

2025–26 Annual Report



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Message from the Chair and the Chief Executive Officer

The 2025–26 fiscal year marked a year of ongoing commitment for the Walkerton Clean Water Centre (the Centre) as it continued to deliver on its mandate of supporting clean, safe drinking water across Ontario.

Over the course of the fiscal year, the Centre offered a variety of high-quality courses and delivered this training to 7,888 participants across Ontario. This included specialized courses that provided detailed information on topics of importance, and the three mandatory courses required for certification in Ontario — *Entry-Level Course for Drinking Water Operators*; *Operation of Limited Systems* and *Operation of Small Systems for Trained Persons (O. Reg. 170/03)* (formerly *Operation of Small Drinking Water Systems*); and *Mandatory Certificate Renewal Course (2024-2026)* — which were delivered by the Centre on behalf of the Ministry of the Environment, Conservation and Parks (the Ministry). Courses were provided in classroom, correspondence, e-learning and live virtual formats to improve the accessibility and affordability of training across Ontario. The Centre's quality assurance program ensured that standards were upheld for all training initiatives. The quality assurance index indicated that 95.6 per cent of survey respondents provided overall course ratings of good or excellent.

Supporting First Nations drinking water systems continued to be a focus for the Centre. Over the past year, five courses tailored to First Nations communities were delivered, including six sessions of *Entry-Level Course for Drinking Water Operators of First Nations*, three sessions of *Managing Drinking Water Systems in First Nations Communities*, four sessions of *Drinking Water Advisories in First Nations Communities*, two sessions of *Watermain Construction and Maintenance*, and an additional e-learning course, *Introduction to First Nations Guidance Documents*, completed independently by 11 participants. An additional 52 specialized course sessions were delivered to help operators further improve their skills and knowledge and support their ongoing professional development. Based on client feedback, we also launched three new courses and, in partnership with the Ministry, a program to provide on-site technical and training services tailored for system specific operations to meet the needs of operators and drinking water systems in First Nations communities.

The Technology Demonstration Facility continued to serve as a platform for pilot testing as the Centre undertook increasingly complex projects to help clients address their system vulnerabilities and address contaminants of emerging concern. Information and advice were also provided to clients through the Helpline and technical tours, which educated 213 individuals about the equipment and operational requirements necessary to ensure that drinking water is safe.

We would like to take this opportunity to acknowledge those who contributed to the Centre's ongoing success: the Ministry who provided financial support and assistance; the Board of Directors who oversaw the Centre's operations; and Centre staff who were committed to fulfilling our mission. Most importantly, we thank the drinking water professionals whose dedication and hard work continues to support clean, safe drinking water across Ontario.



Mike Smith
Chair, Board of Directors



Kara Rutherford
Chief Executive Officer

Corporate Profile

The Centre, a board-governed operational service agency of the Government of Ontario, was established in October 2004 in response to Associate Chief Justice Dennis O'Connor's recommendations in the Report of the Walkerton Inquiry. The Centre coordinates and provides education, training and information to water system owners, operators, operating authorities and the public, across Ontario.

The Centre delivers a comprehensive range of training, including specialized courses and the three mandatory courses required for certification in Ontario: *Entry-Level Course for Drinking Water Operators*; *Operation of Limited Systems* and *Operation of Small Systems for Trained Persons (O. Reg. 170/03)* (formerly *Operation of Small Drinking Water Systems*); and *Mandatory Certificate Renewal Course (2024-2026)*. The Centre also collaborates on initiatives to improve drinking water in First Nations communities.

The Technology Demonstration Facility, with its laboratory and water treatment and distribution technologies, facilitates hands-on training and pilot testing providing education, information and advice on water treatment and distribution technologies, operational requirements and environmental issues related to water. The Centre also assesses research gaps and may sponsor research projects that contribute to its objects.

The Centre's Helpline allows clients and the public to contact knowledgeable staff with technical questions related to drinking water treatment, operational requirements or environmental factors, improving the understanding of common drinking water issues.

The Centre focuses on client engagement to effectively meet the needs of drinking water professionals and undertakes research to investigate clients' training needs, preferences, and possible gaps in services. Research results help ensure that programs are tailored to meet clients' needs.

Mission

We provide system owners, operators, and operating authorities the education, information, and advice they need to provide clean, safe drinking water.

Vision

Clean, safe water for everyone in Ontario.

