the shareholders. Therefore, no amounts charged on behalf of the shareholders to their customers are included in the Statement of Comprehensive Income.

#### *Capital contributions*

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 Revenue from Contracts with Customers. Cash contributions received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order to receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (c) Revenue recognition (continued)

#### *Other revenue*

Revenue earned from the provision of services is recognized as the performance obligation is satisfied. Revenue from contracts is recognized in profit or loss as and when the work is done. Otherwise contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognized immediately in profit or loss.

Government grants and the related performance incentive payments under CDM programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

Electricity generation revenue is recorded on the basis of regular meter readings and estimates of generation production from the last meter reading until the end of the reporting period. The latter component is recorded as unbilled revenue.

Revenue from the sale of fiber optic connectivity is recognized on the basis of monthly fixed charges as specified in a contract with a customer. Upfront installation fees are set up as deferred revenue and amortized to revenue over the term of the contract. Revenue earned from the provision of services is recognized as the service is rendered or contract milestones are achieved. Amounts received in advance of these milestones are presented as deferred revenue.

### (d) Materials and supplies

Materials and supplies, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

### (e) Property, plant and equipment

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired prior to January 1, 2014, are measured at deemed cost, less accumulated amortization. All other items of PP&E are measured at cost, or, where the item is contributed by customers, its fair value, less accumulated amortization.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes contracted services, materials and transportation costs, direct labour, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (e) Property, plant and equipment (continued)

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not amortized until the project is complete and the asset is available for use.

The estimated useful lives are as follows:

- Buildings – 30 to 60 years
- Distribution and transmission systems – 15 to 60 years
- Fiber network infrastructure – 25 years
- Generation systems – 20 years
- Equipment – 5 to 25 years

### (f) Intangible assets and goodwill

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2014 are measured at deemed cost, less accumulated amortization. All other intangible assets are measured at cost.

Computer software that is acquired or developed by the Corporation after January 1, 2014, including software that is not integral to the functionality of equipment purchased which has finite useful lives, is measured at cost less accumulated amortization.

Payments to obtain rights to access land ("land rights") are classified as intangible assets. These include payments made for easements, right of access and right of use over land for which the Corporation does not hold title. Land rights are measured at cost less accumulated amortization.

Goodwill represents the excess of the purchase price over the fair value assigned to the Corporation's interest of the net identifiable assets acquired on the acquisition of a business. Goodwill is measured at cost and is not amortized.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. Amortization methods and useful lives of all intangible assets are reviewed at each reporting date and adjusted prospectively if appropriate.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (f) Intangible assets and goodwill (continued)

The estimated useful lives are:

Computer software – 5 years

Land rights – 25 years

Trade name – 20 years

Customer relationship – 20 years

Power generation agreement – 20 years

### (g) Impairment

#### (i) Financial assets measured at amortized cost

Accounts receivable are recorded at the invoiced amount and overdue amounts bear interest at OEB-approved rates. Unbilled revenue is recorded based on an estimated amount for electricity delivered and for other services provided and not yet billed. The estimate is primarily based on customers' subsequent billings pro-rated for the number of days in the reporting period. The carrying amount of accounts receivable and unbilled revenue is reduced through a loss allowance, if applicable, and the amount of the related impairment loss is recognized in the statements of comprehensive income. The impairment loss is the difference between an asset's carrying amount and the estimated future cash flows. When the Corporation considers that there are no realistic prospects of recovery of the financial assets, the relevant amounts are written off. If the amount of impairment loss subsequently decreases due to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through net income.

Accounts receivable and unbilled revenue are assessed at each reporting date to determine whether there is objective evidence of impairment, which includes default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, and adverse changes in the payment status of borrowers or issuers. Accounts receivable and unbilled revenue that are not individually assessed for impairment are collectively assessed for impairment by grouping together receivables with similar risk characteristics, and the Corporation considers historical trends on the timing of recoveries and the amount of loss incurred, adjusted for forward-looking factors specific to the current economic and credit conditions.

The Corporation measures the expected credit loss allowance at an amount equal to the lifetime expected credit losses for all trade receivables that result from transactions with customers and do not contain a significant financing component. The Corporation also adjusts the expected credit loss allowance in efforts to account for current economic conditions and events (including forward-looking macroeconomic data) and historical information (including credit agency reports, if available) (note 21). The Corporation considers the reasons for the accounts being past due, the characteristics of existing accounts, reasonable and supportable forecasts and other considerations that may affect the collectability of the reported amounts.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (g) Impairment (continued)

#### (ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets, other than materials and supplies and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

### (h) Customer and other deposits

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

Other deposits include expansion deposits on offers to connect, which are cash collections from specific customers to guarantee the payment of distribution revenue relating to expansion projects. This liability includes related interest amounts owed to the customers with a corresponding amount charged to finance costs.

Customer and other deposits are classified as a current liability when the Corporation no longer has an unconditional right to defer payment of the liability for at least twelve months after the reporting period.

### (i) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (j) Regulatory balances

Regulatory deferral account debit balances represent costs incurred in excess of amounts billed to the customer at OEB approved rates. Regulatory deferral account credit balances represent amounts billed to the customer at OEB approved rates in excess of costs incurred by the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future billings in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or Other Comprehensive Income ("OCI").

When the customer is billed at rates approved by the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue. The regulatory debit balance is reduced by the amount of these customer billings with the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory deferral account debit balances is assessed annually based upon the likelihood that the OEB will approve the change in rates to recover the balance. The assessment of likelihood of recovery is based upon previous decisions made by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is recognized in profit or loss in the year incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the Corporation recognizes a regulatory deferral account credit balance. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the customers are recognized as a reduction of revenue. The credit balance is reduced by the amount of these customer repayments with the offset to net movement in regulatory balances in profit or loss or OCI.

### (k) Post-employment benefits

#### (i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the Fund"), and provides pensions for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Corporation to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions.



# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (k) Post-employment benefits (continued)

#### (i) Pension plan (continued)

Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

#### (ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

### (l) Finance income and finance costs

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash deposits.

Finance costs comprise interest expense on borrowings. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

### (m) Income taxes

The income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the Electricity Act, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Tax Acts as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001, the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (m) Income taxes (continued)

Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at the reporting date.

### (n) Leases

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Corporation has elected to apply the practical expedient to account for each lease component and any non-lease components as a single lease component.

The Corporation recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The lease term includes periods covered by an option to extend if the Corporation is reasonably certain to exercise that option. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Corporation's incremental borrowing rate. Generally, the Corporation uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, or if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 3. Material accounting policies (continued)

### (n) Leases (continued)

The Corporation has elected to apply the practical expedient not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognized as an expense on a straight-line basis over the lease term.

### (o) Deposits in aid of construction

Deposits are initially received from developers and certain customers in advance of capital projects and billable work. Once capital projects and billable work are completed, usually within a year, the corresponding deposit is applied to the invoice. This liability includes related interest amounts owed to the customers with a corresponding amount charged to finance costs.

### (p) Change in accounting policies

The International Accounting Standards Board (IASB) has issued the following Standards, Interpretations and Amendments to Standards that were adopted by the Corporation effective January 1, 2024:

- a) Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- b) Non-current Liabilities with Covenants (Amendments to IAS 1)
- c) Lease liability in a sale and leaseback transaction (Amendments to IFRS 16)
- d) Supplier finance arrangements (Amendments to IAS 7 and IFRS 7)

The amendments did not have a material impact on the financial statements.

## 4. Standards issued but not yet adopted

At the date of authorization of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Corporation and it is still to be determined if any will have a material impact on the Corporation's financial statements.

- a) Lack of Exchangeability (Amendments to IAS 21)
- b) Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
- c) Presentation and disclosure in financial statements (IFRS 18)
- d) Subsidiaries without public accountability disclosures (IFRS 19)
- e) Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 5. Accounts receivable and unbilled contract assets

	2024	2023
Billable work	\$ 8,389,706	\$ 6,920,597
Electricity receivables	7,035,001	7,274,318
Water billing receivables	3,357,363	2,604,544
Other electricity trade receivables	1,179,515	1,040,506
Other	62,318	66,438
	<b>\$ 20,023,903</b>	<b>\$ 17,906,403</b>

## 6. Related party transactions

Related party transactions are measured at the exchange amount as agreed to by the related parties.

### (a) Parent and ultimate controlling party

The Corporation is owned by six municipalities through their municipal holding companies. The largest, being the City of Sarnia, has a controlling interest with its 86.05% share ownership of Bluewater Power Corporation. The City of Sarnia produces consolidated financial statements that are available for public use. The remaining minority interest is held by the municipalities of Point Edward, Petrolia, Oil Springs, Warwick and Brooke-Alvinston.

### (b) Subsidiaries of the Corporation

The following companies are 100% wholly owned by the Corporation:

Bluewater Power Distribution Corporation  
Bluewater Power Services Corporation  
Bluewater Power Renewable Energy Inc.  
Electek Power Services Inc.  
Bluewater Regional Networks Inc.

### (c) Outstanding balances with related parties

	2024	2023
<b>Due from related parties:</b>		
City of Sarnia	\$ 806,822	\$ 674,451
Village of Point Edward	23,594	10,470
Town of Petrolia	18,055	9,109
Township of Warwick	16,377	10,750
Municipality of Brooke-Alvinston	-	260
	<b>\$ 864,848</b>	<b>\$ 705,040</b>

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 6. Related party transactions (continued)

### (c) Outstanding balances with related parties (continued)

	2024	2023
<b>Due to related parties:</b>		
City of Sarnia - water billing	\$ 2,887,613	\$ 2,742,494
Town of Petrolia - water billing	264,758	261,979
Village of Point Edward - water billing	112,638	104,922
Township of Warwick - water billing	81,454	77,188
	<b>\$ 3,346,463</b>	<b>\$ 3,186,583</b>

The balances owing for water billing have arisen as a result of water billing services provided by the Corporation. These balances represent billed amounts on behalf of these shareholders, not yet remitted to these shareholders.

### (d) Transactions with parent and municipal shareholders

During the year, the Corporation billed customers for water services on behalf of certain shareholders and remitted funds to the shareholders in the amount of \$52,387,039 (2023 - \$47,937,495).

In the ordinary course of business, the Corporation delivers electricity to various properties owned by its municipal shareholders. Electricity is billed to these entities at prices and under terms approved by the OEB.

During the course of the year, the Corporation earned service fees from certain shareholders as follows:

	2024	2023
City of Sarnia	\$ 3,398,073	\$ 2,721,776
Township of Warwick	179,748	95,780
Town of Petrolia	163,322	268,604
Village of Point Edward	99,299	163,422
Municipality of Brooke-Alvinston	14,282	4,013
Village of Oil Springs	12,310	5,955
	<b>\$ 3,867,034</b>	<b>\$ 3,259,550</b>

## 7. Materials and supplies

The amount of materials and supplies written down due to obsolescence in 2024 was nil (2023 - nil).

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 8. Property, plant and equipment

	Land and buildings	Distribution equipment	Generation Systems	Fiber network	Other fixed assets	Construction in progress	Total
<b>Cost or deemed cost</b>							
Balance at January 1, 2024	\$ 10,354,075	\$ 93,075,523	\$ 670,374	\$ 7,729,474	\$ 22,527,696	\$ 373,278	\$134,730,420
Additions	45,656	8,476,905	-	370,877	2,119,488	165,555	11,178,481
Disposals/retirements	(8,000)	(1,454)	-	-	(1,582,231)	-	(1,591,685)
Balance at December 31, 2024	\$ 10,391,731	\$ 101,550,974	\$ 670,374	\$ 8,100,351	\$ 23,064,953	\$ 538,833	\$144,317,216
Balance at January 1, 2023	\$ 10,221,961	\$ 84,348,300	\$ 670,374	\$ 7,430,259	\$ 20,563,043	\$ 229,649	\$123,463,586
Additions	132,114	8,727,223	-	299,215	2,945,553	143,629	12,247,734
Disposals/retirements	-	-	-	-	(980,900)	-	(980,900)
Balance at December 31, 2023	\$ 10,354,075	\$ 93,075,523	\$ 670,374	\$ 7,729,474	\$ 22,527,696	\$ 373,278	\$134,730,420
<b>Accumulated amortization</b>							
Balance at January 1, 2024	\$ 2,081,906	\$ 19,578,004	\$ 233,510	\$ 1,332,550	\$ 9,889,201	\$ -	\$ 33,115,171
Amortization	246,753	2,902,077	42,581	309,179	2,455,916	-	5,956,506
Disposals/retirements	-	(1,454)	-	-	(1,509,025)	-	(1,510,479)
Balance at December 31, 2024	\$ 2,328,659	\$ 22,478,627	\$ 276,091	\$ 1,641,729	\$ 10,836,092	\$ -	\$ 37,561,198
Balance at January 1, 2023	\$ 1,837,659	\$ 16,854,493	\$ 190,929	\$ 1,035,340	\$ 8,517,459	\$ -	\$ 28,435,880
Amortization	244,247	2,723,511	42,581	297,210	2,347,340	-	5,654,889
Disposals/retirements	-	-	-	-	(975,598)	-	(975,598)
Balance at December 31, 2023	\$ 2,081,906	\$ 19,578,004	\$ 233,510	\$ 1,332,550	\$ 9,889,201	\$ -	\$ 33,115,171
<b>Carrying amounts</b>							
At December 31, 2024	\$ 8,063,072	\$ 79,072,347	\$ 394,283	\$ 6,458,622	\$ 12,228,861	\$ 538,833	\$106,756,018
At December 31, 2023	\$ 8,272,169	\$ 73,497,519	\$ 436,864	\$ 6,396,924	\$ 12,638,495	\$ 373,278	\$101,615,249

## 9. Intangible assets

	Computer software	Capital contribution to transmission station	Power generation agreement	Goodwill	Other	Total
<b>Cost or deemed cost</b>						
Balance at January 1, 2024	\$ 5,513,543	\$ 3,154,574	\$ 463,933	\$ 1,169,720	\$ 410,383	\$ 10,712,153
Additions	1,499,238	-	-	-	-	1,499,238
Disposals/retirements	(606,371)	-	-	-	-	(606,371)
Balance at December 31, 2024	\$ 6,406,410	\$ 3,154,574	\$ 463,933	\$ 1,169,720	\$ 410,383	\$ 11,605,020
Balance at January 1, 2023	\$ 5,250,119	\$ 3,154,574	\$ 463,933	\$ 1,169,720	\$ 410,383	\$ 10,448,729
Additions	939,930	-	-	-	-	939,930
Disposals/retirements	(676,506)	-	-	-	-	(676,506)
Balance at December 31, 2023	\$ 5,513,543	\$ 3,154,574	\$ 463,933	\$ 1,169,720	\$ 410,383	\$ 10,712,153

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 9. Intangible assets (continued)

	Computer software	Capital contribution to transmission station	Power generation agreement	Goodw ill	Other	Total
<b>Accumulated amortization</b>						
Balance at January 1, 2024	\$ 3,076,596	\$ 1,902,260	\$ -	\$ 129,970	\$ 181,171	\$ 5,289,997
Amortization	1,086,667	190,226	-	25,994	18,117	1,321,004
Disposals/retirements	(606,371)	-	-	-	-	(606,371)
Balance at December 31, 2024	\$ 3,556,892	\$ 2,092,486	\$ -	\$ 155,964	\$ 199,288	\$ 6,004,630
Balance at January 1, 2023	\$ 2,789,563	\$ 1,712,034	\$ -	\$ 103,976	\$ 163,053	\$ 4,768,626
Amortization	963,539	190,226	-	25,994	18,118	\$ 1,197,877
Disposals/retirements	(676,506)	-	-	-	-	(676,506)
Balance at December 31, 2023	\$ 3,076,596	\$ 1,902,260	\$ -	\$ 129,970	\$ 181,171	\$ 5,289,997
<b>Carrying amounts</b>						
At December 31, 2024	\$ 2,849,518	\$ 1,062,088	\$ 463,933	\$ 1,013,756	\$ 211,095	\$ 5,600,390
At December 31, 2023	\$ 2,436,947	\$ 1,252,314	\$ 463,933	\$ 1,039,750	\$ 229,212	\$ 5,422,156

### Other

This category of intangible assets includes Trade Name with a net book value of \$4,170 (2023 - \$5,560), Customer Relationship of \$46,605 (2023 - \$62,140), and land rights of \$160,320 (2023 - \$161,512).

## 10. Income tax expense

	2024	2023
Current tax expense	\$ 1,924,000	\$ 1,360,000
Prior year tax expense	1,374,000	161,000
	\$ 3,298,000	\$ 1,521,000
Deferred tax expense:		
Change in recognized deductible temporary differences	(959,000)	684,000
Total current and deferred income tax in profit or loss, before movement of regulatory balances	2,339,000	2,205,000
Other comprehensive income:		
Post-employment benefits	67,000	(167,000)
Total current and deferred tax, before movement of regulatory balances	2,406,000	2,038,000
Net movement in regulatory balances	733,000	(448,000)
<b>Income tax expense recognized in Statement of Comprehensive Income</b>	<b>\$ 3,139,000</b>	<b>\$ 1,590,000</b>

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 10. Income tax expense (continued)

### *Reconciliation of effective tax rate*

	2024	2023
Income before taxes	\$ 8,070,386	\$ 7,508,269
Canada and Ontario statutory income tax rates	26.5%	26.5%
Expected tax provision on income at statutory rates	2,139,000	1,990,000
Increase (decrease) in income taxes resulting from:		
Permanent differences	118,000	117,000
Recognized deductible temporary differences due to/from customers	(478,000)	(448,000)
Prior year reassessments	1,374,000	-
Other	(14,000)	(69,000)
Income tax expense	\$ 3,139,000	\$ 1,590,000

### *Significant components of the Corporation's deferred tax balances*

	2024	2023
Deferred tax assets (liabilities):		
Property, plant and equipment and intangible assets	\$ (8,374,000)	\$ (9,244,000)
Post-employment benefits	3,457,000	3,444,000
Non-capital loss carryforward	766,000	895,000
Other	384,000	345,000
Unrealized loss on interest rate swap	119,000	20,000
	\$ (3,648,000)	\$ (4,540,000)

### *Prepaid Income Taxes*

In prior years, the Corporation opted to prepay amounts for specific tax positions taken for certain reassessed tax years by the Ministry of Finance. This was done to mitigate any interest amounts owing should the Corporation be unsuccessful in its appeal. The Corporation was informed by the Ministry of Finance in 2024 that it was unsuccessful in its appeal of certain items in these reassessments. As a result, the related amounts are included in comprehensive income in 2024.



# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 11. Regulatory balances

Reconciliation of the carrying amount for each class of regulatory balances

<b>Regulatory deferral account debit balances</b>	January 1, 2024	Additions	Recovery/ reversal	December 31, 2024	Remaining years
Group 1 deferral accounts	\$ 5,169,313	\$ 2,017,093	\$ (455,220)	\$ 6,731,186	1 to 2
Regulatory settlement account	(3,188,997)	(2,056,773)	411,291	(4,834,479)	nil
Other regulatory accounts	364,412	-	(84,095)	280,317	1 to 2
Income tax	4,433,000	-	(733,000)	3,700,000	-
	<b>\$ 6,777,728</b>	<b>\$ (39,680)</b>	<b>\$ (861,024)</b>	<b>\$ 5,877,024</b>	

<b>Regulatory deferral account debit balances</b>	January 1, 2023	Additions	Recovery/ reversal	December 31, 2023	Remaining years
Group 1 deferral accounts	\$ 5,442,205	\$ (242,399)	\$ (30,493)	\$ 5,169,313	1 to 2
Regulatory settlement account	(3,655,942)	(1,447,915)	1,914,860	(3,188,997)	nil
Other regulatory accounts	2,577,832	230,701	(2,444,121)	364,412	1 to 2
Income tax	3,985,000	448,000	-	4,433,000	-
	<b>\$ 8,349,095</b>	<b>\$ (1,011,613)</b>	<b>\$ (559,754)</b>	<b>\$ 6,777,728</b>	

<b>Regulatory deferral account credit balances</b>	January 1, 2024	Additions	Recovery/ reversal	December 31, 2024	Remaining years
Group 1 deferral accounts	\$ 5,780,539	\$ 1,998,125	\$ (1,844,479)	\$ 5,934,185	1 to 2
Regulatory settlement account	(4,577,573)	(827,029)	1,742,699	(3,661,903)	nil
Other regulatory accounts	254,925	164,322	-	419,247	1 to 2
Income tax	-	-	-	-	-
	<b>\$ 1,457,891</b>	<b>\$ 1,335,418</b>	<b>\$ (101,780)</b>	<b>\$ 2,691,529</b>	

<b>Regulatory deferral account credit balances</b>	January 1, 2023	Additions	Recovery/ reversal	December 31, 2023	Remaining years
Group 1 deferral accounts	\$ 4,077,850	\$ 1,702,689	\$ -	\$ 5,780,539	1 to 2
Regulatory settlement account	(3,365,326)	(1,212,247)	-	(4,577,573)	nil
Other regulatory accounts	2,298,730	153,567	(2,197,372)	254,925	1 to 2
Income tax	-	-	-	-	-
	<b>\$ 3,011,254</b>	<b>\$ 644,009</b>	<b>\$ (2,197,372)</b>	<b>\$ 1,457,891</b>	

The regulatory balances are recovered or settled through rates approved by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy and weather. The Corporation has received approval from the OEB to establish its regulatory balances.

