

## **BACKGROUND**

In 2011, Council endorsed a 10 year Financial Plan for Water and Wastewater as financially viable and approved that plan in compliance with Ontario Regulation 453/07. That Plan covered the period 2012-2021.

The current plan recommended annual rate increases of 7.4% to achieve sustainability. Council has approved a 7.4% increase in each of the last four years (2016-2019). In 2015 the total capital envelopes for water and wastewater were \$23.4M and increased to \$31.1M in 2018. That amount stayed relatively unchanged for 2019 due to the elimination of the fire protection levy during 2019 budget deliberations.

The Plan has to be updated in order that the timeframe of the Plan applies for a minimum six year period commencing in the year in which the existing municipal drinking water licence expires. In the City's case the current licences expire in 2020, so the Plan, at a minimum, has to be updated to cover the period ending 2026.

The update was being prepared with a 10 year timeframe. During Budget deliberations, the Finance and Administration Committee requested that options for 15, 20 and 25 years be prepared as well.

BMA Management Consulting Inc. was engaged to update the Plan and Jim Bruzzese will be presenting the update to the Finance and Administration Committee.

## **SUMMARY**

The recommended timeframe of the Plan update is 20 years through 2039 with annual rate increases of 4.8% each year during that period.