Objects

Ontario Regulation 304/04, made under the *Development Corporations Act*, R.S.O. 1990, chapter D.10, defines the Centre's objects, which are delivered independently or in conjunction with other organizations:

-  To co-ordinate and deliver education and training for owners, operators and operating authorities of drinking water systems.
-  To provide information, education and advice to owners, operators and operating authorities of drinking water systems and to the public about,
 - i. the treatment of water necessary to ensure that drinking water is safe,
 - ii. the equipment and technology used to ensure that drinking water is safe,
 - iii. the operational requirements necessary to ensure that drinking water is safe, and
 - iv. other environmental issues related to drinking water.
-  To sponsor research into any activities related to its objects.
-  To provide advice to the Minister of the Environment, Conservation and Parks (Minister) on research and development priorities to achieve and maintain safe drinking water.
-  To conduct such further activities, consistent with its objects, as are described in any policy direction issued by the Minister or as set out in any agreement with the Minister.

Accountability and Operations Frameworks

The Centre is governed by Ontario Regulation 304/04, made under the *Development Corporations Act*, R.S.O. 1990, chapter D.10, the Centre's bylaw, and a Memorandum of Understanding between the Minister and the Centre. The Centre is committed to public transparency and accountability to the people of Ontario, and it achieves its objects from within the bounds of all applicable acts, regulations, policies and directives.

As part of the Centre's accountability structure, in accordance with Ontario Regulation 304/04 and the Agencies and Appointments Directive, the Centre must submit an annual report, which includes the Centre's audited financial statements. The Centre submits the report to the Minister, who tables it in the Ontario legislature. Subsequently, the report is posted in English and French on the Centre's website, www.wcwc.ca.

The Board of Directors is responsible for ensuring that there is an annual external audit of the Centre's operations and financial transactions as required by both Ontario Regulation 304/04 and the Memorandum of Understanding. The annual audit was completed by MNP LLP and is subject to review by the Office of the Auditor General of Ontario. In addition, the Ministry may review the Centre's operations at least once every three years and the Minister may request an additional audit at any time.

In addition to this piece of the accountability framework, the Centre develops and implements policies and procedures to ensure the transparency and accountability of its operations.

Corporate Governance

The Lieutenant Governor in Council, on the advice of the Minister, appoints the Centre's Board of Directors, comprised of up to 12 members. Members hold office for terms of up to three years and are eligible for reappointment for successive terms. The Board of Directors is accountable to the Ontario legislature through the Minister and, under the leadership of the Chair, is responsible for overseeing the management of the Centre's operations. The Board of Directors met regularly during the 2025–26 fiscal year. Individuals who served on the Board of Directors during the 2025–26 fiscal year included:

Mike Smith (Chair)

Member since: August 29, 2019

Current term: January 20, 2026–January 29, 2029

2025–26 meetings attended: two full-day, five half-day

2025–26 remuneration (excluding expenses): \$2,700.00

Scott Carter, CET

Member since: November 28, 2019

Current term: February 16, 2023–February 15, 2026

2025–26 meetings attended: three full-day, two half-day

2025–26 remuneration (excluding expenses): \$1,650.00

Kimberly Mitchell, P.Eng.

Member since: May 6, 2021

Current term: May 30, 2024–May 29, 2027

2025–26 meetings attended: four full-day, one half-day

2025–26 remuneration (excluding expenses): \$2,062.50

Stephen Spitzig, CPA, CMA (Treasurer)