An application was made to the OEB to settle a net receivable amount of \$2,204,328 for Group 1 accounts which commenced in rates effective May 1, 2024. This application was approved by the OEB in March 2024 and will be settled over a one year time period.

An application was made to the OEB to settle a net payable amount of \$1,475,366 for Group 1 accounts which will commence in rates effective May 1, 2025. This application was approved by the OEB in March 2025 and will be settled over a one year time period.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 11. Regulatory balances (continued)

Once OEB approval is received for an application, the approved account balances are moved to the regulatory settlement account in the same month that settlement commences.

The OEB requires the Corporation to estimate its income taxes when it files a COS application to set its rates. As a result, the Corporation has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be settled with its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates.

Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. For the 2024 fiscal year, the rate was 5.49% for the first and second quarters, 5.20% for the third quarter, and 4.40% for the fourth quarter. For the 2023 fiscal year, the rate was 4.73% for the first quarter, 4.98% for the second and third quarters, and 5.49% for the fourth quarter.

## 12. Accounts payable and accrued liabilities

	2024	2023
Accounts payable - energy purchases	\$ 8,983,454	\$ 8,085,099
Other trade payables	3,427,348	3,353,960
Payroll payable	2,482,407	2,658,418
Government remittances payable, current	818,281	329,430
Interest payable	23,569	23,569
	<u>\$ 15,735,059</u>	<u>\$ 14,450,476</u>

## 13. Long-term debt

	2024	2023
Promissory notes payable to shareholders	\$ 19,377,604	\$ 19,377,604
Term loan - Toronto Dominion Bank	13,833,337	13,833,337
Term loan - Toronto Dominion Bank	6,100,000	-
	<u>39,310,941</u>	<u>33,210,941</u>
Less: due within one year	-	-
	<u>\$ 39,310,941</u>	<u>\$ 33,210,941</u>

The promissory notes payable to shareholders bear interest at 7.93% from January to December 2024 (6.98% from January to April 2023, and 7.93% from May to December 2023), due quarterly in arrears. The promissory notes are unsecured and subordinated, and are due on demand with eighteen months written notice. No shareholder has demanded payment and as such, the promissory notes have been presented as a long-term liability.

In May 2023 the Corporation entered into an interest rate swap agreement with the Toronto Dominion Bank for an unsecured non-revolving term loan in the amount of \$13,833,337. Interest only payments are due monthly and the principal is due at maturity in May 2028. The agreement is a fixed rate swap which effectively converts variable interest rates on unsecured daily compounded Canadian Overnight Repo Rate Average (CORRA) loans to an effective rate of 3.214%, plus a stamping fee of 0.875%, for an all-in rate of 4.089%.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 13. Long-term debt (continued)

In June 2024 the Corporation entered into an interest rate swap agreement with the Toronto Dominion Bank for an unsecured non-revolving term loan in the amount of \$6,100,000. Interest only payments are due monthly and the principal is due at maturity in June 2029. The agreement is a fixed rate swap which effectively converts variable interest rates on unsecured daily compounded Canadian Overnight Repo Rate Average (CORRA) loans to an effective rate of 3.508%, plus a stamping fee of 0.875%, for an all-in rate of 4.383%.

The two swap agreements entered into with the Toronto Dominion Bank do not meet the standard to apply hedge accounting. Accordingly, the interest rate swap contracts are recorded at fair value at year end with the unrealized loss recorded in the Statement of Comprehensive Income as finance costs. The unrealized loss for the year ended December 31, 2024 is \$375,770 (2023 - \$73,633).

At December 31, 2024, the Corporation would be required to pay \$236,422 (2023 - \$73,633) if it decided to cancel the swap agreement on the \$13,833,337 loan with the Toronto Dominion Bank. Similarly, the Corporation would be required to pay \$212,981 (2023 - nil) if it decided to cancel the swap agreement on the \$6,100,000 loan. Both combined would require a \$449,403 payout (2023 - \$73,633).

During the year ended December 31, 2024, interest on long-term debt was incurred in the amount of \$2,235,971 (2023 - \$2,050,244).

As at December 31, 2024, the Corporation was in compliance with financial covenants under its banking agreement.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Deferred revenue	Customer and other deposits	Long-term debt	Lease liability	Dividends payable	Total
<b>Balance at January 1, 2024</b>	\$ 4,012,857	\$ 1,708,959	\$ 33,210,941	\$ 433,859	\$ 2,070,534	\$ 41,437,150
<b>Changes from financing cash flows:</b>						
Receipt of deferred revenue	1,687,939	-	-	-	-	1,687,939
Utilization of deferred revenue	(981,345)	-	-	-	-	(981,345)
Receipt (repayment) of customer and other deposits, net	-	95,248	-	-	-	95,248
Receipt of long-term debt	-	-	6,100,000	-	-	6,100,000
Repayment of lease liabilities	-	-	-	(48,726)	-	(48,726)
Dividends paid	-	-	-	-	(2,070,534)	(2,070,534)
<b>Total changes from financing cash flows</b>	706,594	95,248	6,100,000	(48,726)	(2,070,534)	4,782,582
<b>Other Changes:</b>						
Dividends accrued	-	-	-	-	2,244,285	2,244,285
Interest expense	-	-	2,235,971	-	-	2,235,971
Interest paid	-	-	(2,235,971)	-	-	(2,235,971)
<b>Balance at December 31, 2024</b>	\$ 4,719,451	\$ 1,804,207	\$ 39,310,941	\$ 385,133	\$ 2,244,285	\$ 48,464,017

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 14. Post-employment benefits

### (a) OMERS pension plan

The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2024, the Corporation made employer contributions of \$1,796,647 to OMERS (2023 - \$1,706,484), of which \$529,768 (2023 - \$491,067) has been capitalized as part of PP&E, \$45,697 (2023 - \$39,287) has been allocated to service fee costs, and the remaining amount of \$1,221,182 (2023 - \$1,176,130) has been recognized in profit or loss. The Corporation estimates that a contribution of \$1,931,770 to OMERS will be made during the next fiscal year.

As at December 31, 2024, OMERS had approximately 640,000 members, of whom 142 (2023 - 140) are current employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2024, which reported that the plan was 98% funded, with an unfunded liability of \$2.9 billion. This unfunded liability may result in increases to future payments by participating employers and members.

### (b) Post-employment benefits other than pension

The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employment benefit plans.

Recognition of the obligation	2024	2023
Defined benefit obligation, beginning of year	\$ 12,999,165	\$ 11,967,648
Included in profit or loss:		
Current service cost	116,320	149,166
Interest cost	588,068	594,039
Past service cost	(10,887)	-
	693,501	743,205
Included in Other Comprehensive Income:		
Actuarial (gains) losses arising from:		
changes in demographic assumptions	2,010	(126,195)
changes in experience assumptions	(64,597)	-
changes in financial assumptions	(189,665)	755,234
	(252,252)	629,039
Benefits paid	(394,266)	(340,727)
Defined benefit obligation, end of year	\$ 13,046,148	\$ 12,999,165
Actuarial assumptions	2024	2023
Discount rate	4.70%	4.60%
Salary level escalation	2.00%	2.00%
Medical cost escalation	5.10%	4.90%
Dental cost escalation	5.40%	5.10%

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 14. Post-employment benefits (continued)

### (b) Post-employment benefits other than pension (continued)

A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by \$1,682,600. A 1% decrease in the assumed discount rate would result in the defined benefits obligation increasing by \$2,108,600.

A 1% increase in the assumed cost trends rate would result in the defined benefit obligation increasing by \$1,984,800. A 1% decrease in the assumed cost trends rate would result in the defined benefit obligation decreasing by \$1,608,600.

## 15. Share capital

	2024	2023
Authorized:		
Unlimited number of common shares		
Issued:		
10,000 common shares	\$ 18,032,105	\$ 18,032,105

### Dividends

The Corporation has established a dividend policy to pay one-third of after-tax net income with consideration given to the cash position, working capital requirements, loan covenants, and the net capital expenditures requirements. As well, the holders of the common shares may receive additional dividends as declared from time to time.

The Corporation declared aggregate dividends at December 31, 2024 of \$2,244,285 (\$224.43 per share) which will be paid in May 2025.

The Corporation declared aggregate dividends at December 31, 2023 of \$2,070,534 (\$207.05 per share) which were paid in May 2024.

## 16. Other revenue

	2024	2023
Rendering of services	\$ 20,312,916	\$ 17,487,323
Water billing services	1,028,847	988,849
Late payment charges	423,688	412,602
Electricity generation revenue	343,381	367,971
Pole and other rental revenue	278,159	263,107
Other	266,612	383,564
Gain on disposition of PP&E	244,978	134,361
Service charges	215,916	217,235
LRAM revenue	-	789,725
	\$ 23,114,497	\$ 21,044,737

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 17. Employee salaries and benefits

	2024	2023
Salaries, wages and benefits	\$ 15,453,617	\$ 14,375,288
Contributions to OMERS	1,221,182	1,176,130
Post-employment benefit plans	693,501	743,205
CPP and EI remittances	580,904	522,021
	\$ 17,949,204	\$ 16,816,644

## 18. Other expenses

	2024	2023
Materials and supplies	\$ 6,005,713	\$ 5,007,253
Contract/consulting	1,227,221	950,566
Vehicle/tools	1,031,787	885,129
Billable costs	964,163	1,399,098
Other	671,432	527,133
Computer hardware and software	636,498	680,834
Regulatory/OEB fees	622,432	609,210
Buildings/utilities	569,558	555,227
Corporate training and travel	565,667	382,789
Community relations and donations	523,729	399,563
Communication/internet	206,446	148,436
Maintenance and repairs	206,023	147,417
Impairment losses on financial assets	95,579	235,116
	\$ 13,326,248	\$ 11,927,771

## 19. Finance income and costs

	2024	2023
Finance income:		
Interest income on bank deposits	\$ 523,485	\$ 378,700
Finance costs:		
Interest expense on long-term debt	2,235,971	2,050,244
Interest expense on income tax reassessments	409,525	11,422
Interest expense - other	134,730	179,149
	2,780,226	2,240,815
Change in interest rate swap:		
Unrealized loss on interest rate swap	375,770	73,633
Total finance costs:	3,155,996	2,314,448
Net finance costs recognized in profit or loss	\$ (2,632,511)	\$ (1,935,748)

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 20. Commitments and contingencies

### General

From time to time, the Corporation is involved in various litigation matters arising in the ordinary course of its business. The Corporation has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Corporation's financial position, results of operations or its ability to carry on any of its business activities.

### General Liability Insurance

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2024, no assessments have been made.

## 21. Financial instruments and risk management

### Fair value disclosure

The carrying values of cash, accounts receivable and unbilled contract assets, unbilled revenue, due from/to related parties and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The fair value of customer deposits approximates their carrying amount taking into account interest accrued on the outstanding balance.

The fair value of the TD loan is calculated based on the underlying CORRA loans and given the nature of the instruments, the carrying value of the debt approximates its fair value. The fair value of the promissory notes is calculated based on the present value of future principal and interest cash flows. Given the nature of the notes and the underlying interest rate which changes from time to time, the carrying value of the debt approximates its fair value. The Corporation uses Level 2 inputs to determine the fair value of the interest rate swap derivative. At December 31, 2024 the fair value is \$449,403 (2023 – \$73,633).

### Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

#### (a) Credit risk

The Corporation is exposed to the risk of counterparties defaulting on their obligations. The Corporation monitors and limits its exposure to credit risk on a continuous basis. The credit risk related to cash and cash equivalents is mitigated by the Corporation in assessing and monitoring the credit exposures of counterparties.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 21. Financial instruments and risk management (continued)

### Financial risks (continued)

#### (a) Credit risk (continued)

The Corporation's exposure to credit risk primarily relates to accounts receivable and unbilled revenue. The Corporation is exposed to credit risk with respect to customer non-payment of invoices. The Corporation considers the current economic and credit conditions to determine the expected credit loss allowance of its accounts receivable and unbilled revenue. Due to current uncertain economic conditions, the estimates and judgments made by management in the preparation of the expected credit loss allowance are subject to estimation uncertainty. The Corporation determines the expected credit loss allowance based on current estimates and assumptions, including, but not limited to, recent trends for customer collections and current and forecasted economic conditions. The Corporation continues to actively monitor its exposure to credit risk.

The Corporation obtains security instruments from developers and certain customers in accordance with direction provided by the OEB. As at December 31, 2024, the Corporation held security deposits in the amount of \$678,035 (2023 - \$658,274) relating to accounts receivable, and construction deposits of \$3,191,125 (2023 - \$2,604,190) relating to the payment of additional costs for expansion capital projects. The Corporation's security instruments may not provide sufficient protection from counterparties defaulting on their obligations. As at December 31, 2024, there were no significant concentrations of credit risk with respect to any developer or customer. The credit risk and mitigation strategies with respect to unbilled revenue are the same as those for accounts receivable.

No single customer accounts for a balance in excess of 5.9% (2023 - 3.5%) of total accounts receivable and unbilled contract assets.

Credit risk associated with accounts receivable and unbilled contract assets is as follows:

	2024	2023
Accounts receivable and unbilled contract assets, gross:		
Unbilled contract assets	\$ 1,960,581	\$ 1,103,161
Outstanding for not more than 30 days	16,517,486	13,996,814
Outstanding for more than 30 days and not more than 120 days	1,217,290	2,395,441
Outstanding for more than 120 days	592,153	777,512
<b>Accounts receivable and unbilled contract assets, gross</b>	<b>20,287,510</b>	<b>18,272,928</b>
Unbilled revenue, gross	10,954,093	10,270,694
Expected credit loss allowance	(263,607)	(366,525)
<b>Total accounts receivable and unbilled contract assets and unbilled revenue</b>	<b>\$ 30,977,996</b>	<b>\$ 28,177,097</b>

Unbilled revenue represents amounts for which the Corporation has a contractual right to receive cash through future billings and are unbilled at period-end. Unbilled revenue is considered in conjunction with accounts receivable and unbilled contract assets, and is included in the expected credit loss allowance as at December 31, 2024 and December 31, 2023.



# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 21. Financial instruments and risk management (continued)

### Financial risks (continued)

#### (a) Credit risk (continued)

The Corporation has a broad base of customers. As at December 31, 2024 and December 31, 2023, the Corporation's accounts receivable and unbilled contract assets which were not past due or impaired were assessed by management to have no significant collection risk.

Reconciliation between the opening and closing expected credit loss allowance balances for accounts receivable and unbilled contract assets is as follows:

	2024	2023
Balance, beginning of year	\$ (366,525)	\$ (279,516)
Additional expected credit loss allowance	(95,579)	(235,116)
Write-offs, net of recoveries	198,497	148,107
<b>Balance, end of year</b>	<b>\$ (263,607)</b>	<b>\$ (366,525)</b>

#### (b) Market risk

Market risk primarily refers to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk.

#### (c) Interest rate risk

The Corporation is exposed to fluctuations in interest rates for the valuation of its post-employment benefit obligations (note 14). The Corporation is also exposed to short-term interest rate risk on the net of cash and cash equivalents, bank indebtedness, long-term debt, and customer deposits. The Corporation manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

As at December 31, 2024, aside from the post-employment benefit obligations, most of the Corporation's remaining obligations were either non-interest bearing or bear fixed interest rates. Its financial assets were predominately short-term in nature and mostly non-interest bearing. A 1% increase in the interest rate in 2024 would have increased interest expense on the long-term debt by \$362,610 (2023 - \$280,663), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 21. Financial instruments and risk management (continued)

### Financial risks (continued)

#### (d) Liquidity risk

The Corporation is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Corporation monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Corporation has access to letters of credit with a chartered bank and monitors cash balances daily. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they become due while minimizing finance costs. The Corporation relies on debt financing through existing credit facilities to finance its daily operations, repay existing indebtedness and fund capital expenditures.

A subsidiary corporation has access to a \$10,000,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2024, no amounts (2023 – no amounts) had been drawn under the subsidiary's \$10,000,000 credit facility. Amounts drawn are due on demand, bear interest at bank prime less 0.25%, and is unsecured.

The Corporation has letters of credit aggregating \$3,704,848 (2023 - \$3,704,848) in favour of the IESO as security for the Corporation's purchase of electricity through the IESO. At year end, no amounts were drawn on these letters of credit.

The Corporation has letters of credit with a chartered bank aggregating \$500,000 (2023 - \$500,000) in favour of support bids for installation of new traffic lights, street lights and other similar installations. This credit facility is secured by a general security agreement covering all assets of a subsidiary. At year end, no amounts were drawn on these letters of credit.

The Corporation has letters of credit with a chartered bank aggregating \$258,000 (2023 - \$197,000) in favour of OMERS as security for its pension plan contributions. This credit facility is secured by a general security agreement covering all assets of a subsidiary. At year end, no amounts were drawn on these letters of credit.

The current challenging economic climate affected by factors including, but not limited to, uncertain macroeconomic conditions like a global recession may lead to material adverse changes in cash flows, working capital levels and/or debt balances, which may also have a direct negative impact on the Corporation's operating results and financial position in the future. Accordingly, the Corporation continues to monitor liquidity risk and adapt its plans as the economic climate evolves.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 21. Financial instruments and risk management (continued)

### Financial risks (continued)

#### (d) Liquidity risk (continued)

Liquidity risks associated with financial commitments are as follows:

	Due within 1 year	Due within 2-3 years	Due within 4-5 years	Due after 5 years
Accounts payable and accrued liabilities	\$ 15,735,059	\$ -	\$ -	\$ -
Due to related parties	3,346,463	-	-	-
Income taxes payable	616,654	-	-	-
Lease liabilities	53,874	121,693	70,260	139,306
Interest on lease liabilities	25,257	38,276	24,740	20,278
Long-term debt	-	19,377,604	19,933,337	-
Interest payable	2,464,602	2,481,813	636,730	-
<b>Total</b>	<b>\$ 22,241,909</b>	<b>\$ 22,019,386</b>	<b>\$ 20,665,067</b>	<b>\$ 159,584</b>

#### (e) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2024, shareholder's equity amounts to \$72,696,135 (2023 - \$70,009,034) and long-term debt amounts to \$39,310,941 (2023 - \$33,210,941).

## 22. Changes in non-cash operating working capital

	2024	2023
Accounts receivable and unbilled contract assets	\$ (2,117,500)	\$ 958,602
Due from related parties	(159,808)	(163,205)
Unbilled revenue	(683,399)	(584,474)
Materials and supplies	78,520	17,602
Prepaid expenses	(110,836)	(184,936)
Accounts payable and accrued liabilities	1,284,583	(817,448)
Due to related parties	159,880	(143,761)
Deposits in aid of construction	493,345	(1,013,535)
Deferred revenue	(376,462)	3,783
	<b>\$ (1,431,677)</b>	<b>\$ (1,927,372)</b>

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 23. Operating leases

The Corporation is committed to lease agreements for low value or short-term leases. The future minimum non-cancellable annual lease payments are as follows:

	2024	2023
Less than one year	\$ 78,160	\$ 73,159
Between one and five years	129,881	181,102
More than five years	-	18,249
	\$ 208,041	\$ 272,510

Operating leases expensed during the year ended December 31, 2024 was \$78,044 (2023 - \$66,273).

## 24. Deferred revenue

	2024	2023
Capital contributions	\$ 4,015,375	\$ 3,824,580
Contract revenue	1,578,343	803,597
Conservation program funding	-	635,409
Other	45,348	45,348
	\$ 5,639,066	\$ 5,308,934
Less: current portion	(919,615)	(1,296,077)
	\$ 4,719,451	\$ 4,012,857

Deferred revenue relates to the capital contributions received from developers and certain customers for completed capital projects, conservation program funding advances received from the IESO, and contract revenue from customers.

Capital contributions for completed projects are recognized as revenue on a straight-line basis over the life of the asset for which the contribution was received.

The amount of conservation program funding advances are recognized as revenue when there is reasonable assurance that the conservation program conditions have been satisfied.

The amount of contract revenue recorded as deferred revenue represents amounts received in advance of the provision of services or achievement of contract milestones.

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 24. Deferred revenue (continued)

	Capital contributions	Conservation program funding	Other	Contract revenue	Total
Balance at January 1, 2024	\$ 3,824,580	\$ 635,409	\$ 45,348	\$ 803,597	\$ 5,308,934
Received during the year	302,853	-	-	1,385,086	1,687,939
Taken into income	(112,058)	(635,409)	-	(610,340)	(1,357,807)
<b>Balance at December 31, 2024</b>	<b>\$ 4,015,375</b>	<b>\$ -</b>	<b>\$ 45,348</b>	<b>\$ 1,578,343</b>	<b>\$ 5,639,066</b>
Balance at January 1, 2023	\$ 3,058,832	\$ 635,409	\$ 45,348	\$ 945,125	\$ 4,684,714
Received during the year	870,454	-	-	501,762	1,372,216
Taken into income	(104,706)	-	-	(643,290)	(747,996)
<b>Balance at December 31, 2023</b>	<b>\$ 3,824,580</b>	<b>\$ 635,409</b>	<b>\$ 45,348</b>	<b>\$ 803,597</b>	<b>\$ 5,308,934</b>

## 25. Revenue from contracts with customers

The Corporation generates revenue primarily from the sale and distribution of electricity to its customers. In the following tables, revenue from contracts with electricity customers is disaggregated by type of customer.

### a) Electricity sales:

	2024	2023
Commercial	\$ 49,000,113	\$ 45,379,961
Residential	40,453,562	33,647,800
Large users	14,308,520	13,976,791
Other	732,592	660,994
	<b>\$ 104,494,787</b>	<b>\$ 93,665,546</b>

### b) Distribution revenue:

	2024	2023
Residential	\$ 15,294,997	\$ 14,427,701
Commercial	8,117,964	7,654,660
Large users	1,947,584	1,973,913
Other	719,241	694,455
	<b>\$ 26,079,786</b>	<b>\$ 24,750,729</b>

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

## 26. Lease liabilities

A Corporation owned FIT solar generation system is located on a rooftop owned by a public golf course. The Corporation has a lease liability in connection with this right-of-use asset, and is committed to pay rent to the landlord of \$1,667 per month, or \$20,000 annually.

The right-of-use asset has an initial measurement of \$180,037 and will be amortized on a straight-line basis over 14 years starting with the 2021 fiscal year.

The Corporation has building leases at two of its locations.

Information about the leases for which the Corporation is a lessee is presented below.

### *Right-of-use assets:*

	Buildings		Solar generation		Total
<b>Cost</b>					
Balance, January 1, 2024	\$	325,976	\$	180,037	\$ 506,013
Balance, December 31, 2024	\$	325,976	\$	180,037	\$ 506,013
Balance, January 1, 2023	\$	325,976	\$	180,037	\$ 506,013
Balance, December 31, 2023	\$	325,976	\$	180,037	\$ 506,013
<b>Accumulated amortization</b>					
Balance, January 1, 2024	\$	65,806	\$	41,060	\$ 106,866
Amortization		45,256		12,634	57,890
Balance, December 31, 2024	\$	111,062	\$	53,694	\$ 164,756
Balance, January 1, 2023	\$	20,549	\$	28,426	\$ 48,975
Amortization		45,257		12,634	57,891
Balance, December 31, 2023	\$	65,806	\$	41,060	\$ 106,866
<b>Carrying amounts</b>					
At December 31, 2024	\$	214,914	\$	126,343	\$ 341,257
At December 31, 2023		260,170		138,977	399,147

### *Lease liabilities:*

	Future minimum lease payments		Interest at 7%		Present value of minimum lease payments
Less than one year	\$	79,131	\$	25,257	\$ 53,874
Between one and five years		254,969		63,017	191,952
More than five years		159,583		20,276	139,307
	\$	493,683	\$	108,550	\$ 385,133

# BLUEWATER POWER CORPORATION

Notes to Consolidated Financial Statements  
Year ended December 31, 2024

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## 27. Comparative information

Certain comparative information relating to employee salaries and benefits and other expenses have been reclassified to conform with the financial statement presentation adopted in the current year. These reclassifications have no impact on income.

Unaudited Financial Statements of

**ALVINSTON ELECTRICITY HOLDINGS INC.**

Year ended December 31, 2024



**ALVINSTON ELECTRICITY HOLDINGS INC.**

Unaudited Balance Sheet

December 31, 2024, with comparative figures for 2023

	2024	2023
<b>Assets</b>		
Current assets:		
Dividends receivable	\$ 16,159	\$ 14,908
Investment in Bluewater Power Corporation	129,832	129,832
	<b>\$ 145,991</b>	<b>\$ 144,740</b>

**Liabilities and Shareholders' Equity**

Current liability:		
Dividends payable	\$ 16,159	\$ 14,908
Shareholder's equity:		
Share capital	129,832	129,832
	<b>\$ 145,991</b>	<b>\$ 144,740</b>

See accompanying notes to financial statements.

On behalf of the Board: \_\_\_\_\_ Director

On behalf of the Board: \_\_\_\_\_ Director

**ALVINSTON ELECTRICITY HOLDINGS INC.**

## Unaudited Statement of Earnings

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Dividends	\$ 16,159	\$ 14,908
Net income, end of year	\$ 16,159	\$ 14,908

## Unaudited Statement of Retained Earnings

Year ended December 31, 2024, with comparative figures for 2023

	2024	2023
Retained Earnings, beginning of year	\$ -	\$ -
Net income	16,159	14,908
Dividends declared	(16,159)	(14,908)
Retained Earnings, end of year	\$ -	\$ -

See accompanying notes to financial statements.

**ALVINSTON ELECTRICITY HOLDINGS INC.**

Notes to Unaudited Financial Statements

Year ended December 31, 2024

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Alvinston Electricity Holdings Inc. was incorporated October 27, 2000 under the Ontario Business Corporations Act. It is the holding company for the Township of Brooke-Alvinston’s shares in Bluewater Power Corporation.

**1. Summary of significant accounting policies:**

The balance sheet has been prepared in accordance with generally accepted accounting principles in Canada consistently applied.

**2. Share capital:**

The share capital of the Corporation is as follows:

	2024	2023
Authorized:		
Unlimited common shares		
Issued and outstanding:		
100 common shares	\$ 129,832	\$ 129,832

**3. Cash Flow Information:**

A cash flow statement has not been provided as it would not provide any additional meaningful disclosure.



855 Confederation St.,  
PO Box 2140  
Sarnia, ON N7T 7L6  
519-337-8201

May 1, 2025

City of Sarnia  
255 Christina Street N  
Sarnia, ON N7T 7N2  
Mayor Bradley  
Chris Carter – CAO  
Amy Burkhart – City Clerk

The Municipality of Brooke-Alvinston  
3236 River Street, Box 28  
Alvinston, ON N0N 1A0  
Mayor Ferguson  
Janet Denkers – Clerk-Administrator

Town of Petrolia  
411 Greenfield Street, Box 1270  
Petrolia, ON N0N 1R0  
Mayor Loosley  
Rick Charlebois – CAO

Township of Warwick  
6332 Nauvoo Road, RR#8  
Watford, ON N0M 2S0  
Mayor Case  
Ron Van Horne – CAO

Village of Point Edward  
135 Kendall Street  
Point Edward, ON N7V 4G6  
Mayor Hand  
Jim Burns – CAO

### **Re: Bluewater Power Group of Companies – 2024 Dividends**

Bluewater Power is exceptionally pleased to announce that our Board of Directors has approved the payment of 2024 dividends to our Municipal Shareholders.

We are thrilled to pay dividends which not only surpass our budget but are the highest operating dividends in our history. It is important to note that this was not on the backs of distribution electricity ratepayers but rather was mostly due to stronger levels of other non-distribution revenue and expense reductions. I could not be more proud of our exceptional team who once again delivered outstanding results.

As a result, an operating dividend of \$2,244,285 will be paid out to our Municipal Shareholders according to their individual ownership ratios as outlined below.

...2/



Please note these dividends are in addition to our promissory note payments already made in 2024 and as a result total municipal returns for the year equal almost \$3.8Million.

	<u>Dividends</u>	<u>Promissory Note</u>	<u>Total Returns</u>
<b>Sarnia</b>	<b>\$1,931,207</b>	<b>\$1,326,660</b>	<b>\$3,257,867</b>
<b>Petrolia</b>	<b>\$ 165,179</b>	<b>\$ 113,471</b>	<b>\$ 278,650</b>
<b>Point Edward</b>	<b>\$ 75,632</b>	<b>\$ 51,956</b>	<b>\$ 127,588</b>
<b>Warwick</b>	<b>\$ 48,701</b>	<b>\$ 33,456</b>	<b>\$ 82,157</b>
<b>Brooke-Alvinston</b>	<b>\$ 16,159</b>	<b>\$ 11,101</b>	<b>\$ 27,260</b>
<b>Oil Springs</b>	<b>\$ 7,407</b>	<b>\$ -</b>	<b>\$ 7,407</b>
<b>Total</b>	<b><u>\$2,244,285</u></b>	<b><u>\$1,536,644</u></b>	<b><u>\$ 3,780,929</u></b>

Bluewater Power is thrilled to be in a position to continue to provide exceptional financial returns to our Municipal owners. With this most recent payment, our total financial returns to our Shareholders now equal almost \$65 Million since inception.

Your cheques will be available at our Shareholders update meeting scheduled for May 8<sup>th</sup>, and if you are unable to join us we will hand deliver your cheque. Please note that our annual governance report complete with Board re-appointment requests will also be sent to you next week.

I would be more than happy to make a Bluewater Power presentation to your Council with respect to this matter.

If you have any questions, please do not hesitate to contact me at any time.

Sincerely,

A handwritten signature in black ink that reads "Janice L. McMichael-Dennis".

Janice L. McMichael-Dennis  
President & Chief Executive Officer  
Bluewater Power Group of Companies

Cc: Garry McDonald  
Margaret Dragan  
Brad Goodhill

MAY 07 2025



The Corporation of the Municipality of Brooke-Alvinston  
REQUEST FOR MAINTENANCE / REPAIR / IMPROVEMENT  
(Drainage Act, R.S.O. 1990, Chapter D.17)

I hereby give notice that the Foster ? Drain is out of repair and request that:

☒ Maintenance (preservation of a drainage works) or repair (restoration of a drainage works to its original condition) be performed under the provisions of Section 74 of the Drainage Act, R.S.O 1990, Chapter D.17.

☐ The drain be improved (modification of or an addition to a drainage works intended to increase the effectiveness of the system) under the provisions of:

\_\_\_ Section 76, (Update the Schedule of Maintenance for the Drain)

\_\_\_ Section 78, (New Engineer's Report for the Drain)

(of the Drainage Act, R.S.O. 1990, Chapter D.17)

The following work is required:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Property Description: Lot 13 Concession 11 Roll Number 3815 120 040 06701

911 address 7410 PETROLIA LINE

Dated at the Municipality of Brooke-Alvinston this 7th day of May, 2025

DAUG DUNDAS  
Name-please print

\_\_\_\_\_  
Name-please print

Doug Dundas  
Signature

\_\_\_\_\_  
Signature

Telephone#



Email address: \_\_\_\_\_

Additional Comments if any:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



4218 Oil Heritage Road  
 Petrolia, Ontario, N0N 1R0  
 Phone: (519) 882-0032 Fax: (519) 882-2233  
 www.dobbineng.com

The Mayor and Council  
 Municipality of Brooke-Alvinston  
 3236 River Street  
 Alvinston, ON  
 N0N 1A0

May 14, 2025

**Re: Hair Drain Maintenance**

Seven (7) sealed tenders for the Hair Drain Maintenance project were received and opened on May 14, 2025 at the Municipality of Brooke-Alvinston Municipal Office.

Following the tender opening, the schedule of tender prices from each bid was reviewed by David Moores, Drainage Superintendent to ensure correct unit price extensions and total tender prices. The following are the confirmed, corrected, tender prices submitted (including HST):

• HE Construction	\$16,013.57
• JLH Excavating	\$19,109.02
• Bruce Poland	\$22,081.85
• B. Crow	\$22,625.76
• VanBree Drainage	\$24,891.41 Corrected
• GM Construction	\$25,938.92 Corrected
• McNally Excavating	\$26,555.00

Based on this review, the bid from HE Construction in the amount of \$16,013.57 (including HST) for the drainage work is the lowest price tendered and meets all of the requirements stipulated in tender documents.

We trust this meets your requirements at this time; however, should you have any questions regarding this information, please feel free to call.

Regards,

A handwritten signature in black ink, appearing to read 'D. Moores'.

David Moores  
 Drainage Superintendent  
 R. Dobbin Engineering Inc.



4218 Oil Heritage Road  
 Petrolia, Ontario, N0N 1R0  
 Phone: (519) 882-0032 Fax: (519) 882-2233  
 www.dobbineng.com

The Mayor and Council  
 Municipality of Brooke-Alvinston  
 3236 River Street  
 Alvinston, ON  
 N0N 1A0

May 14, 2025

**Re: Hazen Drain Maintenance**

Nine (9) sealed tenders for the Hazen Drain Maintenance project were received and opened on May 14, 2025 at the Municipality of Brooke-Alvinston Municipal Office.

Following the tender opening, the schedule of tender prices from each bid was reviewed by David Moores, Drainage Superintendent to ensure correct unit price extensions and total tender prices. The following are the confirmed, corrected, tender prices submitted (including HST):

• JLH Excavating	\$11,099.71
• B. Crow Excavation	\$12,048.17
• Bruce Poland and Sons	\$12,304.63
• HE Construction	\$12,388.76
• McNally Excavating	\$15,526.20
• Herrington Excavating	\$16,287.54
• GM Construction	\$17,474.32 Corrected
• BF Environmental	\$17,475.00
• VanBree Drainage	\$18,408.83

Based on this review, the bid from JLH Excavating in the amount of \$11,099.71 (including HST) for the drainage work is the lowest price tendered and meets all of the requirements stipulated in tender documents.

We trust this meets your requirements at this time; however, should you have any questions regarding this information, please feel free to call.

Regards,

A handwritten signature in black ink, appearing to read 'D. Moores', is written over a horizontal line.

David Moores  
 Drainage Superintendent, R. Dobbin Engineering Inc.





## Council Staff Report

**To:** Mayor Ferguson and Members of Council  
**Subject:** By-law to Adopt the Municipality's 2025 Tax Rates  
**Meeting:** Council - 22 May 2025  
**Department:** Treasury  
**Staff Contact:** Stephen Ikert, Treasurer

### Recommendation:

**That Council pass the By-Law to provide for the adoption of the 2025 tax rates for the Municipality of Brooke-Alvinston.**

### Background:

Our 2025 Budget was adopted by Council on February 21, 2025. It called for Local Municipal Taxes of \$3,5715,824 to be raised to satisfy the Budget. Once the Budget has been adopted Council must pass a by-law to levy a separate tax rate on the assessment of each property class in order to raise the funds required by the budget. The Municipality is also responsible for collecting and remitting taxes imposed by the County (for the upper tier tax levy) and Province (for education tax levy).

### Comments:

Before the Municipality of Brooke-Alvinston can pass its by-law to set tax rates for each class, our upper tier (the County of Lambton), must set the Tax Ratios for each Prescribed Property Class. This determines the relative proportion of taxation to be borne by each property class. The Province must also enact a Regulation to establish the tax rates for Education purposes. At their May 7, 2025 meeting, the County of Lambton passed the required by-laws to:

- set Tax Ratios for each Prescribed Property Class,
- set Tax Rate Reductions for Prescribed Property Subclasses, and
- established the Tax Levy Rates to satisfy their Upper Tier Budget .

The Province has also enacted a Regulation establishing the tax rates for education purposes.

### Financial Considerations:

The Tax Rates as set out in the By-law raise the required taxes as determined by the Approved Budget according to the Tax Ratios and subclass rate reductions, as set by the County. See Attached calculations and Taxes to be raised by the Municipality, the County and the Province.

### ATTACHMENTS:

[2025 Tax Rate Calculations](#)

[By-law 22 of 2025 - tax rates](#)

MUNICIPALITY OF BROOKE-ALVINSTON  
Tax Rate - Whole Municipality

2025 TAX RATE CALCULATIONS

Page 2 of 6

AMOUNT TO BE RAISED PER BUDGET						MUNICIPAL		COUNTY		EDUCATION	
		2025	TAX	% OF FULL	WEIGHTED	TAX	TAX	TAX	TAX	TAX	TAX
PROPERTY CLASS	CODE	ASSESSMENT	RATIO	RATE	ASSESSMENT	RATE *	LEVY	RATE	LEVY	RATE	LEVY
Residential & Farm	RT	165,665,656	1.000000	100%	165,665,656	0.00912633	1,511,919	0.00523919	867,954	0.00153000	253,468
Multi-Residential	MT	2,169,000	2.000000	100%	4,338,000	0.01825266	39,590	0.01047837	22,728	0.00153000	3,319
Multi-Residential New Construction	NT	1,277,900	1.000000	100%	1,277,900	0.00912633	11,663	0.00523919	6,695	0.00153000	1,955
Commercial (occupied)	CT	9,859,644	1.627101	100%	16,042,637	0.01484946	146,410	0.00852468	84,050	0.00880000	86,765
Commercial Vacant Units Excess Land	CU	137,900	1.627101	70%	157,064	0.01039462	1,433	0.00596728	823	0.00880000	1,214
Commercial Vacant Land	CX	108,700	1.091161	100%	118,609	0.00995830	1,082	0.00571680	621	0.00679260	738
Commercial Taxable Full, Shared PIL	CH	32,000	1.627101	100%	52,067	0.01484946	475	0.00852468	273	0.01250000	400
Commercial - On Farm Business	C7	16,600	1.627101	25%	6,752	0.00371237	62	0.00213117	35	0.00220000	37
Commercial - On Farm Business	C0	5,100	1.627101	25%	2,075	0.00371237	19	0.00213117	11	0.00220000	11
Industrial Occupied	IT	1,275,200	2.047572	100%	2,611,064	0.01868682	23,829	0.01072761	13,680	0.00880000	11,222
Industrial Vacant Units Excess Land	IU	22,300	2.047572	65%	29,680	0.01214643	271	0.00697295	155	0.00880000	196
Industrial Taxable Full, Shared PIL	IH	14,900	2.047572	100%	30,509	0.01868682	278	0.01072761	160	0.01250000	186
Industrial - On Farm Business	I7	33,400	2.047572	25%	17,097	0.00467170	156	0.00268190	90	0.00220000	73
Pipelines	PT	58,153,000	1.342355	100%	78,061,970	0.01225077	712,419	0.00703285	408,981	0.00880000	511,746
Farmland	FT	613,386,100	0.226000	100%	138,625,259	0.00206255	1,265,140	0.00118406	726,286	0.00038250	234,620
Managed Forests	TT	472,100	0.250000	100%	118,025	0.00228158	1,077	0.00130980	618	0.00038250	181
SUBTOTAL		852,629,500				Base Tax Rate	407,154,363	0.00912633			
EXEMPT	E	23,476,000				Total 2025 Taxes to be Raised		3,715,824		2,133,161	1,106,132
COMMERCIAL PIL - FULL	CF	746,600				2024 amount raised		3,507,756		2,038,648	1,105,312
TOTAL ASSESSMENT PER MPAC		876,852,100				Increase (Decrease)		208,068		94,513	819
						Percentage Increase		5.93%		4.64%	0.07%
								55.86%		32.07%	16.63%

Page 106 of 149

**THE CORPORATION OF THE MUNICIPALITY OF BROOKE-ALVINSTON  
BY-LAW NUMBER 22 of 2025**

**Being a By-law to provide for the adoption of the 2025 tax rates, including rates established for certain special areas, establish the charges on the tax bills for user fees and miscellaneous charges, establish the due dates and to further provide for penalty and interest in default of payment thereof for 2025.**

**WHEREAS** Section 312 of The Municipal Act 2001, Chapter M.25, as amended provides that the Council of a local municipality shall, after the adoption of estimates for the year, pass a by-law to levy a separate tax rate on the assessment in each property class, and;

**AND WHEREAS** Sections 307 and 308 of the said Act require tax rates to be established in the same proportion to tax ratios, and;

**AND WHEREAS** certain regulations require reductions in certain tax rates for certain classes or subclasses of property.

**AND WHEREAS** the Assessment Roll updated and adopted Current Value Assessment is as attached as “Schedule A”.

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF BROOKE-ALVINSTON ENACTS AS FOLLOWS:**

**CLASSES OF TAX RATES**

That the classes of tax rates and the applicable classes are as set out in “Schedule B” for Municipal purposes, Special Area Rates for the former Villages of Alvinston and Inwood, County purposes and School Board purposes.

That the following amounts be levied for user fees, local improvements, special charges, miscellaneous charges and are to be calculated yearly, based on budget. Each charge is to be included in the Annual Budget or approved separately by a resolution/by-law of Council or be a municipal drainage charge, drainage Act Charges, Weed Control Act Charges, Dog Licensing, Cleaning of Land, Property Standards Charges and other such charges that the Treasurer deems necessary to be added for collection purposes.

**GENERAL**

1. That the final taxes for residential, farm, managed forest and pipeline assessment classes less the interim taxes shall be due and payable in two approximately equal instalments on or before office closing on August 29, 2025 and on or before office closing on October 31, 2025.
2. That the final taxes for multi residential, commercial, and industrial assessment classes less the interim taxes shall be due and payable in two approximately equal instalments on or before office closing on August 29, 2025 and on or before office closing on October 31, 2025.
3. On all taxes of the levy, which are in default on the 1<sup>st</sup> day after the due date, a penalty of 1 ¼ percent shall be added and thereafter a penalty of 1 ¼ percent per month will be added on the 1st day of each and every month the default continues, until December 31, 2025.
4. On all taxes in default on January 2<sup>nd</sup>, 2026, interest shall be added at the rate of 1 ¼ percent per month for each month or fraction thereof in, which the default

continues.

- 5. Penalties and interest added in default shall become due and payable and shall be collected as if the same had originally been imposed and formed part of such unpaid tax levy.
- 6. The Final tax levy for all classes will be a minimum of not less than \$25.00.
- 7. The Municipality is empowered to accept part payment from time to time on account of any taxes due.
- 8. The Municipality may mail or cause the same to be mailed or delivered to the residence or place of business of such person indicated on the last revised assessment roll, a written or printed notice specifying the amount of taxes payable.
- 9. That taxes are payable at the Municipality of Brooke-Alvinston Municipal Office, 3236 River Street, P.O. Box 28, Alvinston, Ontario. N0N 1A0.
- 10. This by-law shall come into force and effect, upon the date of the final reading thereof.