Member since: October 12, 2004

Current term: June 20, 2024–June 19, 2027

2025–26 meetings attended: four full-day, four half-day

2025–26 remuneration (excluding expenses): \$3,025.00

Alan Boucher

Member since: May 6, 2021

Current term: May 30, 2024–May 29, 2027

2025–26 meetings attended: four full-day, two half-day

2025–26 remuneration (excluding expenses): \$2,200.00

Noel Kerin

Member since: January 7, 2021

Current term: May 9, 2024–May 8, 2027

2025–26 meetings attended: three full-day, two half-day

2025–26 remuneration (excluding expenses): \$1,787.50

Ann Mulvale

Member since: May 13, 2021

Current term: June 20, 2024–June 19, 2027

2025–26 meetings attended: four full-day, three half-day

2025–26 remuneration (excluding expenses): \$2,725.00

Mitch Twolan

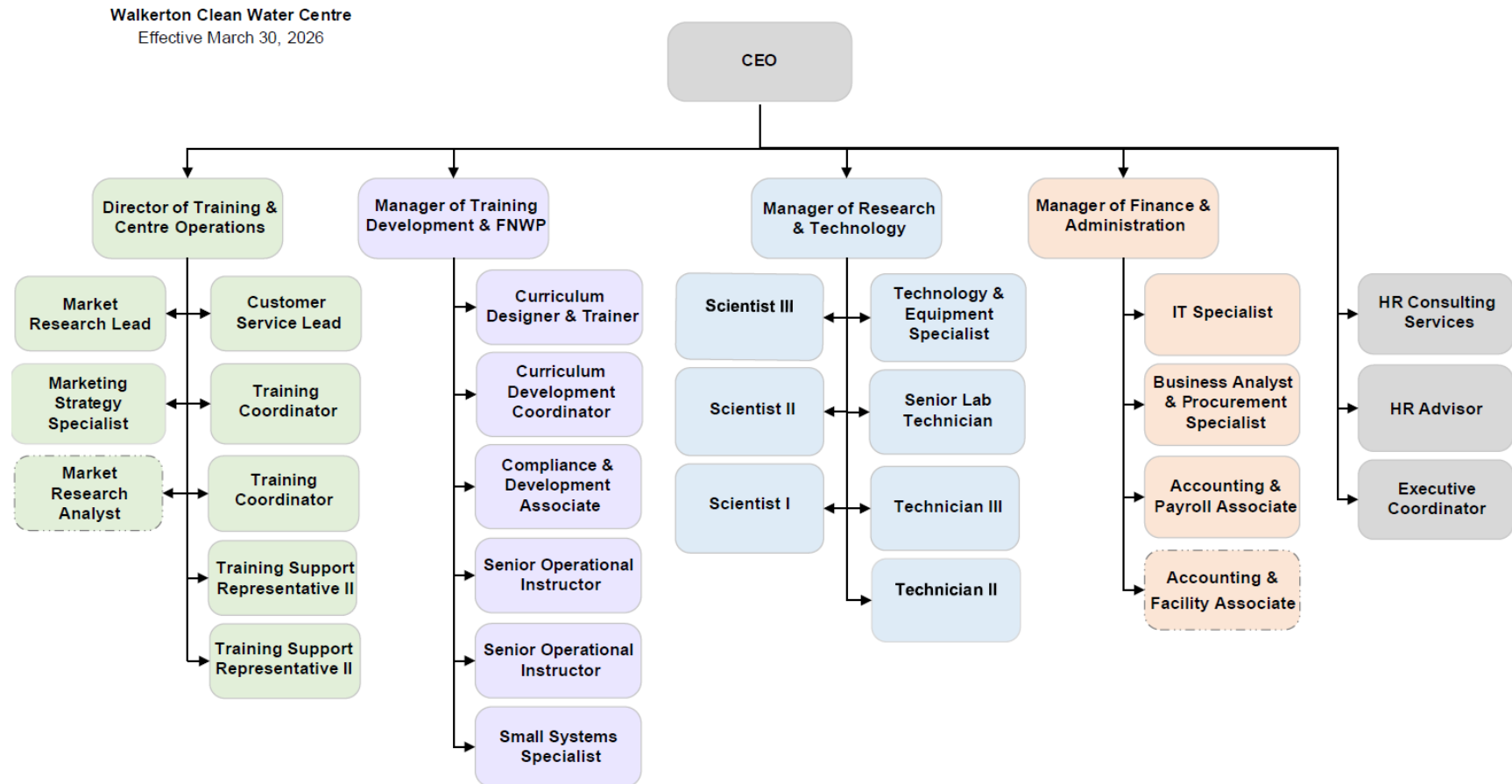
Member since: May 27, 2021

Current term: May 30, 2024–May 29, 2027

2025–26 meetings attended: three full-day, two half-day

2025–26 remuneration (excluding expenses): \$1,787.50

Organization Chart



Goals and Strategic Directions

The Centre's three-year business plan, which is completed on an annual basis, outlines its direction for the future, while making the best use of available resources to deliver on its goals. During the 2025–26 fiscal year, the Centre maintained its focus on foundational programs that meet client needs, while working to advance the goals set out in the strategic plan, now in its second year. These goals include growing e-learning programs and expanding support for First Nations communities.