READ A FIRST AND SECOND TIME THIS 22<sup>nd</sup> DAY OF MAY 2025.

READ A THIRD TIME AND FINALLY PASSED THIS 22<sup>nd</sup> DAY OF MAY 2025.

\_\_\_\_\_  
David Ferguson, Mayor

\_\_\_\_\_  
Janet Denkers, Clerk Administrator

THE CORPORATION OF THE MUNICIPALITY OF BROOKE-ALVINSTON  
BY-LAW NUMBER 22 of 2025

SCHEDULE A

CURRENT VALUE ASSESSMENTS

<u>PROPERTY CLASS</u>	<u>RTC/RTQ</u>	MUNICIPALITY	ALVINSTON	INWOOD
		<u>ALL INCLUSIVE</u>	<u>SPECIAL AREA</u>	<u>SPECIAL AREA</u>
RESIDENTIAL	RT	165,665,656	50,374,056	8,957,700
FARMLANDS	FT	613,386,100	2,833,000	2,444,100
MANAGED FORESTS	TT	472,100	0	0
MULTI- RESIDENTIAL	MT	2,169,000	2,169,000	0
NEW MULTIRESIDENTIAL	NT	1,277,900	1,277,900	0
COMMERCIAL - OCCUPIED	CT	9,859,644	6,370,044	1,353,200
COMMERCIAL - EXCESS	CU	137,900	97,900	0
COMMERCIAL - VACANT	CX	108,700	61,300	40,100
COMMERCIAL TAXABLE - FULL, SHARED PIL	CH	32,000	0	0
COMMERCIAL - SMALL SCALE ON FARM BUSINESS	C7	16,600	16,600	0
COMMERCIAL - ON FARM BUSINESS	C0	5,100	5,100	0
INDUSTRIAL - OCCUPIED	IT	1,275,200	8,500	0
INDUSTRIAL - EXCESS	IU	22,300	22,300	0
INDUSTRIAL TAXABLE FULL, SHARED PIL	IH	14,900	14,900	0
INDUSTRIAL- SMALL SCALE ON FARM BUSINESS	I7	33,400	33,400	0
PIPELINE	PT	<u>58,153,000</u>	<u>454,000</u>	<u>0</u>
SUBTOTAL		852,629,500	63,738,000	12,795,100
EXEMPT	E	23,476,000	5,368,800	510,400
COMMERCIAL PIL - FULL	CF	<u>746,600</u>	<u>423,800</u>	<u>0</u>
TOTAL		<u>876,852,100</u>	<u>69,530,600</u>	<u>13,305,500</u>

THE CORPORATION OF THE MUNICIPALITY OF BROOKE-ALVINSTON  
BY-LAW NUMBER 22 of 2025

SCHEDULE B

TAX RATES

TAX CLASSES	CLASSES OF TAX RATES					
	RTC/ RTQ	MUNICIPAL RATE	ALVINSTON	INWOOD	COUNTY RATE (Set by County)	EDUCATION
			SPECIAL AREA RATE	SPECIAL AREA RATE		RATE (Set by Province)
Residential & Farm	RT	0.00912633	0.00073193	0.00113826	0.00523919	0.00153000
Res & Farm, Upper Tier & Education Taxable	RL	0.00912633	0.00073193	0.00113826	0.00523919	0.00153000
Res. Farmland Awaiting Dev. Ph 1	R1	0.00319422	0.00025618	0.00039839	0.00183372	0.00053550
Residential Taxable Education only	RD	0.00000000	0.00000000	0.00000000	0.00000000	0.00153000
Commercial Farmland Awaiting Dev. Ph 1	C1	0.00319422	0.00025618	0.00039839	0.00183372	0.00053550
Industrial Taxable Farmland 1	I1	0.00319422	0.00025618	0.00039839	0.00183372	0.00053550
Multi-Residential	MT	0.01825266	0.00146386	0.00227652	0.01047837	0.00153000
Multi-Residential New Construction	NT	0.00912633	0.00073193	0.00113826	0.00523919	0.00153000
Commercial General	CM	0.01484946	0.00119092	0.00185206	0.00852468	0.00880000
Commercial (occupied)	CT	0.01484946	0.00119092	0.00185206	0.00852468	0.00880000
Commercial Vacant Units Excess Land	CU	0.01039462	0.00083365	0.00129645	0.00596728	0.00880000
Commercial Vacant Land	CX	0.00995830	0.00079865	0.00124202	0.00571680	0.00679260
Commercial Taxable Full, Shared PIL	CH	0.01484946	0.00119092	0.00185206	0.00852468	0.01250000
Commercial - On Farm Business	C7	0.00371237	0.00029773	0.00046302	0.00213117	0.00220000
Commercial - On Farm Business	C0	0.00371237	0.00029773	0.00046302	0.00213117	0.00220000
Parking Lot	GT	0.00995830	0.00079865	0.00124202	0.00571680	0.00679260
Comercial Office	DT	0.01401620	0.00112410	0.00174814	0.00804633	0.00880000
Commercial Office Vacant	DU	0.00981134	0.00078687	0.00122369	0.00563243	0.00880000
Shopping Centres	ST	0.01901485	0.00152499	0.00237158	0.01091593	0.00880000
Shopping Centres Vacant	SU	0.01331040	0.00106749	0.00166011	0.00764115	0.00880000
Landfill Taxable Full	HT	0.24132414	0.01612846	0.02508216	0.13853797	0.00880000
Industrial Occupied	IT	0.01868682	0.00149868	0.00233067	0.01072761	0.00880000
Industrial Vacant Units Excess Land	IU	0.01214643	0.00097414	0.00151494	0.00697295	0.00880000
Industrial Taxable Full, Shared PIL	IH	0.01868682	0.00149868	0.00233067	0.01072761	0.01250000
Industrial Vacant Land	IX	0.01214643	0.00097414	0.00151494	0.00697295	0.00880000
Industrial - On Farm Business	I7	0.00467170	0.00037467	0.00058267	0.00268190	0.00220000
Industrial - On Farm Business	I0	0.00467170	0.00037467	0.00058267	0.00268190	0.00220000
Large Industrial	LT	0.02741071	0.00219833	0.00341874	0.01573577	0.00880000
Large Industrial Vacant	LU	0.01781696	0.00142892	0.00222218	0.01022825	0.00880000
Pipelines	PT	0.01225077	0.00098251	0.00152795	0.00703285	0.00880000
Farmland	FT	0.00206255	0.00016542	0.00025725	0.00118406	0.00038250
Managed Forests	TT	0.00228158	0.00018298	0.00028457	0.00130980	0.00038250
Aggregate Extraction	VT	0.01520558	0.00121948	0.00189648	0.00872912	0.00880000



## Council Staff Report

**To:** Mayor Ferguson and Members of Council  
**Subject:** Water and Wastewater Rate Analysis and Rate Bylaw  
**Meeting:** Council - 22 May 2025  
**Department:** Treasury  
**Staff Contact:** Stephen Ikert, Treasurer

### Recommendation:

**That Council approve the projected rate increases for our Water and Wastewater Systems to be sustainable and pass the related By-law for these increases.**

### Background:

The government has mandated that water and wastewater systems have financial plans to ensure they are sustainable and self-funding.

The Municipality's Water and Sewage Services By-law (By-law 19 of 2011) also states that the rates calculated for billing these services shall be based on the "*Costs of the Services*" which includes "*all direct operating costs, overhead costs, administrative costs, and current and future infrastructure costs*".

In 2017 we set Water and Wastewater rates that attempted to fully fund our Water and Wastewater Systems through the use of both fixed and variable use rates. Since then the rate increases in 2022 reviewed and adjusted to ensure the continued viability of the systems.

Since our water licence is expiring in June and its renewal requires us to provide a financial plan spanning at least six years 2025-2030, I undertook to review all our systems (Water, Alvinston Wastewater, and Inwood Wastewater) viability and to ensure the rates are adequate.

This process involves projecting future capital needs based on our asset management plans, projecting future costs subject to contract(s), making assumptions about inflation, etc. It should be noted that actual results will vary from the projections and these variances could be material.

The proposed rates will be reviewed periodically to ensure they are adequate to ensure system sustainability.

### Comments:

The following Scenario Tables summarize four key elements under different rate increase scenarios for the years 2025 through 2035 for each of our systems.

- The Annual Surplus/ (Deficit) shows the extent to which the system's rates cover the costs of operations and provide for future asset replacement.
- The Cash Reserves/(Deficit) shows the systems ability to generate cash after paying all cash expenses.
- If positive, Net Assets/(Net Debt) shows that the system has resources to deal with future capital and other needs; if negative, it shows that past capital and other investments have been financed from future revenues.
- Lastly, the table shows the yearly minimum cost per connection for each year under consideration.

These tables and supporting projections show:

1. Our Water System should have a minimum 2.5% yearly increase to remain viable (**See Appendix A**).
2. Our Alvinston Wastewater System should have a minimum yearly increase of 5.0% to remain viable (**see Appendix B**).
3. Our Inwood Wastewater System should have a minimum yearly increase of 4% to remain viable (**see Appendix C**).

#### ATTACHMENTS:

[Appendix A -Water - Financial Plan Projections](#)

[Appendix B - Alvinston Wastewater - Financial Plan Projections](#)

[Appendix C - Inwood Wastewater - Financial Plan Projections](#)

[By-law 23 of 2025 Water and Wastewater fees](#)



## APPENDIX A - WATER SYSTEM

### Municipality of Brooke-Alvinston Water System Rate Scenario Analysis

		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
<b>Scenario 1 - No Change in Rates</b>												
	Annual Operating Deficit	(31,987)	(41,347)	(50,486)	(63,258)	(77,066)	(88,733)	(104,312)	(115,664)	(128,536)	(141,454)	(154,680)
	Cash Reserves (Deficit)	315,245	330,019	325,410	239,442	148,603	101,616	12,194	(42,955)	(113,379)	(195,641)	(290,572)
	Net Financial Assets (Net Debt)	6,323	50,457	75,981	21,698	(37,643)	(52,301)	(107,538)	(128,627)	(164,338)	(209,967)	(268,322)
	Minimum annual cost per user	586	586	586	586	586	586	586	586	586	586	586
<b>Scenario 2 - 2.5% Annual Increase in Rates</b>												
	Annual Operating Deficit	(31,987)	(32,329)	(32,194)	(35,406)	(39,059)	(40,275)	(45,133)	(45,464)	(46,667)	(47,579)	(48,488)
	Cash Reserves (Deficit)	315,245	337,037	348,720	290,604	235,772	234,243	203,000	216,051	225,496	236,109	244,370
	Net Financial Assets (Net Debt)	6,323	59,475	103,291	76,860	55,526	89,326	93,268	142,379	188,537	236,783	284,620
	Minimum annual cost per user	586	601	616	631	647	663	680	697	714	732	750
<b>Scenario 3 -4.0% Annual Increase in Rates</b>												
	Annual Operating Deficit	(31,987)	(26,837)	(20,886)	(17,650)	(14,827)	(8,894)	(5,841)	2,146	9,672	18,277	27,366
	Cash Reserves (Deficit)	315,245	341,529	364,520	322,160	289,560	319,412	326,461	385,122	448,906	524,375	607,490
	Net Financial Assets (Net Debt)	6,323	64,967	120,091	111,416	114,314	179,495	222,729	319,450	421,947	536,049	659,740
	Minimum annual cost per user	586	610	634	660	686	713	742	772	803	835	868
<b>Scenario 4 - 6% Annual Increase in Rates</b>												
	Annual Operating Deficit	(31,987)	(19,759)	(5,823)	6,399	19,225	35,934	50,915	72,050	94,044	118,483	144,871
	Cash Reserves (Deficit)	315,245	347,607	383,661	364,350	364,802	437,482	498,287	625,852	771,008	943,683	1,141,303
	Net Financial Assets (Net Debt)	6,323	72,045	142,232	157,606	194,556	304,565	404,555	571,180	758,049	972,357	1,213,553
	Minimum annual cost per user	586	621	659	698	740	785	832	882	935	991	1,050

## APPENDIX A - WATER SYSTEM

### Municipality of Brooke-Alvinston Water System Projected Statement of Financial Position

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Financial Assets</b>											
Cash or Equivalents - Reserve Fund	\$ 315,245	\$ 337,037	\$ 348,720	\$ 290,604	\$ 235,772	\$ 234,243	\$ 203,000	\$ 216,051	\$ 225,496	\$ 236,109	\$ 244,370
Accounts Receivable	<u>72,000</u>	<u>74,000</u>	<u>76,000</u>	<u>77,000</u>	<u>79,000</u>	<u>82,000</u>	<u>84,000</u>	<u>86,000</u>	<u>88,000</u>	<u>90,000</u>	<u>93,000</u>
<b>Total Financial Assets</b>	<u>\$ 387,245</u>	<u>\$ 411,037</u>	<u>\$ 424,720</u>	<u>\$ 367,604</u>	<u>\$ 314,772</u>	<u>\$ 316,243</u>	<u>\$ 287,000</u>	<u>\$ 302,051</u>	<u>\$ 313,496</u>	<u>\$ 326,109</u>	<u>\$ 337,370</u>
<b>Liabilities</b>											
Accounts Payable	\$ 35,625	\$ 37,006	\$ 38,400	\$ 40,048	\$ 41,710	\$ 43,388	\$ 45,080	\$ 46,788	\$ 48,758	\$ 50,745	\$ 52,750
Long-term Debt	<u>345,297</u>	<u>314,556</u>	<u>283,029</u>	<u>250,696</u>	<u>217,536</u>	<u>183,529</u>	<u>148,652</u>	<u>112,884</u>	<u>76,201</u>	<u>38,581</u>	<u>-</u>
<b>Total Liabilities</b>	<u>\$ 380,922</u>	<u>\$ 351,562</u>	<u>\$ 321,429</u>	<u>\$ 290,744</u>	<u>\$ 259,246</u>	<u>\$ 226,917</u>	<u>\$ 193,732</u>	<u>\$ 159,672</u>	<u>\$ 124,959</u>	<u>\$ 89,326</u>	<u>\$ 52,750</u>
<b>Net Financial Assets (Net Debt)</b>	<u>\$ 6,323</u>	<u>\$ 59,475</u>	<u>\$ 103,291</u>	<u>\$ 76,860</u>	<u>\$ 55,526</u>	<u>\$ 89,326</u>	<u>\$ 93,268</u>	<u>\$ 142,379</u>	<u>\$ 188,537</u>	<u>\$ 236,783</u>	<u>\$ 284,620</u>
<b>Tangible Capital Assets</b>											
Tangible Capital Asset Cost	\$ 5,803,164	\$ 5,803,164	\$ 5,803,164	\$ 5,813,164	\$ 5,893,164	\$ 5,968,164	\$ 5,988,164	\$ 6,038,164	\$ 6,043,164	\$ 6,050,664	\$ 6,055,664
Tangible Capital Assets - Additions	-	-	10,000	80,000	75,000	20,000	50,000	5,000	7,500	5,000	5,000
Accumulated Amortization	<u>(2,775,083)</u>	<u>(2,860,564)</u>	<u>(2,946,574)</u>	<u>(3,035,549)</u>	<u>(3,128,274)</u>	<u>(3,222,349)</u>	<u>(3,321,424)</u>	<u>(3,420,999)</u>	<u>(3,521,324)</u>	<u>(3,622,149)</u>	<u>(3,723,474)</u>
<b>Total Non Financial Assets</b>	<u>\$ 3,028,081</u>	<u>\$ 2,942,600</u>	<u>\$ 2,866,590</u>	<u>\$ 2,857,615</u>	<u>\$ 2,839,890</u>	<u>\$ 2,765,815</u>	<u>\$ 2,716,740</u>	<u>\$ 2,622,165</u>	<u>\$ 2,529,340</u>	<u>\$ 2,433,515</u>	<u>\$ 2,337,190</u>
<b>Accumulated Surplus</b>	<u>\$ 3,034,404</u>	<u>\$ 3,002,075</u>	<u>\$ 2,969,881</u>	<u>\$ 2,934,475</u>	<u>\$ 2,895,416</u>	<u>\$ 2,855,141</u>	<u>\$ 2,810,008</u>	<u>\$ 2,764,544</u>	<u>\$ 2,717,877</u>	<u>\$ 2,670,298</u>	<u>\$ 2,621,810</u>

# APPENDIX A - WATER SYSTEM

## Municipality of Brooke-Alvinston Water System Projected Statement of Operations

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Revenues</b>											
Water Billings	\$ 359,049	\$ 370,040	\$ 381,286	\$ 392,819	\$ 404,947	\$ 417,370	\$ 430,064	\$ 443,058	\$ 456,699	\$ 470,678	\$ 484,968
Other Revenue	<u>26,705</u>	<u>27,239</u>	<u>27,784</u>	<u>28,340</u>	<u>28,907</u>	<u>29,485</u>	<u>30,075</u>	<u>30,677</u>	<u>31,291</u>	<u>31,917</u>	<u>32,555</u>
	<u>\$ 385,754</u>	<u>\$ 397,279</u>	<u>\$ 409,070</u>	<u>\$ 421,159</u>	<u>\$ 433,854</u>	<u>\$ 446,855</u>	<u>\$ 460,139</u>	<u>\$ 473,735</u>	<u>\$ 487,990</u>	<u>\$ 502,595</u>	<u>\$ 517,523</u>
<b>Expenses</b>											
Water Purchases	\$ 142,500	\$ 148,025	\$ 153,600	\$ 160,190	\$ 166,840	\$ 173,550	\$ 180,320	\$ 187,150	\$ 195,030	\$ 202,980	\$ 211,000
OCWA - Operating Contract	110,034	115,160	119,191	123,363	127,681	132,150	136,775	141,562	146,517	151,645	156,953
Utilities	7,500	7,763	8,035	8,316	8,607	8,908	9,220	9,543	9,877	10,223	10,581
Administration	19,000	19,570	20,157	20,762	21,385	22,027	22,688	23,369	24,070	24,792	25,536
Operating and Major Maintenance	25,000	25,750	26,523	27,319	28,139	28,983	29,852	30,748	31,670	32,620	33,599
Other Expenses	18,630	19,282	19,957	20,655	21,378	22,126	22,900	23,702	24,532	25,391	26,280
Interest on Long-term Debt	9,343	8,577	7,791	6,985	6,158	5,311	4,442	3,550	2,636	1,698	737
Amortization	<u>85,734</u>	<u>85,481</u>	<u>86,010</u>	<u>88,975</u>	<u>92,725</u>	<u>94,075</u>	<u>99,075</u>	<u>99,575</u>	<u>100,325</u>	<u>100,825</u>	<u>101,325</u>
	<u>\$ 417,741</u>	<u>\$ 429,608</u>	<u>\$ 441,264</u>	<u>\$ 456,565</u>	<u>\$ 472,913</u>	<u>\$ 487,130</u>	<u>\$ 505,272</u>	<u>\$ 519,199</u>	<u>\$ 534,657</u>	<u>\$ 550,174</u>	<u>\$ 566,011</u>
<b>Annual Surplus (Deficit)</b>	\$ (31,987)	\$ (32,329)	\$ (32,194)	\$ (35,406)	\$ (39,059)	\$ (40,275)	\$ (45,133)	\$ (45,464)	\$ (46,667)	\$ (47,579)	\$ (48,488)
<b>Accumulated Surplus - Beginning of Year</b>	<u>3,066,391</u>	<u>3,034,404</u>	<u>3,002,075</u>	<u>2,969,881</u>	<u>2,934,475</u>	<u>2,895,416</u>	<u>2,855,141</u>	<u>2,810,008</u>	<u>2,764,544</u>	<u>2,717,877</u>	<u>2,670,298</u>
<b>Accumulated Surplus - End of Year</b>	<u>\$ 3,034,404</u>	<u>\$ 3,002,075</u>	<u>\$ 2,969,881</u>	<u>\$ 2,934,475</u>	<u>\$ 2,895,416</u>	<u>\$ 2,855,141</u>	<u>\$ 2,810,008</u>	<u>\$ 2,764,544</u>	<u>\$ 2,717,877</u>	<u>\$ 2,670,298</u>	<u>\$ 2,621,810</u>

## APPENDIX A - WATER SYSTEM

### Municipality of Brooke-Alvinston

#### Water System

#### Projected Statement of Changes in Cash Flow

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Operating Transactions</b>											
Annual Surplus (Deficit)	\$ (31,987)	\$ (32,329)	\$ (32,194)	\$ (35,406)	\$ (39,059)	\$ (40,275)	\$ (45,133)	\$ (45,464)	\$ (46,667)	\$ (47,579)	\$ (48,488)
Add back non-cash items:											
Amortization	85,734	85,481	86,010	88,975	92,725	94,075	99,075	99,575	100,325	100,825	101,325
<b>Working Capital Items</b>											
Accounts Receivable	(2,000)	(2,000)	(2,000)	(1,000)	(2,000)	(3,000)	(2,000)	(2,000)	(2,000)	(2,000)	(3,000)
Accounts Payable	- 348	1,381	1,394	1,648	1,662	1,678	1,692	1,708	1,970	1,987	2,005
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-
<b>Cash provided by Operating Transactions</b>	\$ 51,399	\$ 52,533	\$ 53,210	\$ 54,217	\$ 53,328	\$ 52,478	\$ 53,634	\$ 53,819	\$ 53,628	\$ 53,233	\$ 51,842
<b>Capital Transactions</b>											
Acquisition of TCAs	-	-	\$ (10,000)	\$ (80,000)	\$ (75,000)	\$ (20,000)	\$ (50,000)	\$ (5,000)	\$ (7,500)	\$ (5,000)	\$ (5,000)
Proceeds on Disposal of TCA	-	-	-	-	-	-	-	-	-	-	-
<b>Cash used in Capital Transactions</b>	-	-	\$ (10,000)	\$ (80,000)	\$ (75,000)	\$ (20,000)	\$ (50,000)	\$ (5,000)	\$ (7,500)	\$ (5,000)	\$ (5,000)
<b>Investing Transactions</b>											
Interest Earned on Reserve Fund Balance	\$ 7,346	\$ 7,881	\$ 8,426	\$ 8,718	\$ 7,265	\$ 5,894	\$ 5,856	\$ 5,075	\$ 5,401	\$ 5,637	\$ 5,903
<b>Cash Provided by Investing Activities</b>	\$ 7,346	\$ 7,881	\$ 8,426	\$ 8,718	\$ 7,265	\$ 5,894	\$ 5,856	\$ 5,075	\$ 5,401	\$ 5,637	\$ 5,903
<b>Financing</b>											
Repayment of Long Term Debt	\$ (29,975)	\$ (30,741)	\$ (31,527)	\$ (32,333)	\$ (33,160)	\$ (34,007)	\$ (34,877)	\$ (35,768)	\$ (36,683)	\$ (37,620)	\$ (38,581)
<b>Cash Used in Financing Activities</b>	\$ (29,975)	\$ (30,741)	\$ (31,527)	\$ (32,333)	\$ (33,160)	\$ (34,007)	\$ (34,877)	\$ (35,768)	\$ (36,683)	\$ (37,620)	\$ (38,581)
<b>Increase (decrease) in Cash Equivalents</b>	\$ 21,424	\$ 21,792	\$ 11,683	\$ (58,116)	\$ (54,832)	\$ (1,529)	\$ (31,243)	\$ 13,051	\$ 9,445	\$ 10,613	\$ 8,261
<b>Cash or Equivalents - Beginning of Year</b>	<u>293,821</u>	<u>315,245</u>	<u>337,037</u>	<u>348,720</u>	<u>290,604</u>	<u>235,772</u>	<u>234,243</u>	<u>203,000</u>	<u>216,051</u>	<u>225,496</u>	<u>236,109</u>
<b>Cash or Equivalents - End of Year</b>	<u>\$ 315,245</u>	<u>\$ 337,037</u>	<u>\$ 348,720</u>	<u>\$ 290,604</u>	<u>\$ 235,772</u>	<u>\$ 234,243</u>	<u>\$ 203,000</u>	<u>\$ 216,051</u>	<u>\$ 225,496</u>	<u>\$ 236,109</u>	<u>\$ 244,370</u>

## APPENDIX B - ALVINSTON WASTEWATER SYSTEM

### Municipality of Brooke-Alvinston Alvinston Wastewater System Rate Scenario Analysis

		<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Scenario 1 - No Change in Rates</b>												
Annual Operating Deficit		(47,508)	(60,513)	(67,229)	(65,626)	(73,040)	(80,770)	(89,088)	(97,727)	(103,803)	(103,767)	(111,680)
Cash Reserves (Deficit)		2,295	(7,481)	(30,307)	(66,917)	(116,046)	(178,970)	(259,112)	(353,767)	(438,708)	(467,720)	(499,595)
Net Financial Assets (Net Debt)		(34,980)	(144,806)	(111,682)	(168,342)	(247,521)	(296,970)	(352,112)	(345,767)	(385,708)	(414,720)	(445,595)
Minimum annual cost per user		489	489	489	489	489	489	489	489	489	489	489
<b>Scenario 2 - 2.5% Annual Increase in Rates</b>												
Annual Operating Deficit		(47,508)	(54,629)	(55,241)	(47,315)	(48,184)	(49,120)	(50,418)	(51,549)	(49,853)	(41,778)	(41,383)
Cash Reserves (Deficit)		2,295	(2,597)	(14,435)	(33,735)	(60,008)	(91,281)	(134,753)	(183,230)	(216,221)	(185,244)	(147,821)
Net Financial Assets (Net Debt)		(34,980)	(138,922)	(93,810)	(132,160)	(186,483)	(204,281)	(220,753)	(168,230)	(154,221)	(121,244)	(81,821)
Minimum annual cost per user		489	501	514	527	540	553	567	581	596	611	626
<b>Scenario 3 - 5% Annual Increase in Rates</b>												
Annual Operating Deficit		(47,508)	(48,769)	(43,039)	(28,068)	(21,340)	(13,921)	(6,240)	2,238	14,445	33,760	46,407
Cash Reserves (Deficit)		2,295	2,264	1,628	576	146	2,072	1,778	5,087	34,393	139,908	263,121
Net Financial Assets (Net Debt)		(34,980)	(133,061)	(75,747)	(94,849)	(122,329)	(104,928)	(77,222)	29,087	107,393	215,908	343,121
Minimum annual cost per user		489	513	539	566	594	624	655	688	722	758	796
<b>Scenario 4 - 7.5% Annual Increase in Rates</b>												
Annual Operating Deficit		(47,508)	(43,089)	(30,573)	(8,027)	7,344	24,371	43,145	63,874	89,842	124,779	154,830
Cash Reserves (Deficit)		2,295	6,943	17,773	34,762	62,017	101,234	148,325	210,270	313,974	506,508	736,144
Net Financial Assets (Net Debt)		(34,980)	(127,382)	(57,602)	(56,663)	(55,458)	234	77,325	245,270	398,974	598,508	834,144
Minimum annual cost per user		489	526	565	607	653	702	754	811	872	937	1,008

## APPENDIX B - ALVINSTON WASTEWATER SYSTEM

### Municipality of Brooke-Alvinston Alvinston Wastewater System Projected Statement of Financial Position

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Financial Assets</b>											
Cash or Equivalents - Reserve Fund	\$ 2,295	\$ 2,264	\$ 1,628	\$ 576	\$ 146	\$ 2,072	\$ 1,778	\$ 5,087	\$ 34,393	\$ 139,908	\$ 263,121
Accounts Receivable	<u>50,000</u>	<u>52,000</u>	<u>55,000</u>	<u>57,000</u>	<u>60,000</u>	<u>63,000</u>	<u>66,000</u>	<u>69,000</u>	<u>73,000</u>	<u>76,000</u>	<u>80,000</u>
<b>Total Financial Assets</b>	<u>\$ 52,295</u>	<u>\$ 54,264</u>	<u>\$ 56,628</u>	<u>\$ 57,576</u>	<u>\$ 60,146</u>	<u>\$ 65,072</u>	<u>\$ 67,778</u>	<u>\$ 74,087</u>	<u>\$ 107,393</u>	<u>\$ 215,908</u>	<u>\$ 343,121</u>
<b>Liabilities</b>											
Owed to other Reserve Funds	\$ 65,000	\$ 170,000	\$ 120,000	\$ 145,000	\$ 180,000	\$ 170,000	\$ 145,000	\$ 45,000	-	-	-
Long-term Debt	<u>22,275</u>	<u>17,325</u>	<u>12,375</u>	<u>7,425</u>	<u>2,475</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>\$ 87,275</u>	<u>\$ 187,325</u>	<u>\$ 132,375</u>	<u>\$ 152,425</u>	<u>\$ 182,475</u>	<u>\$ 170,000</u>	<u>\$ 145,000</u>	<u>\$ 45,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Financial Assets (Net Debt)</b>	<u>\$ (34,980)</u>	<u>\$ (133,061)</u>	<u>\$ (75,747)</u>	<u>\$ (94,849)</u>	<u>\$ (122,329)</u>	<u>\$ (104,928)</u>	<u>\$ (77,222)</u>	<u>\$ 29,087</u>	<u>\$ 107,393</u>	<u>\$ 215,908</u>	<u>\$ 343,121</u>
<b>Tangible Capital Assets</b>											
Tangible Capital Asset Cost	\$ 5,136,107	\$ 5,301,607	\$ 5,449,107	\$ 5,449,107	\$ 5,534,107	\$ 5,636,607	\$ 5,704,107	\$ 5,771,607	\$ 5,771,607	\$ 5,811,607	\$ 5,834,107
Tangible Capital Assets - Additions	165,500	147,500	-	85,000	102,500	67,500	67,500	-	40,000	22,500	17,500
Tangible Capital Asset - Disposal	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization	<u>(2,931,688)</u>	<u>(3,029,875)</u>	<u>(3,130,228)</u>	<u>(3,224,194)</u>	<u>(3,320,555)</u>	<u>(3,419,376)</u>	<u>(3,520,822)</u>	<u>(3,624,894)</u>	<u>(3,728,755)</u>	<u>(3,826,011)</u>	<u>(3,924,317)</u>
<b>Total Non Financial Assets</b>	<u>\$ 2,369,919</u>	<u>\$ 2,419,232</u>	<u>\$ 2,318,879</u>	<u>\$ 2,309,913</u>	<u>\$ 2,316,052</u>	<u>\$ 2,284,731</u>	<u>\$ 2,250,785</u>	<u>\$ 2,146,713</u>	<u>\$ 2,082,852</u>	<u>\$ 2,008,096</u>	<u>\$ 1,927,290</u>
<b>Accumulated Surplus</b>	<u>\$ 2,334,939</u>	<u>\$ 2,286,170</u>	<u>\$ 2,243,132</u>	<u>\$ 2,215,064</u>	<u>\$ 2,193,724</u>	<u>\$ 2,179,803</u>	<u>\$ 2,173,563</u>	<u>\$ 2,175,800</u>	<u>\$ 2,190,245</u>	<u>\$ 2,224,004</u>	<u>\$ 2,270,412</u>

## APPENDIX B - ALVINSTON WASTEWATER SYSTEM

**Municipality of Brooke-Alvinston  
Alvinston Wastewater System  
Projected Statement of Operations**

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Revenues</b>											
Sewer Billings	\$ 231,708	\$ 245,395	\$ 259,783	\$ 275,094	\$ 291,179	\$ 308,271	\$ 326,212	\$ 345,271	\$ 365,497	\$ 386,719	\$ 409,223
Other Revenue	<u>19,000</u>	<u>19,475</u>	<u>19,962</u>	<u>20,461</u>	<u>20,973</u>	<u>21,497</u>	<u>22,034</u>	<u>22,585</u>	<u>23,150</u>	<u>23,729</u>	<u>24,322</u>
	<u>\$ 250,708</u>	<u>\$ 264,870</u>	<u>\$ 279,745</u>	<u>\$ 295,555</u>	<u>\$ 312,152</u>	<u>\$ 329,768</u>	<u>\$ 348,246</u>	<u>\$ 367,856</u>	<u>\$ 388,647</u>	<u>\$ 410,448</u>	<u>\$ 433,545</u>
<b>Expenses</b>											
OCWA - Operating Contract	102,824	107,614	111,380	115,278	119,313	123,489	127,811	132,284	136,914	141,706	146,666
Utilities	29,000	30,015	31,066	32,153	33,278	34,443	35,649	36,897	38,188	39,525	40,908
Administration	16,000	16,480	16,974	17,483	18,007	18,547	19,103	19,676	20,266	20,874	21,500
Operating and Major Maintenance	42,500	43,775	45,088	46,441	47,834	49,269	50,747	52,269	53,837	55,452	57,116
Other Expenses	16,050	16,612	17,193	17,795	18,418	19,063	19,730	20,421	21,136	21,876	22,642
Interest on Long-term Debt	1,179	955	730	507	281	56	-	-	-	-	-
Amortization	<u>90,663</u>	<u>98,188</u>	<u>100,353</u>	<u>93,966</u>	<u>96,361</u>	<u>98,821</u>	<u>101,446</u>	<u>104,071</u>	<u>103,862</u>	<u>97,256</u>	<u>98,306</u>
	<u>\$ 298,216</u>	<u>\$ 313,639</u>	<u>\$ 322,784</u>	<u>\$ 323,623</u>	<u>\$ 333,492</u>	<u>\$ 343,688</u>	<u>\$ 354,486</u>	<u>\$ 365,618</u>	<u>\$ 374,203</u>	<u>\$ 376,689</u>	<u>\$ 387,138</u>
<b>Annual Surplus (Deficit)</b>	\$ (47,508)	\$ (48,769)	\$ (43,039)	\$ (28,068)	\$ (21,340)	\$ (13,921)	\$ (6,240)	\$ 2,238	\$ 14,445	\$ 33,760	\$ 46,407
<b>Accumulated Surplus - Beginning of Year</b>	<u>2,382,447</u>	<u>2,334,939</u>	<u>2,286,170</u>	<u>2,243,132</u>	<u>2,215,064</u>	<u>2,193,724</u>	<u>2,179,803</u>	<u>2,173,563</u>	<u>2,175,800</u>	<u>2,190,245</u>	<u>2,224,004</u>
<b>Accumulated Surplus - End of Year</b>	<u>\$ 2,334,939</u>	<u>\$ 2,286,170</u>	<u>\$ 2,243,132</u>	<u>\$ 2,215,064</u>	<u>\$ 2,193,724</u>	<u>\$ 2,179,803</u>	<u>\$ 2,173,563</u>	<u>\$ 2,175,800</u>	<u>\$ 2,190,245</u>	<u>\$ 2,224,004</u>	<u>\$ 2,270,412</u>

## APPENDIX B - ALVINSTON WASTEWATER SYSTEM

**Municipality of Brooke-Alvinston  
Alvinston Wastewater System  
Projected Statement of Changes in Cash Flow**

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Operating Transactions</b>											
Annual Surplus (Deficit)	\$ (47,508)	\$ (48,769)	\$ (43,039)	\$ (28,068)	\$ (21,340)	\$ (13,921)	\$ (6,240)	\$ 2,238	\$ 14,445	\$ 33,760	\$ 46,407
Add back non-cash items:											
Amortization	90,663	98,188	100,353	93,966	96,361	98,821	101,446	104,071	103,862	97,256	98,306
<b>Working Capital Items</b>											
Accounts Receivable	(2,000)	(2,000)	(3,000)	(2,000)	(3,000)	(3,000)	(3,000)	(3,000)	(4,000)	(3,000)	(4,000)
Accounts Payable	-	-	-	-	-	-	-	-	-	-	-
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-
<b>Cash provided by Operating Transactions</b>	<u>\$ 41,155</u>	<u>\$ 47,419</u>	<u>\$ 54,314</u>	<u>\$ 63,898</u>	<u>\$ 72,021</u>	<u>\$ 81,901</u>	<u>\$ 92,206</u>	<u>\$ 103,309</u>	<u>\$ 114,306</u>	<u>\$ 128,015</u>	<u>\$ 140,713</u>
<b>Capital Transactions</b>											
Acquisition of TCAs	\$ (165,500)	\$ (147,500)	-	\$ (85,000)	\$ (102,500)	\$ (67,500)	\$ (67,500)	-	\$ (40,000)	\$ (22,500)	\$ (17,500)
Proceeds on Disposal of TCA	-	-	-	-	-	-	-	-	-	-	-
<b>Cash used in Capital Transactions</b>	<u>\$ (165,500)</u>	<u>\$ (147,500)</u>	<u>-</u>	<u>\$ (85,000)</u>	<u>\$ (102,500)</u>	<u>\$ (67,500)</u>	<u>\$ (67,500)</u>	<u>-</u>	<u>\$ (40,000)</u>	<u>\$ (22,500)</u>	<u>\$ (17,500)</u>
<b>Investing Transactions</b>											
Interest Earned on Reserve Fund Balance	<u>\$ 1,665</u>	<u>\$ 57</u>	<u>\$ 57</u>	<u>\$ 41</u>	<u>\$ 14</u>	<u>\$ 4</u>	<u>\$ 52</u>	<u>\$ 44</u>	<u>\$ 127</u>	<u>\$ 860</u>	<u>\$ 3,498</u>
<b>Cash Provided by Investing Activities</b>	<u>\$ 1,665</u>	<u>\$ 57</u>	<u>\$ 57</u>	<u>\$ 41</u>	<u>\$ 14</u>	<u>\$ 4</u>	<u>\$ 52</u>	<u>\$ 44</u>	<u>\$ 127</u>	<u>\$ 860</u>	<u>\$ 3,498</u>
<b>Financing</b>											
Internal Contributions/repayments	\$ 65,000	\$ 105,000	\$ (50,000)	\$ 25,000	\$ 35,000	\$ (10,000)	\$ (25,000)	\$ (100,000)	\$ (45,000)	-	-
Repayment of Long Term Debt	- 4,950	- 4,950	- 4,950	- 4,950	- 4,950	- 2,475	-	-	-	-	-
<b>Cash Used in Financing Activities</b>	<u>\$ 60,050</u>	<u>\$ 100,050</u>	<u>\$ (54,950)</u>	<u>\$ 20,050</u>	<u>\$ 30,050</u>	<u>\$ (12,475)</u>	<u>\$ (25,000)</u>	<u>\$ (100,000)</u>	<u>\$ (45,000)</u>	<u>-</u>	<u>-</u>
<b>Increase (decrease) in Cash Equivalents</b>	<u>\$ (64,295)</u>	<u>\$ (31)</u>	<u>\$ (636)</u>	<u>\$ (1,052)</u>	<u>\$ (429)</u>	<u>\$ 1,926</u>	<u>\$ (294)</u>	<u>\$ 3,309</u>	<u>\$ 29,306</u>	<u>\$ 105,515</u>	<u>\$ 123,213</u>
<b>Cash or Equivalents - Beginning of Year</b>	<u>66,590</u>	<u>2,295</u>	<u>2,264</u>	<u>1,628</u>	<u>576</u>	<u>146</u>	<u>2,072</u>	<u>1,778</u>	<u>5,087</u>	<u>34,393</u>	<u>139,908</u>
<b>Cash or Equivalents - End of Year</b>	<u><u>\$ 2,295</u></u>	<u><u>\$ 2,264</u></u>	<u><u>\$ 1,628</u></u>	<u><u>\$ 576</u></u>	<u><u>\$ 146</u></u>	<u><u>\$ 2,072</u></u>	<u><u>\$ 1,778</u></u>	<u><u>\$ 5,087</u></u>	<u><u>\$ 34,393</u></u>	<u><u>\$ 139,908</u></u>	<u><u>\$ 263,121</u></u>



## APPENDIX C - INWOOD WASTEWATER SYSTEM

### Municipality of Brooke-Alvinston

#### Inwood Wastewater System Rate Scenario Analysis

		<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Scenario 1 - No Change in Rates</b>												
	Annual Operating Deficit	37,485	33,749	30,831	30,452	28,523	(32,031)	(34,856)	(38,202)	(40,500)	(43,622)	(46,524)
	Cash Reserves (Deficit)	11,171	7,901	32,062	41,078	42,493	14,728	5,288	1,126	(15,333)	(31,664)	(50,447)
	Net Financial Assets (Net Debt)	(148,626)	(116,586)	(57,339)	(13,471)	22,468	14,728	5,288	1,126	(15,333)	(31,664)	(50,447)
	Minimum annual cost per user	709	709	709	709	709	709	709	709	709	709	709
<b>Scenario 2 - 2% Annual Increase in Rates</b>												
	Annual Operating Deficit	38,789	36,384	34,823	35,828	35,311	(23,803)	(25,159)	(27,006)	(27,776)	(29,339)	(30,652)
	Cash Reserves (Deficit)	12,475	11,840	39,993	54,385	62,588	43,051	43,308	50,342	46,607	44,559	41,648
	Net Financial Assets (Net Debt)	(147,322)	(112,647)	(49,408)	(164)	42,563	43,051	43,308	50,342	46,607	44,559	41,648
	Minimum annual cost per user	723	738	752	767	783	798	814	831	847	864	881
<b>Scenario 3 -4% Annual Increase in Rates</b>												
	Annual Operating Deficit	40,094	39,071	38,974	41,530	42,653	(14,727)	(14,251)	(14,164)	(12,891)	(12,300)	(11,340)
	Cash Reserves (Deficit)	13,780	15,832	48,136	68,230	83,775	73,314	84,479	104,355	115,505	130,496	146,897
	Net Financial Assets (Net Debt)	(146,017)	(108,655)	(41,265)	13,681	63,750	73,314	84,479	104,355	115,505	130,496	146,897
	Minimum annual cost per user	737	767	797	829	863	897	933	970	1,009	1,049	1,091
<b>Scenario 4 - 6% Annual Increase in Rates</b>												
	Annual Operating Deficit	41,398	41,811	43,289	47,571	50,582	(4,735)	(2,009)	530	4,469	7,958	12,064
	Cash Reserves (Deficit)	15,084	19,876	56,495	82,630	106,104	105,635	129,042	163,612	192,122	227,371	267,176
	Net Financial Assets (Net Debt)	(144,713)	(104,611)	(32,906)	28,081	86,079	105,635	129,042	163,612	192,122	227,371	267,176
	Minimum annual cost per user	751	797	844	895	949	1,006	1,066	1,130	1,198	1,270	1,346