Summary of Performance

The letter of direction from the Minister to the board Chair for the 2025–26 fiscal year set out expectations for the Centre to focus on:

-  Coordinating and delivering a comprehensive range of high-quality education and training across Ontario, with a focus on addressing drinking water system vulnerabilities.
-  Delivering relevant training and technical assistance to owners, operators, managers and community leadership of First Nations drinking water systems throughout the province as well as leading and supporting initiatives that contribute to the improvement of drinking water for First Nations communities.
-  Providing necessary information and advice to clients provincewide to help ensure that drinking water is safe.
-  Supporting owners and operators of vulnerable drinking water systems to resolve operating challenges through applied research and delivery of pilot testing services.
-  Continuing to expand virtual training and e-learning courses available to drinking water system owners and operators and informing potential participants that these courses are available electronically.

In response to the letter of direction, the Centre provided education and training to drinking water system owners, operators, operating authorities and the public. A range of high-quality mandatory and specialized training was delivered to 7,888 participants. This included the three mandatory courses required for certification in Ontario — *Entry-Level Course for Drinking Water Operators; Operation of Limited Systems* and *Operation of Small Systems for Trained Persons (O. Reg. 170/03)* (formerly *Operation of Small Drinking Water Systems*); and *Mandatory Certificate Renewal Course (2024-2026)* — which were administered and delivered by the Centre on behalf of the Ministry. Since its inception, the Centre has provided training to more than 133,000 participants.

The Centre supported operators and managers of First Nations drinking water systems and community leaders through the delivery of six sessions of *Entry-Level Course for Drinking Water Operators for First Nations*, three sessions of *Managing Drinking Water Systems in First Nations Communities*, four sessions of *Drinking Water Advisories in First Nations Communities*, two sessions of *Watermain Construction and Maintenance*, an e-learning course, *Introduction to First Nations Guidance Documents*, completed independently by 11 participants, and 52 specialized course sessions. The Centre also launched a program, in partnership with the Ministry, to provide on-site technical and training services tailored for system specific operations to meet the needs of operators and drinking water systems in First Nations communities.

Information and advice were provided to clients through the Helpline. This resource is available at no charge to help improve clients' understanding of common water issues.

Through pilot projects, the Centre provided information on source water quality, treatment performance and alternative treatment technologies for vulnerable water systems. Seven pilot projects were completed to help clients address their site-specific challenges and five more were underway at the end of the 2025–26 fiscal year.

Client research continued over the course of the fiscal year in support of the Centre's enhanced focus on customer engagement. The Centre continued to investigate wastewater training needs, gaps, and preferences for operators and managers in Ontario. It also undertook research to explore perspectives on the course, *Operation of Conventional Treatment Processes*, to identify strategies to increase graduates' interest in drinking water operations as a career path. Participants' feedback will help shape the future of this course, ensuring it aligns with industry needs and supports students entering the drinking water sector. Similarly, research was conducted to examine *Mandatory Certificate Renewal Course* feedback and uncover participants' interests and suggestions for the new iteration of this course, to be launched in 2027. Feedback was also collected from interviews with Ministry Water Compliance Officers regarding content that should be included in the new course.

Goal: Foundational Programs

Performance Indicator: Mandatory and Specialized Training

Performance Target

 Train 9,095 participants

Result

 Training was provided to 7,888 participants

The Centre established an ambitious training target for the 2025–26 fiscal year, building on record participation levels achieved in recent years. While overall participation did not reach forecasted levels, the Centre’s courses continued to be well-received across the sector. Participation in the *Mandatory Certificate Renewal Course* (2024–2026) was lower than anticipated, reflecting certification expiry patterns following the 2020 emergency extension, with fewer renewals required in 2026. As a result, enrolment in this mandatory renewal course was below historical levels during the fiscal year. Despite factors affecting participation, the Centre continued to deliver high-quality training and support to drinking water professionals across Ontario in support of safe, clean drinking water.

The breakdown of training participants for the fiscal year can be seen on the following page.