## APPENDIX C - INWOOD WASTEWATER SYSTEM

**Municipality of Brooke-Alvinston**  
**Inwood Wastewater System**  
**Projected Statement of Financial Position**

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Financial Assets</b>											
Cash or Equivalents - Reserve Fund	\$ 13,780	\$ 15,832	\$ 48,136	\$ 68,230	\$ 83,775	\$ 73,314	\$ 84,479	\$ 104,355	\$ 115,505	\$ 130,496	\$ 146,897
Loan Receivable	<u>20,428</u>	<u>15,688</u>	<u>10,724</u>	<u>5,526</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Financial Assets</b>	<u>\$ 34,208</u>	<u>\$ 31,520</u>	<u>\$ 58,860</u>	<u>\$ 73,756</u>	<u>\$ 83,775</u>	<u>\$ 73,314</u>	<u>\$ 84,479</u>	<u>\$ 104,355</u>	<u>\$ 115,505</u>	<u>\$ 130,496</u>	<u>\$ 146,897</u>
<b>Liabilities</b>											
Accounts Payable	-	-	-	-	-	-	-	-	-	-	-
Long-term Debt	<u>180,225</u>	<u>140,175</u>	<u>100,125</u>	<u>60,075</u>	<u>20,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>\$ 180,225</u>	<u>\$ 140,175</u>	<u>\$ 100,125</u>	<u>\$ 60,075</u>	<u>\$ 20,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Financial Assets (Net Debt)</b>	<u>\$ (146,017)</u>	<u>\$ (108,655)</u>	<u>\$ (41,265)</u>	<u>\$ 13,681</u>	<u>\$ 63,750</u>	<u>\$ 73,314</u>	<u>\$ 84,479</u>	<u>\$ 104,355</u>	<u>\$ 115,505</u>	<u>\$ 130,496</u>	<u>\$ 146,897</u>
<b>Tangible Capital Assets</b>											
Tangible Capital Asset Cost	\$ 2,099,375	\$ 2,148,875	\$ 2,176,375	\$ 2,176,375	\$ 2,191,375	\$ 2,213,875	\$ 2,221,375	\$ 2,228,875	\$ 2,228,875	\$ 2,238,875	\$ 2,246,375
Tangible Capital Assets - Additions	49,500	27,500	-	15,000	22,500	7,500	7,500	-	10,000	7,500	7,500
Tangible Capital Asset - Disposal	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization	<u>(790,553)</u>	<u>(816,344)</u>	<u>(844,760)</u>	<u>(873,176)</u>	<u>(903,092)</u>	<u>(934,883)</u>	<u>(967,799)</u>	<u>(1,001,839)</u>	<u>(1,035,880)</u>	<u>(1,070,671)</u>	<u>(1,105,912)</u>
<b>Total Non Financial Assets</b>	<u>\$ 1,358,322</u>	<u>\$ 1,360,031</u>	<u>\$ 1,331,615</u>	<u>\$ 1,318,199</u>	<u>\$ 1,310,783</u>	<u>\$ 1,286,492</u>	<u>\$ 1,261,076</u>	<u>\$ 1,227,036</u>	<u>\$ 1,202,995</u>	<u>\$ 1,175,704</u>	<u>\$ 1,147,963</u>
<b>Accumulated Surplus</b>	<u>\$ 1,212,305</u>	<u>\$ 1,251,376</u>	<u>\$ 1,290,350</u>	<u>\$ 1,331,880</u>	<u>\$ 1,374,533</u>	<u>\$ 1,359,806</u>	<u>\$ 1,345,555</u>	<u>\$ 1,331,391</u>	<u>\$ 1,318,500</u>	<u>\$ 1,306,200</u>	<u>\$ 1,294,860</u>

# APPENDIX C - INWOOD WASTEWATER SYSTEM

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## Municipality of Brooke-Alvinston Inwood Wasteater System Projected Statement of Operations

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Revenues</b>											
Sewer Operations Billings	\$ 67,830	\$ 70,543	\$ 73,364	\$ 76,299	\$ 79,351	\$ 82,525	\$ 85,826	\$ 89,259	\$ 92,830	\$ 96,543	\$ 100,405
Sewer Connection interest	1,076	862	639	404	159	-	-	-	-	-	-
Sewer Capital Charges	<u>58,256</u>	<u>58,256</u>	<u>58,256</u>	<u>58,256</u>	<u>58,256</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 127,162</u>	<u>\$ 129,661</u>	<u>\$ 132,259</u>	<u>\$ 134,959</u>	<u>\$ 137,766</u>	<u>\$ 82,525</u>	<u>\$ 85,826</u>	<u>\$ 89,259</u>	<u>\$ 92,830</u>	<u>\$ 96,543</u>	<u>\$ 100,405</u>
<b>Expenses</b>											
OCWA - Operating Contract	25,706	26,904	27,846	28,821	29,830	30,874	31,955	33,073	34,231	35,429	36,669
Utilities	4,500	4,658	4,821	4,990	5,165	5,346	5,533	5,727	5,927	6,134	6,349
Share of Alvinston System Operating Cost	16,500	16,995	17,505	18,030	18,571	19,128	19,702	20,293	20,902	21,529	22,175
Operating and Major Maintenance	5,000	5,150	5,305	5,464	5,628	5,797	5,971	6,150	6,335	6,525	6,721
Other Expenses	3,254	3,368	3,486	3,608	3,734	3,865	4,000	4,140	4,285	4,435	4,590
Interest on Long-term Debt	9,542	7,724	5,906	4,100	2,269	451	-	-	-	-	-
Amortization	<u>22,566</u>	<u>25,791</u>	<u>28,416</u>	<u>28,416</u>	<u>29,916</u>	<u>31,791</u>	<u>32,916</u>	<u>34,040</u>	<u>34,041</u>	<u>34,791</u>	<u>35,241</u>
	<u>\$ 87,068</u>	<u>\$ 90,590</u>	<u>\$ 93,285</u>	<u>\$ 93,429</u>	<u>\$ 95,113</u>	<u>\$ 97,252</u>	<u>\$ 100,077</u>	<u>\$ 103,423</u>	<u>\$ 105,721</u>	<u>\$ 108,843</u>	<u>\$ 111,745</u>
<b>Annual Surplus (Deficit)</b>	\$ 40,094	\$ 39,071	\$ 38,974	\$ 41,530	\$ 42,653	\$ (14,727)	\$ (14,251)	\$ (14,164)	\$ (12,891)	\$ (12,300)	\$ (11,340)
<b>Accumulated Surplus - Beginning of Year</b>	<u>1,172,211</u>	<u>1,212,305</u>	<u>1,251,376</u>	<u>1,290,350</u>	<u>1,331,880</u>	<u>1,374,533</u>	<u>1,359,806</u>	<u>1,345,555</u>	<u>1,331,391</u>	<u>1,318,500</u>	<u>1,306,200</u>
<b>Accumulated Surplus - End of Year</b>	<u>\$ 1,212,305</u>	<u>\$ 1,251,376</u>	<u>\$ 1,290,350</u>	<u>\$ 1,331,880</u>	<u>\$ 1,374,533</u>	<u>\$ 1,359,806</u>	<u>\$ 1,345,555</u>	<u>\$ 1,331,391</u>	<u>\$ 1,318,500</u>	<u>\$ 1,306,200</u>	<u>\$ 1,294,860</u>

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APPENDIX C - INWOOD WASTEWATER SYSTEM

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Municipality of Brooke-Alvinston

Inwood Wasteater System

Projected Statement of ChangeS in Cash Flow

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>
<b>Operating Transactions</b>											
Annual Surplus (Deficit)	\$ 40,094	\$ 39,071	\$ 38,974	\$ 41,530	\$ 42,653	\$ (14,727)	\$ (14,251)	\$ (14,164)	\$ (12,891)	\$ (12,300)	\$ (11,340)
Add back non-cash items:											
Amortization	22,566	25,791	28,416	28,416	29,916	31,791	32,916	34,040	34,041	34,791	35,241
<b>Working Capital Items</b>											
Accounts Payable	-	-	-	-	-	-	-	-	-	-	-
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-
<b>Cash provided by Operating Transactions</b>	\$ 62,660	\$ 64,862	\$ 67,390	\$ 69,946	\$ 72,569	\$ 17,064	\$ 18,665	\$ 19,876	\$ 21,150	\$ 22,491	\$ 23,901
<b>Capital Transactions</b>											
Acquisition of TCAs	\$ (49,500)	\$ (27,500)	-	\$ (15,000)	\$ (22,500)	\$ (7,500)	\$ (7,500)	-	\$ (10,000)	\$ (7,500)	\$ (7,500)
Proceeds on Disposal of TCA	-	-	-	-	-	-	-	-	-	-	-
<b>Cash used in Capital Transactions</b>	\$ (49,500)	\$ (27,500)	-	\$ (15,000)	\$ (22,500)	\$ (7,500)	\$ (7,500)	-	\$ (10,000)	\$ (7,500)	\$ (7,500)
<b>Investing Transactions</b>											
Interest Earned on Reserve Fund Balance	\$ 904	\$ 345	\$ 396	\$ 1,203	\$ 1,706	\$ 2,094	\$ 1,833	\$ 2,112	\$ 2,609	\$ 2,888	\$ 3,262
<b>Cash Provided by Investing Activities</b>	\$ 904	\$ 345	\$ 396	\$ 1,203	\$ 1,706	\$ 2,094	\$ 1,833	\$ 2,112	\$ 2,609	\$ 2,888	\$ 3,262
<b>Financing</b>											
Loan receivable - principle	\$ 4,526	\$ 4,740	\$ 4,964	\$ 5,198	\$ 5,526	-	-	-	-	-	-
Repayment of Long Term Debt	(40,050)	(40,050)	(40,050)	(40,050)	(40,050)	(20,025)	-	-	-	-	-
<b>Cash Used in Financing Activities</b>	\$ (35,524)	\$ (35,310)	\$ (35,086)	\$ (34,852)	\$ (34,524)	\$ (20,025)	-	-	-	-	-
<b>Increase (decrease) in Cash Equivalents</b>	\$ (22,364)	\$ 2,052	\$ 32,304	\$ 20,094	\$ 15,545	\$ (10,461)	\$ 11,165	\$ 19,876	\$ 11,150	\$ 14,991	\$ 16,401
<b>Cash or Equivalents - Beginning of Year</b>	<u>36,144</u>	<u>13,780</u>	<u>15,832</u>	<u>48,136</u>	<u>68,230</u>	<u>83,775</u>	<u>73,314</u>	<u>84,479</u>	<u>104,355</u>	<u>115,505</u>	<u>130,496</u>
<b>Cash or Equivalents - End of Year</b>	<u>\$ 13,780</u>	<u>\$ 15,832</u>	<u>\$ 48,136</u>	<u>\$ 68,230</u>	<u>\$ 83,775</u>	<u>\$ 73,314</u>	<u>\$ 84,479</u>	<u>\$ 104,355</u>	<u>\$ 115,505</u>	<u>\$ 130,496</u>	<u>\$ 146,897</u>

THE CORPORATION OF THE MUNICIPALITY OF BROOKE-ALVINSTON  
BY-LAW NUMBER 23 OF 2025

Being a By-law to Impose User  
Fees or Charges for Water and  
Wastewater

WHEREAS Section 391(1) of the Municipal Act, 2001, as amended from time to time, authorizes the Council of a municipality to pass by-laws imposing fees or charges on persons for services or activities provided or done by or on behalf of it;

AND WHEREAS the Council of the Municipality of Brooke-Alvinston deems it advisable and expedient to impose fees or charges for services;

NOW THEREFORE, the Council of the Municipality of Brooke-Alvinston enacts as follows:

- 1. That the Schedule of Fees shall form part of the by-law and be attached as Schedule "A" thereto.
- 2. That the fees and charges as set out in Schedule "A" shall be hereby set and imposed for water and wastewater services provided by the Municipality of Brooke-Alvinston.
- 3. That By-law Number 6 of 2023 is hereby repealed.
- 4. This By-law shall come into force and take effect immediately.

READ A FIRST AND SECOND TIME THIS 22<sup>nd</sup> DAY OF MAY, 2025.

READ A THIRD TIME AND FINALLY PASSED THIS 22<sup>nd</sup> DAY OF MAY, 2025.

\_\_\_\_\_  
David Ferguson, Mayor

\_\_\_\_\_  
Janet Denkers, Clerk Administrator

FEES FOR WATER AND WASTEWATER SERVICES

Properties connected to Alvinston’s Water Supply and Wastewater Systems - Consumption Charges/Fees

Water:

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Per Billing (every 2 months) Fixed Charge (the 1 <sup>st</sup> 22.66 cubic meters is included in the fixed charge)	\$97.72	\$100.16	\$102.66	\$105.23	\$107.86	\$110.56	\$113.32	\$116.15	\$119.05	\$122.03	\$125.08
Metered Water Rate over 22.66 cubic meters per billing period (every 2 months) – per cubic meter	\$3.20	\$3.28	\$3.36	\$3.44	\$3.53	\$3.62	\$3.71	\$3.80	\$3.90	\$4.00	\$4.10

Wastewater:

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Per Billing (every 2 months) Fixed Charge (the 1 <sup>st</sup> 22.66 cubic meters is included in the fixed charge)	\$81.48	\$85.55	\$89.83	\$94.32	\$99.04	\$103.99	\$109.19	\$114.65	\$120.38	\$126.40	\$132.72
Metered Wastewater Rate over 22.66 cubic meters per billing period (every 2 months) – per cubic meter	\$1.93	\$2.03	\$2.13	\$2.24	\$2.35	\$2.47	\$2.59	\$2.72	\$2.86	\$3.00	\$3.15

Properties connected to Inwood’s Water Supply and Wastewater Systems - Consumption Charges/Fees

Water: Water services are provided and billed by the Township of Enniskillen

Wastewater:

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Flat Annual Charge per user/connection (billed on taxes in for (4) instalments)	\$737.28	\$766.77	\$797.44	\$829.34	\$862.51	\$897.01	\$932.89	\$970.21	\$1,009.02	\$1,049.38	\$1,091.36

Water dispensed from our Water Tower in Bulk - Consumption Charges/Fees

Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Metered Water Rate (per cubic meter)	\$5.13	\$5.31	\$5.49	\$5.68	\$5.88	\$6.09	\$6.30	\$6.52	\$6.76	\$7.00	\$7.25



## Council Staff Report

**To:** Mayor Ferguson and Council  
**Subject:** Alvinston Drinking Water System Financial Plan  
**Meeting:** Council - 22 May 2025  
**Department:** Treasury  
**Staff Contact:** Stephen Ikert, Treasurer

### Recommendation:

**That Council approve the Alvinston Drinking Water System Financial Plan for submission with the Water Licence renewal as required by the Ministry of Environment Conservation and Parks.**

### Background:

In order to operate a Water System one must have a licence. The licence must be renewed every five years. One of the requirements of the licence is that the Water System must have a Financial Plan and the Financial Plan must be approved by Council.

### Comments:

I have prepared the attached Financial Plan based on a rate analysis and based on future projected operating and capital costs of the system.

### Financial Considerations:

The Financial Plan helps ensure the viability of the Water System

### Relationship to Strategic Plan:

The Water System's viability is crucial to ensure we continue to provide safe drinking water reliably to the residents of Brooke-Alvinston who rely on the system.

### ATTACHMENTS:

[Brooke-Alvinston Water Financial Plan - 2025](#)

# The Municipality of Brooke-Alvinston



## Alvinston Drinking Water System Financial Plan

Licence # 240-101

Updated May 2025



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## 1. Introduction

The Corporation of the Municipality of Brooke-Alvinston (the Municipality) has developed a financial plan for the Alvinston Drinking Water System (DWS) in order to comply with the financial plan regulation (O. Reg. 453/07) made under the Safe Drinking Water Act, 2002.

The financial plan contained herein has been prepared in accordance with O. Reg. 453/07, as well as the provisions of the financial planning guidelines published by the then Ministry of the Environment (MOE), now the Ministry of the Environment, Conservation and Parks (MECP), in August, 2007 entitled “Toward Financially Sustainable Drinking-Water and Wastewater Systems”.

The financial plan was prepared for the Alvinston Drinking Water System (DWS), based on future capital and major maintenance projects, water system financial information, as well as tangible capital asset information that the Municipality generated in accordance with the Public Sector Accounting Board (PSAB) requirements.

The information was used to generate a financial operating plan which forecasts future annual expenditure requirements from the year 2025 through to 2035. A revenue plan, relying on user fees was generated to support the expenditure requirements outlined in the operating plan. The information generated in the operating and revenue plans along with the tangible capital asset information was used to develop a financial plan for the Alvinston DWS covering the period from 2025 to 2035 in accordance with O. Reg. 453/07 requirements.

### 1.1 **Legislative Context to Financial Planning**

There have been legislative initiatives affecting water system management and operations over the past two plus decades. These initiatives were a result of the water borne illness tragedy in Walkerton in 2000. Following this event, the Government of Ontario established a public inquiry to investigate the tragedy. The Inquiry Report recommended a comprehensive approach to the delivery of safe drinking water in Ontario.

The MECP has responded to the Inquiry recommendations by making legislative changes. One change directly related to the development of this Financial Plan was the passage of the Safe Drinking Water Act, 2002 (SDWA). It requires owners of a municipal drinking water system to apply for and obtain a Municipal Drinking Water License. There are five elements that must be in place for the owner of a drinking water system to obtain a license:

- 1) A Drinking Water Works Permit to establish or alter a drinking-water system.
- 2) An accepted Operational Plan. The Drinking Water Quality Management Standard (DWQMS) is the standard upon which operational plans are based. The plan documents an operating authority's quality management system (QMS).
- 3) An Accredited Operating Authority. A third-party audit of an operating authority's QMS will be the basis for accreditation.
- 4) A Permit to Take Water.

- 5) A Financial Plan that must be prepared and approved in accordance with the prescribed requirements in the Financial Plans Regulation.

Under the SDWA, the Financial Plan element of the license program must either be prepared in accordance with the Sustainable Water and Sewage System Act, 2002 (SWSSA) or in accordance with the requirements set by the Minister of the Environment. SWSSA regulations have not been published and the Act was repealed on December 31, 2012. Accordingly, the requirements set by the Minister of Environment apply as per the 2007 MECP guidelines.

Regulation 453/07 of the Safe Drinking Water Act was passed in 2007 and contains two key provisions that apply to an existing water system:

1. A person who makes an application under the Act for a municipal drinking water license shall, before making the application, prepare and approve financial plans for the system that satisfy the requirements of Reg. 453/07. O. Reg. 453/07, S. 1(1).
2. As a condition in a municipal drinking water license that is issued in response to an application made under section 33 of the Act for a municipal drinking water license, the Director shall include a requirement that the owner of the drinking water system, by the later of July 1, 2010 and the date that is six months after the date the first license for the system is issued, prepare and approve financial plans for the system that satisfy the requirements prescribed Reg. 453/07. O. Reg. 453, S. 1(3).

Several other provisions are also set out in the regulation that must be met by a municipality operating a water system:

- The financial plan must be approved by a resolution that is passed by the Council of the municipality.
- The financial plan must apply to a period of at least six years.
- The first year to which the financial plan must apply must be the year determined in accordance with the following rules:
  - If the financial plans are required by subsection 1 (2), the first year to which the financial plans must apply must be the year in which the drinking water system's existing municipal drinking water licence would otherwise expire.
  - If the financial plans are required by a condition that was included in a municipal drinking water licence under subsection 1 (3), the first year to which the financial plans must apply must be the later of 2010 and the year in which the first licence for the system was issued.
- The financial plan must be available, upon request, to members of the public at no charge and posted on the internet (if the municipality maintains a website).
- The municipality must provide notice as deemed appropriate to advise the public of the availability of the financial plan.

Once a system is licensed, the municipality's Financial Plan is required to be updated every 5 years, in conjunction with every application for license renewal.

## 1.2 Accounting Policy Requirements

The Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered accountants developed municipal financial accounting and reporting standards that came into effect January 1, 2009. These standards require that tangible capital assets (TCA), including the assets of drinking water systems, be included in municipal financial statements. Further PSAB requirements call for the financial statements to be prepared on a full accrual accounting basis.

## 1.3 Sustainable Financial Planning

In general, sustainability refers to the ability to maintain a certain position over time. While the Act requires a declaration of the financial plan's sustainability, it does not give a clear definition of what would be considered sustainable. Instead, the MECP released a guideline ("Towards Financially Sustainable Drinking-Water and Wastewater Systems") that provides possible approaches to achieving sustainability. The Province's Principles of Financially Sustainable Water and Wastewater Services are:

- Ongoing public engagement and transparency can build support for, and confidence in, financial plans and the system(s) to which they relate.
- An integrated approach to planning among water, wastewater, and storm water systems is desirable given the inherent relationship among these services.
- Revenues collected for the provision of water and wastewater services should ultimately be used to meet the needs of those services.
- Life-cycle planning with mid-course corrections is preferable to planning over the short-term, or not planning at all.
- An asset management plan is a key input to the development of a financial plan.
- A sustainable level of revenue allows for reliable service that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs.
- Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.
- Financial plans are "living" documents that require continuous improvement. Comparing the accuracy of financial projections with actual results can lead to improved planning in the future.

Since the passage of the *Safe Drinking Water Act*, changes and refinements to the legislation have been introduced, including the *Water Opportunities Act* (W.O.A.). W.O.A. was introduced into legislation on May 18, 2010 and received Royal Assent on November 29, 2010, as the *Water Opportunities Act*.

The purposes of the *Water Opportunities Act* are to: foster innovative water, wastewater and storm water technologies, services, and practices; create opportunities for economic development and clean-technology jobs; and conserve and sustain water resources. To achieve this W.O.A. provides for the creation of performance targets (financial, operational and maintenance related), which will vary by

service type and location and the required submission of conservation and sustainability plans for water, wastewater, and stormwater.

The sustainability plan in W.O.A. expands on interim legislation for financial plans included in O.Reg. 453/07, to include: an asset management plan for the physical infrastructure, financial plan, water conservation plan (for water service only), a risk assessment, a strategy for maintaining and improving the services; and additional information considered advisable.

On June 4, 2015, the Province passed the Infrastructure for Jobs and Prosperity Act (I.J.P.A.) which, over time, will require municipalities to undertake and implement asset management plans for all infrastructure they own. On December 27, 2017, the Province of Ontario released Ontario Regulation 588/17 under I.J.P.A. which has 3 phases that municipalities must meet.

Every municipality in Ontario has had to prepare a strategic asset management policy by July 1, 2019. Municipalities will be required to review their strategic asset management policies at least every five years and make updates, as necessary. The subsequent phases were:

- Phase 1 – Asset Management Plan (by July 1, 2021) for core assets
- Phase 2 – Asset Management Plan (by July 1, 2023) for all assets:
- Phase 3 – Asset Management Plan (by July 1, 2025), which builds on Phase 1 and 2 by adding Proposed levels of service, and Lifecycle management and Financial strategy.

In relation to water (which is considered a core asset), municipalities have needed to have an asset management plan that addresses the related infrastructure by July 1, 2021 (Phase 1). O.Reg. 588/17 specifies that the municipality's asset management plan must include the following for each asset category: the current levels of service being provided, the current performance of each asset category, a summary of the assets in the category, the replacement cost of the assets in the category, the average age of the assets in the category (determined by assessing the average age of the components of the assets), the information available on the condition of the assets in the category, a description of the municipality's approach to assessing the condition of the assets in the category, based on recognized and generally accepted good engineering practices where appropriate, and the lifecycle activities that would need to be undertaken to maintain the current levels of service.

Each year, the Municipality needs to consider the impacts of the asset management plan for water during the annual budget and forecast process.

#### **1.4 Municipality of Brooke-Alvinston – Alvinston Drinking Water System**

The Alvinston DWS, located in the Municipality of Brooke Alvinston is owned by the Corporation of the Municipality of Brooke-Alvinston and is operated by the Ontario Clean Water Agency. Brooke Alvinston is located in southwestern Ontario, between London and Sarnia.

The Alvinston Drinking Water System is supplied with potable water via a 250mm diameter PVC watermain from the Lambton Area Water Supply System (LAWSS). The supply meter chamber is located

on the southeast corner of Old Walnut Rd. and Churchill Line. The Old Walnut meter chamber is equipped with a flowmeter.

From here, water continues through the Distribution System through the Alvinston Rechlorination Station located at 3188 Church St. The station provides level control to the standpipe through a PRV and CAV, and maintenance of secondary disinfection (as required). The secondary disinfection system at the rechlorination station consists of two chemical feed pumps (one duty and one standby), a chemical feed line upstream of the PRV and continuous feed chlorine analyzers upstream and downstream of the PRV.

The distribution system also includes a 1,544 m<sup>3</sup> standpipe equipped with a continuous online free chlorine analyze, various air valve chambers, fire hydrants, two water service meter chambers and piping of various sizes.

Standby power is available in the event of a power failure/outage.

## **2. Financial Operating Plan**

This financial operating plan includes the full costs of operating the Alvinston DWS on an ongoing basis and includes capital investments, operating costs, maintenance costs, administration costs, debt repayment and interest charges.

This financial operating plan for the Alvinston DWS was developed using historical financial information and projecting the information forward to forecast the annual expenditure requirements, while considering changes to the system, inflation and any growth forecast.

### **2.1 Operating Expenses**

Recurring operating expenses for the Alvinston DWS consists of contracted operating services provided by OCWA, hydro cost and other operating expenses such as materials, supplies, major maintenance and repair. All operating costs are projected to increase on an annual basis at a rate of 3.0 to 3.5% per year, The total operating expenses for the Alvinston DWS are forecasted to be approximately \$417,741 in 2025 and increase annually to approximately \$566,011 by year 2035.

### **2.2 Capital Costs**

Although ongoing yearly maintenance and repair of the Alvinston DWS is forecasted, many of the costs associated with these works will be considered an expense, based on the Municipality's policy for tangible capital asset accounting and the nature of the work to be completed. There are several items throughout the study period that are recorded as capital upgrades or additions. These projects include major valve replacements, installation of new analyzers and flowmeters, and upgrading or replacing communications equipment, etc.

## 2.3 Debt Management

The Alvinston DWS had a long-term debt principal of approximately \$375,272 at year end in 2024. The debt principal is expected to decrease throughout the study period with a resulting principal of \$0 by year end 2035. No additional debt is forecasted to be added to the existing debt during the study period.

## 2.4 Lead Pipe Replacement Costs

There are no costs associated with lead pipe replacement for the Alvinston DWS.

## 2.5 Source Water Protection Costs

There are no costs associated with source water protection forecasted for the Alvinston DWS during the study period.

# 3. Funding Plan

A funding plan was developed to ensure that the annual expenditures forecasted in the financial operating plan can be sustained over the study period. The funding plan relies on operating revenues from the direct users of the drinking water system through water rates to cover capital and operating costs. Other revenue sources such as a long-term site tower lease contract, sales and installation of meters and connection charges are also part of the funding plan for the Alvinston DWS.

## 3.1 Water Rates

The Alvinston DWS is a small water system that currently services approximately 1200 residents with approximately 435 connections. Most users are residential. In addition to the residential users there is: one large institutional user (school), three multi-residential users (apartments), one large farm user (hog operation), one recreational facility (arena), and several small commercial operations. All water for the Alvinston DWS is provided by the Lambton Area Water Supply System (LAWSS). The Municipality of Brooke-Alvinston is currently charged \$1.50/m<sup>3</sup> of water (2025 rate) supplied by LAWSS (subject to yearly increases to satisfy their budget).

Historical water use data was used to project future consumption throughout the study period. It was determined that the water volume billed will be increase at the rate of two (2 ) connections per year throughout the study period.

Studies have shown that an average family of three uses approximately 11.33 m<sup>3</sup> of water per month. Because of the small size of our system and the relatively few customers there are many costs that must be paid regardless of the amount of water used. As a result, it is necessary to structure the fixed base rate to cover the system's relatively fixed operating costs. This ensures the system's viability. The larger

non-residential users pay their fair share through the volumetric charges levied for over 11.33 m<sup>3</sup> of usage per month. The rate structure also encourages water conservation as the volumetric charges levied for over 11.33m<sup>3</sup> per month are quite high

Therefore, it is recommended that customers of the Alvinston DWS be charged a minimum water service rate of \$586.32/year in 2025, increasing to \$750.48/year in 2035 (2.5% increase each year). This minimum fixed service rate includes the first 22.66 m<sup>3</sup> water usage in each two-month billing period. For water metered over 22.66 m<sup>3</sup> for each two-month billing period, customers are charged an additional \$3.20/m<sup>3</sup> in 2025, increasing to \$4.10/m<sup>3</sup> in 2035 (2.5% increase each year).

Figure 1.1 – Projected Yearly Water Usage Revenues

Projected Yearly Water Usage Revenues											
Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Base rate charges earned per year	255,049	262,620	270,406	278,439	286,692	295,195	303,924	312,908	322,149	331,678	341,468
Overage charges earned per year	104,000	107,420	110,880	114,380	118,255	122,175	126,140	130,150	134,550	139,000	143,500
Total user fees earned per year	359,049	370,040	381,286	392,819	404,947	417,370	430,064	443,058	456,699	470,678	484,968

The forecasted rates were developed with the assumption outlined in Figure 1.2 regarding the number of connection and water use data.

Figure 1.2 – Number of Connections and Water Use

Number of Water System Connections and Water Use											
Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Number of connections	435	437	439	441	443	445	447	449	451	453	455
Water volume included in base charge per user m <sup>3</sup>	136	136	136	136	136	136	136	136	136	136	136
Volume of water billed over minimum usage m <sup>3</sup>	32,500	32,750	33,000	33,250	33,500	33,750	34,000	34,250	34,500	34,750	35,000

### 3.2 Debt and Cash Reserves

Based on the current revenue and expenditure forecasts for the study period, there will be no requirement to raise any addition funds through borrowing. The existing debt of \$375,272 at year end in 2024 will continue to decrease throughout the study period and be fully repaid by end of year 2035. There is no additional debt forecasted for the study period. A reserve fund balance of \$293,821 existed at the beginning of study period. The reserve fund is projected to have a balance of \$244,370 by the end of the study period in 2035.



### 3.3 Government Grants

The Municipality does not anticipate the receipt of any new grant money towards the municipal drinking water system during the study period.

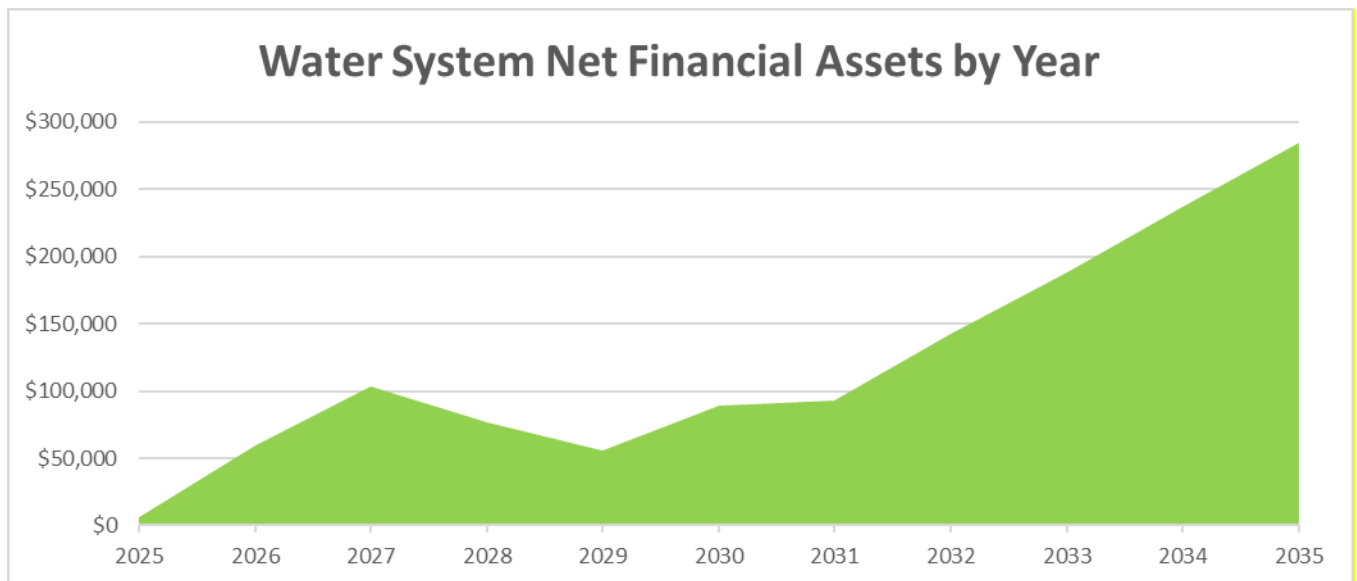
## 4. Financial Plan Summary – Brooke Alvinston

This section provides a summary of principal features concerning the current and projected future state of the Alvinston DWS. The financial information is contained in financial statements covering the period from 2025 to 2035 in compliance with O. Reg. 45. The detailed financial statements are set out in tabular form in Section 4. The notes regarding the financial statements Plan are presented at the end of the financial statement section of this report.

### 4.1 Statement of Financial Position (Table 1.1)

The Statement of financial Position summarizes the assets, liabilities, and accumulated surplus of the municipality's water system. An important feature of a water system is its net financial assets. A positive net financial asset indicates that the system has some resources to deal with future capital and other needs. A negative number indicates that past capital and other investments must be financed from future revenues. The Alvinston DWS' net financial assets are shown in Figure 2.1.

Figure 2.1 – Brooke-Alvinston Water System Net Financial Assets



The Alvinston Water System had a large “Net Debt” position for years due to the installation of the water supply line and related long-term borrowing in 2004/2005. But now it has a slight “Net Asset”

position for several years and it more significantly as the long-term debt is paid off. by the end of the study period.

A second feature is the total value of the water system tangible capital assets (Plant equipment, watermains). Consideration of the value of tangible capital assets is part of PSAB compliance. The current value of the capital assets is termed net book value (NBV). It is the difference between the original cost of an asset less the accumulated amortization.

Water systems have a great deal of resources tied up in tangible capital assets and managing these assets is critical to maintaining current and future levels of service. Tangible capital assets, once installed, are being used, and are decreasing in value. An increase in net book value of tangible capital assets is an indication that assets have been renewed faster than they were used. A decrease in net book value indicates that assets are being used, or amortized, faster than they are renewed. The net book value of the assets is set out in Figure 2.2. The NBV for the Tangible Capital Assets (TCA) of the Alvinston DWS decreases until the end of the study period since the amortization occurs at a greater rate than the regeneration of the TCAs.

Figure 2.2 – Brooke-Alvinston Water System Tangible Capital Assets

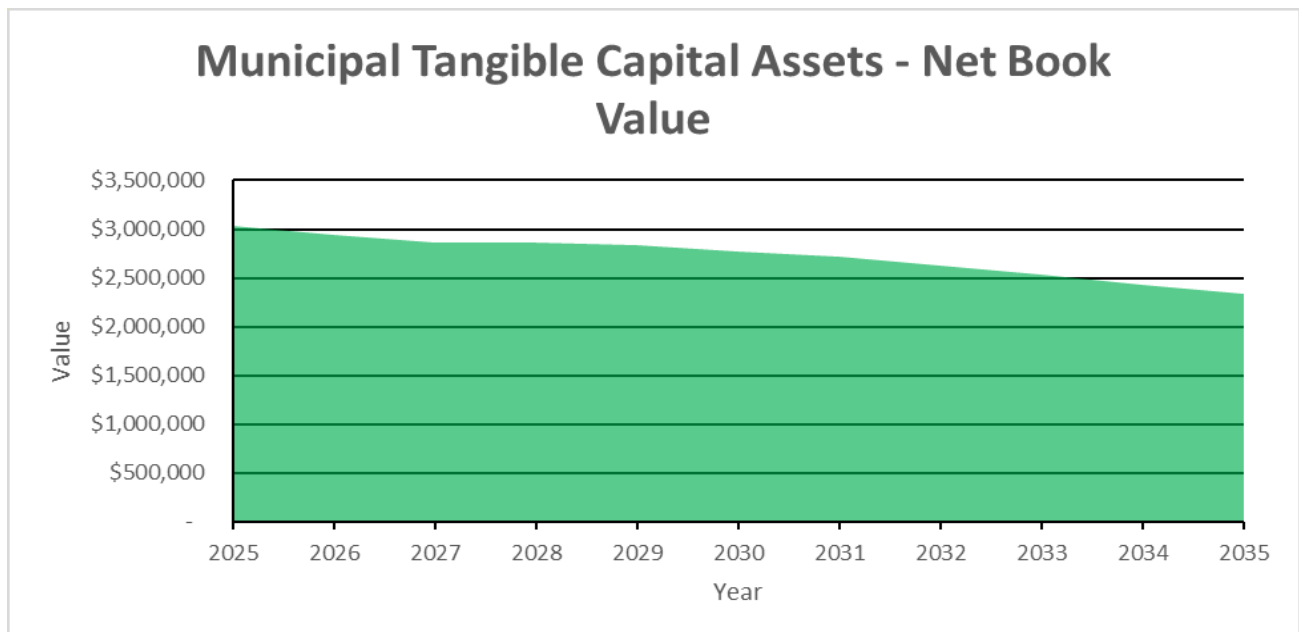
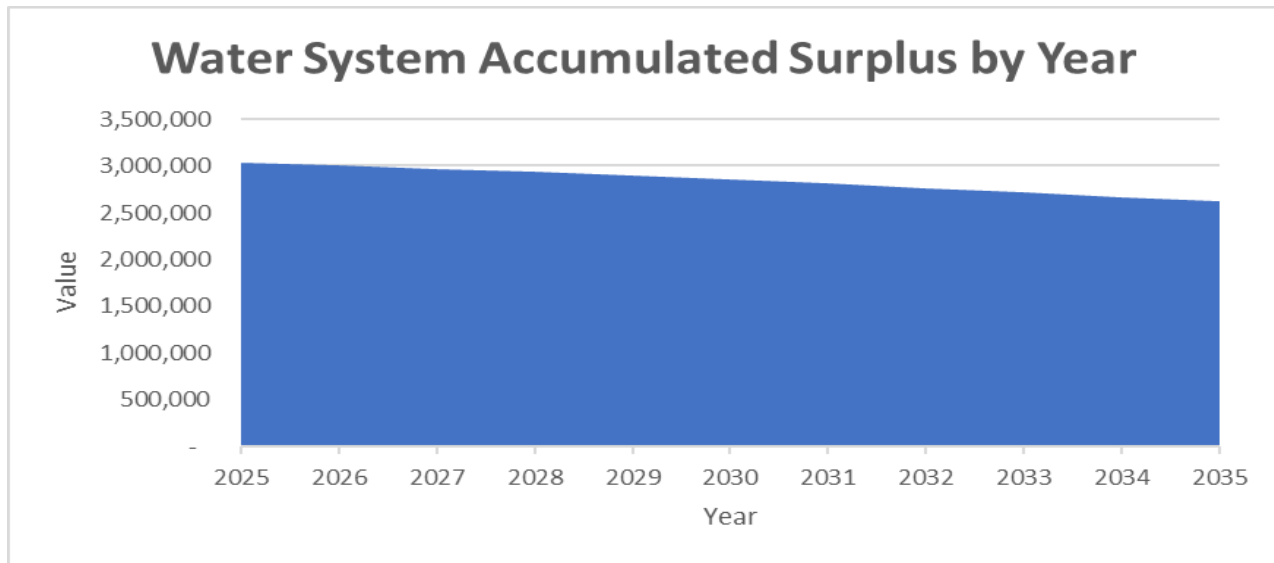


Figure 2.3 sets out the accumulated surplus. It represents cash on hand and other financial assets plus the net book value of tangible capital assets less long-term debt and any other financial liabilities. An accumulated surplus indicates that the available net resources are sufficient to provide future capital water services. While long-term debt is being reduced each year, larger annual amortization expense results in the reduction in Tangible Capital Assets outpacing the improved debt position. As a result, the Accumulated Surplus for the Brooke-Alvinston DWS decreases from \$3,034,404 in 2025 to \$2,621,810 by 2035.

Figure 2.3 – Brooke-Alvinston Water System Accumulated Surplus



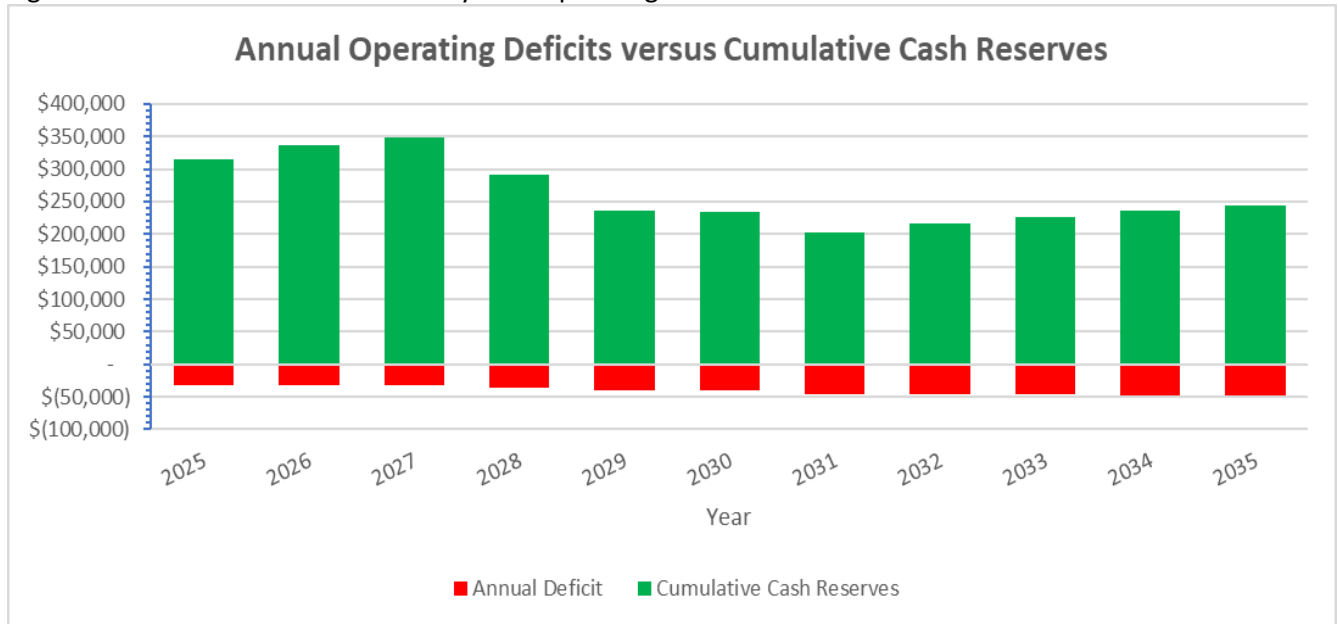
#### 4.2 Statement of Operations (Table 1.2)

This statement summarizes revenues and expenses related to the water system for a given period. The revenue includes revenues from connected users, and miscellaneous revenues from water tower sales, meter sales, etc. The expenditures include ongoing operating costs (water purchases, operations contract, utilities, etc.), interest on long-term debt and asset amortization. Brooke-Alvinston's Water System is consistently projected to run a small annual deficit throughout the study period. That is, annual expenditures, including amortization, exceed annual revenues. This indicates, that although the annual revenues for the most part are adequately funding ongoing operating costs over the study period, the revenues are not fully covering the yearly amortization expense of the system. However, because amortization is not a "cash" item, this doesn't necessarily mean that the system is not viable, it just means the system is not currently generating enough revenues provide funds to replace its assets at the rate they are being amortized. Figure 2.4 shows the system's annual deficit versus its "cumulative cash flow" (described more fully in the next section).

#### 4.3 Statement of Change in Cash Flow (Table 1.3)

The Statement of Change in Cash Flow summarizes how the water system is expected to generate and use its cash resources throughout the study period. The transactions that provide/use cash are classified as operating, capital, investing, and financing activities as shown in Table 1.3. This statement focuses on the cash aspect of these transactions and thus is the link between cash-based and accrual-based reporting. Table 1.3 indicates that cash from operations will be mainly used to fund capital asset acquisitions, repay long-term debt, and maintain a small cash reserve fund over the forecast period. The financial plan projects the cash position of the Municipality's water system to decline slightly from a balance of approximately \$293,821 in 2024, to approximately \$244,370 by the end of 2035. Figure 2.4 shows the system's annual deficit versus its "cumulative cash flow".

Figure 2.4 – Brooke-Alvinston Water System Operating Deficits versus Cumulative Cash Flow



#### 4.4 Continuous Improvement

The SDWA requires renewal of Municipal Drinking Water Licenses every five years. The Financial Plan regulation requires the preparation and approval of a financial plan before making an application for renewal of a Drinking Water License. Thus, each Financial Plan will require updating at a maximum frequency of every five years. This on-going update will assist in revisiting the assumptions made, in the original financial plan, to develop the operating and funding plans as well as re-assessing the need for capital renewal and major maintenance expenditures.

#### 4.5 Conclusion

The Alvinston DWS is currently financially self-sustaining provided no unanticipated major capital expenditures for renewal or upgrades are required. This scenario is forecasted to continue throughout the study period. The financial statements reveal that the Alvinston DWS is projected to be in adequate financial shape over the study period with no need for borrowing and a small cash reserve that is maintained throughout the study period.

When reviewing this plan, it is important to keep in mind that several assumptions have been made concerning inflation, and growth projections. Actual results could deviate significantly from these projections over time. In addition, capital and major maintenance cost estimates and schedule may vary from current projections. There is a need to monitor the progress of this plan and revise the plan as needed.

The detailed financial statements are set out in tabular form in the following section and were the basis for the above summary.

## **5.        Financial Statements**

The detailed financial statements are set out in the following tables followed by the notes that correspond to the numbers on the right side of the tables.

Projected Statement of Financial Position

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>Notes</u>
<b>Financial Assets</b>												
Cash or Equivalents - Reserve Fund	\$ 315,245	\$ 337,037	\$ 348,720	\$ 290,604	\$ 235,772	\$ 234,243	\$ 203,000	\$ 216,051	\$ 225,496	\$ 236,109	\$ 244,370	1
Accounts Receivable	<u>72,000</u>	<u>74,000</u>	<u>76,000</u>	<u>77,000</u>	<u>79,000</u>	<u>82,000</u>	<u>84,000</u>	<u>86,000</u>	<u>88,000</u>	<u>90,000</u>	<u>93,000</u>	2
<b>Total Financial Assets</b>	<u>\$ 387,245</u>	<u>\$ 411,037</u>	<u>\$ 424,720</u>	<u>\$ 367,604</u>	<u>\$ 314,772</u>	<u>\$ 316,243</u>	<u>\$ 287,000</u>	<u>\$ 302,051</u>	<u>\$ 313,496</u>	<u>\$ 326,109</u>	<u>\$ 337,370</u>	
<b>Liabilities</b>												
Accounts Payable	\$ 35,625	\$ 37,006	\$ 38,400	\$ 40,048	\$ 41,710	\$ 43,388	\$ 45,080	\$ 46,788	\$ 48,758	\$ 50,745	\$ 52,750	3
Long-term Debt	<u>345,297</u>	<u>314,556</u>	<u>283,029</u>	<u>250,696</u>	<u>217,536</u>	<u>183,529</u>	<u>148,652</u>	<u>112,884</u>	<u>76,201</u>	<u>38,581</u>	<u>-</u>	4
<b>Total Liabilities</b>	<u>\$ 380,922</u>	<u>\$ 351,562</u>	<u>\$ 321,429</u>	<u>\$ 290,744</u>	<u>\$ 259,246</u>	<u>\$ 226,917</u>	<u>\$ 193,732</u>	<u>\$ 159,672</u>	<u>\$ 124,959</u>	<u>\$ 89,326</u>	<u>\$ 52,750</u>	
<b>Net Financial Assets (Net Debt)</b>	\$ 6,323	\$ 59,475	\$ 103,291	\$ 76,860	\$ 55,526	\$ 89,326	\$ 93,268	\$ 142,379	\$ 188,537	\$ 236,783	\$ 284,620	
<b>Tangible Capital Assets</b>												
Tangible Capital Asset Cost	\$ 5,803,164	\$ 5,803,164	\$ 5,803,164	\$ 5,813,164	\$ 5,893,164	\$ 5,968,164	\$ 5,988,164	\$ 6,038,164	\$ 6,043,164	\$ 6,050,664	\$ 6,055,664	6
Tangible Capital Assets - Additions	-	-	10,000	80,000	75,000	20,000	50,000	5,000	7,500	5,000	5,000	7
Accumulated Amortization	<u>(2,775,083)</u>	<u>(2,860,564)</u>	<u>(2,946,574)</u>	<u>(3,035,549)</u>	<u>(3,128,274)</u>	<u>(3,222,349)</u>	<u>(3,321,424)</u>	<u>(3,420,999)</u>	<u>(3,521,324)</u>	<u>(3,622,149)</u>	<u>(3,723,474)</u>	8
<b>Total Non Financial Assets</b>	<u>\$ 3,028,081</u>	<u>\$ 2,942,600</u>	<u>\$ 2,866,590</u>	<u>\$ 2,857,615</u>	<u>\$ 2,839,890</u>	<u>\$ 2,765,815</u>	<u>\$ 2,716,740</u>	<u>\$ 2,622,165</u>	<u>\$ 2,529,340</u>	<u>\$ 2,433,515</u>	<u>\$ 2,337,190</u>	
<b>Accumulated Surplus</b>	<u>\$ 3,034,404</u>	<u>\$ 3,002,075</u>	<u>\$ 2,969,881</u>	<u>\$ 2,934,475</u>	<u>\$ 2,895,416</u>	<u>\$ 2,855,141</u>	<u>\$ 2,810,008</u>	<u>\$ 2,764,544</u>	<u>\$ 2,717,877</u>	<u>\$ 2,670,298</u>	<u>\$ 2,621,810</u>	

Note: Unaudited - For Planning Purposes Only – Actual results will differ from the above and these differences could be material.

Projected Statement of Operations

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>Notes</u>
<b>Revenues</b>												
Water Billings	\$ 359,049	\$ 370,040	\$ 381,286	\$ 392,819	\$ 404,947	\$ 417,370	\$ 430,064	\$ 443,058	\$ 456,699	\$ 470,678	\$ 484,968	9
Other Revenue	<u>26,705</u>	<u>27,239</u>	<u>27,784</u>	<u>28,340</u>	<u>28,907</u>	<u>29,485</u>	<u>30,075</u>	<u>30,677</u>	<u>31,291</u>	<u>31,917</u>	<u>32,555</u>	10
	<u>\$ 385,754</u>	<u>\$ 397,279</u>	<u>\$ 409,070</u>	<u>\$ 421,159</u>	<u>\$ 433,854</u>	<u>\$ 446,855</u>	<u>\$ 460,139</u>	<u>\$ 473,735</u>	<u>\$ 487,990</u>	<u>\$ 502,595</u>	<u>\$ 517,523</u>	
<b>Expenses</b>												
Water Purchases	\$ 142,500	\$ 148,025	\$ 153,600	\$ 160,190	\$ 166,840	\$ 173,550	\$ 180,320	\$ 187,150	\$ 195,030	\$ 202,980	\$ 211,000	11
OCWA - Operating Contract	110,034	115,160	119,191	123,363	127,681	132,150	136,775	141,562	146,517	151,645	156,953	12
Utilities	7,500	7,763	8,035	8,316	8,607	8,908	9,220	9,543	9,877	10,223	10,581	13
Administration	19,000	19,570	20,157	20,762	21,385	22,027	22,688	23,369	24,070	24,792	25,536	14
Operating and Major Maintenance	25,000	25,750	26,523	27,319	28,139	28,983	29,852	30,748	31,670	32,620	33,599	15
Other Expenses	18,630	19,282	19,957	20,655	21,378	22,126	22,900	23,702	24,532	25,391	26,280	16
Interest on Long-term Debt	9,343	8,577	7,791	6,985	6,158	5,311	4,442	3,550	2,636	1,698	737	4
Amortization	<u>85,734</u>	<u>85,481</u>	<u>86,010</u>	<u>88,975</u>	<u>92,725</u>	<u>94,075</u>	<u>99,075</u>	<u>99,575</u>	<u>100,325</u>	<u>100,825</u>	<u>101,325</u>	8
	<u>\$ 417,741</u>	<u>\$ 429,608</u>	<u>\$ 441,264</u>	<u>\$ 456,565</u>	<u>\$ 472,913</u>	<u>\$ 487,130</u>	<u>\$ 505,272</u>	<u>\$ 519,199</u>	<u>\$ 534,657</u>	<u>\$ 550,174</u>	<u>\$ 566,011</u>	
<b>Annual Surplus (Deficit)</b>	\$ (31,987)	\$ (32,329)	\$ (32,194)	\$ (35,406)	\$ (39,059)	\$ (40,275)	\$ (45,133)	\$ (45,464)	\$ (46,667)	\$ (47,579)	\$ (48,488)	
<b>Accumulated Surplus - Beginning of Year</b>	<u>3,066,391</u>	<u>3,034,404</u>	<u>3,002,075</u>	<u>2,969,881</u>	<u>2,934,475</u>	<u>2,895,416</u>	<u>2,855,141</u>	<u>2,810,008</u>	<u>2,764,544</u>	<u>2,717,877</u>	<u>2,670,298</u>	
<b>Accumulated Surplus - End of Year</b>	<u>\$ 3,034,404</u>	<u>\$ 3,002,075</u>	<u>\$ 2,969,881</u>	<u>\$ 2,934,475</u>	<u>\$ 2,895,416</u>	<u>\$ 2,855,141</u>	<u>\$ 2,810,008</u>	<u>\$ 2,764,544</u>	<u>\$ 2,717,877</u>	<u>\$ 2,670,298</u>	<u>\$ 2,621,810</u>	

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Projected Statement of Changes in Cash Flow

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Notes
Operating Transactions												
Annual Surplus (Deficit)	\$ (31,987)	\$ (32,329)	\$ (32,194)	\$ (35,406)	\$ (39,059)	\$ (40,275)	\$ (45,133)	\$ (45,464)	\$ (46,667)	\$ (47,579)	\$ (48,488)	
Add back non-cash items:												
Amortization	85,734	85,481	86,010	88,975	92,725	94,075	99,075	99,575	100,325	100,825	101,325	8
Working Capital Items												
Accounts Receivable	(2,000)	(2,000)	(2,000)	(1,000)	(2,000)	(3,000)	(2,000)	(2,000)	(2,000)	(2,000)	(3,000)	2
Accounts Payable	- 348	1,381	1,394	1,648	1,662	1,678	1,692	1,708	1,970	1,987	2,005	3
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-	
Cash provided by Operating Transactions	\$ 51,399	\$ 52,533	\$ 53,210	\$ 54,217	\$ 53,328	\$ 52,478	\$ 53,634	\$ 53,819	\$ 53,628	\$ 53,233	\$ 51,842	
Capital Transactions												
Acquisition of TCAs	-	-	\$ (10,000)	\$ (80,000)	\$ (75,000)	\$ (20,000)	\$ (50,000)	\$ (5,000)	\$ (7,500)	\$ (5,000)	\$ (5,000)	7
Cash used in Capital Transactions	-	-	\$ (10,000)	\$ (80,000)	\$ (75,000)	\$ (20,000)	\$ (50,000)	\$ (5,000)	\$ (7,500)	\$ (5,000)	\$ (5,000)	
Investing Transactions												
Interest Earned on Reserve Fund Balance	\$ 7,346	\$ 7,881	\$ 8,426	\$ 8,718	\$ 7,265	\$ 5,894	\$ 5,856	\$ 5,075	\$ 5,401	\$ 5,637	\$ 5,903	1
Cash Provided by Investing Activities	\$ 7,346	\$ 7,881	\$ 8,426	\$ 8,718	\$ 7,265	\$ 5,894	\$ 5,856	\$ 5,075	\$ 5,401	\$ 5,637	\$ 5,903	
Financing												
Repayment of Long Term Debt	\$ (29,975)	\$ (30,741)	\$ (31,527)	\$ (32,333)	\$ (33,160)	\$ (34,007)	\$ (34,877)	\$ (35,768)	\$ (36,683)	\$ (37,620)	\$ (38,581)	4
Cash Used in Financing Activities	\$ (29,975)	\$ (30,741)	\$ (31,527)	\$ (32,333)	\$ (33,160)	\$ (34,007)	\$ (34,877)	\$ (35,768)	\$ (36,683)	\$ (37,620)	\$ (38,581)	
Increase (decrease) in Cash Equivalents	\$ 21,424	\$ 21,792	\$ 11,683	\$ (58,116)	\$ (54,832)	\$ (1,529)	\$ (31,243)	\$ 13,051	\$ 9,445	\$ 10,613	\$ 8,261	
Cash or Equivalents - Beginning of Year	293,821	315,245	337,037	348,720	290,604	235,772	234,243	203,000	216,051	225,496	236,109	
Cash or Equivalents - End of Year	\$ 315,245	\$ 337,037	\$ 348,720	\$ 290,604	\$ 235,772	\$ 234,243	\$ 203,000	\$ 216,051	\$ 225,496	\$ 236,109	\$ 244,370	

Note: Unaudited - For Planning Purposes Only – Actual results will differ from the above and these differences could be material.



## **6. Notes on the Alvinston Drinking Water System Financial Plan**

The Alvinston Drinking Water System Financial Plan represents a forecast of the financial performance of the drinking water system over a study period starting in the year 2025 through to the year 2035. The following notes are intended to document and/or clarify some of the assumptions made in generating the financial information contained in the tables. The reader is cautioned that the financial plan contains un-audited financial information and is subject to change.

1. The Cash or reserve fund balance is expected to earn interest at an average annual rate of 2.5%. The reserve fund is expected to have a balance of \$244,370 at the end of the study period in 2035.
2. Because billings and collections of the water and wastewater fees are combined, it is impossible to precisely determine the exact portion of the water fees that are receivable at the end of each year. The amount of water fees receivable each year is estimated based on proportion of water to wastewater billings.
3. Water system accounts payable at each year end is estimated based on the quarterly water purchases from LAWSS, since the bill for the final quarter each year is not received until after the year end.
4. The Alvinston DWS had a debt principal of approximately \$375,272 at end of 2024. The debt principle is expected to decrease throughout the study period with it being completely repaid by the end of 2035. Interest is payable on long-term debt at a rate of 2.54% per annum.
5. Capital Works in Progress –There are expected to be no funds expended in uncompleted capital works on the water distribution system each year. Take paragraph out and the line in the Statement of Financial Position
6. Tangible Capital Assets Cost includes changes (additions, disposals, write-downs) in tangible capital assets during the year.
7. Tangible Capital Asset Additions are estimated based on normal replacements of major valves, analyzers, flowmeters, building renovations, etc. over the study period.
8. Tangible Capital Assets (TCA) are assumed to have no residual value when they have reached the end of their projected useful life. Amortization was determined using the straight-line method. The calculation of Amortization begins the year an asset is put into service.
9. Water Billings include the flat rate charge for the customers as well as the variable rate charge based on water use above the 22.33 m<sup>3</sup> usage included in the base rate. Water rates are projected to increase at a rate of 2.5% per year. See Figures 1.1 and 1.2 for further information.
10. Other Revenues include water sales from the water tower, sales and installation of meters, and water connection charges, etc.

11. Water purchases: All water for the Alvinston DWS is provided by the Lambton Area Water Supply System (LAWSS). The Municipality of Brooke-Alvinston is currently charged \$1.50/m<sup>3</sup> of water (2025 rate) by LAWSS and is projected to increase at a rate of 3.5% each year.
12. OCWA Operating Contract – OCWA contracted services are determined by the contracted rates provided by OCWA for operating and maintaining our water system. They are projected to increase at the rate of 3.5% every year as per the current contract.
13. Utilities – Utility and energy costs are projected to increase at 3.5% per annum.
14. Administration – includes charges for payroll, benefits, office supplies, for time spent by staff for water meter reading, invoicing, collecting, and other work related to the water system. These costs are projected to increase by 3% per year.
15. Operating and Major Maintenance – Includes maintenance items, which are major non-routine costs which are not capital items per the Municipality's TCA policy. These costs are projected to increase by 3.0% per year.
16. Other Expenses – Comprised of insurance costs, water meter costs, communications costs for system monitoring, and other miscellaneous smaller expenditures. They are expected to increase at 3.5% per year throughout the study period.



## Council Staff Report

**To:** Mayor Ferguson and Members of Council  
**Subject:** Requests from the Optimist Club - Tanner Redick Memorial Ball Tournament  
**Meeting:** Council - 22 May 2025  
**Department:** Clerks  
**Staff Contact:** Janet Denkers, Clerk Administrator

### Recommendation:

**That the Council of the Municipality of Brooke-Alvinston declares the Tanner Redick Memorial Ball Tournament being held July 24-27, 2025 as an event of municipal significance and acknowledges that the Alvinston Optimist Club will be applying for a Special Occasion Permit (SOP) for the Brooke-Alvinston-Inwood Community Centre Complex / Pavilion / Grounds at 3310 Walnut Street; and that**

**The Council of the Municipality of Brooke-Alvinston waive section 3.9 of By-law 37 of 2021 to allow noise to extend to 2 a.m. during the 2025 Memorial Tournament.**

### Background:

The Tanner Redick Memorial Tournament will be held July 24-27, 2025 on the BAICCC grounds. A special occasion permit is required for the event. The Tournament has routinely been declared an event of municipal significance due to the nature of the event. It also fits the criteria recently adopted by Council in declaring an event to be municipally significant as it:

- a. Falls within the definition of a municipally significant event
- b. Serves the public interest by upholding the by-laws and policies of the Municipality and any other applicable legislation
- c. Will host no less than 100 members of the general public

Criteria of the Municipal Significant Event Policy to issue a Special Occasion Permit is met with the Tanner Redick Memorial Tournament.

### Comments:

Should Council approve the requests, notification of the SOP and the waiver of section 3.9 of By-law 37 of 2021 should be forwarded to: Brooke Fire Rescue, Lambton EMS and Lambton OPP. The Tournament Committee should notify residents in the area as a courtesy.

The Optimist Club has been requested to ensure proper ID is inspected of attendees to ensure under 18s attending the licensed events are not served or able to obtain alcoholic beverages at the event. In addition it is requested that the licensed area is clearly outlined and that the playground area not be included.

### Financial Considerations:

There are no financial considerations associated with this report.

**ATTACHMENTS:**

[letter for tannerreddick](#)

To whom it may concern:

I'm John Koolen with the Alvinston and District Optimist Club.

As you well know we run the bar for the Tanner Reddick Memorial Ball Tournament which has been very successful in the past. The event will be held on July 24<sup>th</sup>-27<sup>th</sup> 2025. We are asking if the noise bylaw times could be extended till 2 am for the 25<sup>th</sup> and 26<sup>th</sup> because we would like to have live entertainment for those evenings.

Your consideration in this matter would be greatly appreciated.

Thank You in Advance

John Koolen