Course	Participants 2023–24 Fiscal Year	Participants 2024–25 Fiscal Year	Participants 2025–26 Fiscal Year
<i>Entry-Level Course for Drinking Water Operators</i> (classroom)	389	402	323
<i>Mandatory Certificate Renewal Course (2021-2023)</i> (classroom, correspondence and live virtual)	598	--*	--*
<i>Mandatory Certificate Renewal Course (2024-2026)</i> (classroom, correspondence, e-learning and live virtual)	1,095	1,743	1,095
<i>Operation of Small Drinking Water Systems</i> (classroom, correspondence and e-learning)	1,522	1,439	1,472
SUBTOTAL: MANDATORY COURSES	3,604	3,584	2,890
Specialized courses **	2,935 **	4,160 **	4,634 **
<i>Entry-Level Course for Drinking Water Operators for First Nations</i>	41	13	100
<i>Managing Drinking Water Systems in First Nations Communities</i>	57	33	19
<i>Municipal Drinking Water Licensing Program</i>	361	224	219
<i>Responsibilities Under the Statutory Standard of Care — Safe Drinking Water Act</i>	551	118	26
SUBTOTAL: NON-MANDATORY COURSES	3,945	4,548	4,998
TOTAL	7,549	8,132	7,888

* This summary illustrates the transition from *Mandatory Certificate Renewal Course (2021–2023)* to *Mandatory Certificate Renewal Course (2024–2026)*, which was launched January 2, 2024. Drinking water system operators require this mandatory course to renew their certification every three years.

** Includes participants from First Nations communities.

Performance Indicator: Hands-On Courses

Performance Target

 Offer two new or refreshed hands-on courses/modules, with two sessions delivered within 12 months of launch

Result

 Four new or refreshed hands-on courses and two new or refreshed hands-on Maintenancefest modules were launched, and a total of 27 sessions were delivered by March 31, 2026

During the 2025–26 fiscal year, the Centre refreshed three hands-on courses and one hands-on Maintenancefest module: *Groundwater and Well Basics*; *Entry-Level Course for Drinking Water Operators*; *Analyste de la qualité de l'eau*; and *Maintaining Lab Equipment*. The Centre also created one new hands-on course and one new hands-on Maintenancefest module: *Operator Toolbox* and *Slow Sand Filtration and Ozone Fundamentals*. A total of 27 sessions of these refreshed courses and modules were delivered across Ontario to provide practical experience for operators of small drinking water systems.

The Centre also continued to deliver existing hands-on courses and training events. One popular hands-on training initiative is Maintenancefest, which includes a variety of two-hour training modules led by water professionals. The annual event in Walkerton, Ontario was attended by 64 participants. Maintenancefest events were also delivered in Niagara Falls, Ottawa, Rama, Kenora, and Kingston, Ontario, providing training to a total of 245 participants.

Another popular hands-on course that supports new entrants to the industry is *Operation of Conventional Treatment Processes*. This two-day course was delivered to 104 postsecondary students. Of these students, 82 were enrolled in one of the Ontario colleges that deliver the Ministry's mandatory *Entry-Level Course for Drinking Water Operators* as part of their curriculum.

Another successful specialized training initiative is the two-day Drinking Water Quality Management Standard Workshop, which was delivered in Kingston, London, and Barrie, Ontario to a total of 120 participants. The Centre hosted this workshop as a follow-up to the course, *Drinking Water Quality Management Standard*, allowing quality management standard representatives, utility management and staff, regulators and municipal decision-makers to rotate through interactive breakout sessions facilitated by industry experts.

Performance Indicator: In-Class/Live, Virtual Courses

Performance Target

 Offer four new or refreshed courses

Result

 One new course and one refreshed course were launched

The Centre introduced one new course (*Water Stewardship for First Nations Leaders*) and one refreshed course (*Prevention and Control of Nitrification in Drinking Water Distribution Systems*) available through in-class and virtual delivery with a live instructor. The live virtual delivery of these courses will help to improve the affordability and accessibility of training across Ontario. This delivery format is also beneficial for participants due to its interactive nature. The Centre also refreshed one course available through correspondence, *Cours obligatoire aux fins du renouvellement des certificats 2024-2026*, enhancing access to training for Francophone participants across Ontario.

In addition to course development, the Centre hosted an educational webinar bringing together industry leaders to discuss changes in the water industry over the past 25 years and the future of Ontario's drinking water systems. The webinar featured speakers including former Associate Chief Justice of Ontario Dennis O'Connor, and offered on-the-job training hours to 590 participants. This webinar format is one of the ways the Centre is evaluating new approaches to making learning more accessible across the province.

While results for in-class/live and virtual course delivery were below target for the fiscal year, the Centre continued to support its objectives through other activities aligned with its mandate. The Centre delivered presentations at a variety of events, including a panel presentation at the 2025 Ontario Water Works Association (OWWA) Conference, contributing to the Centre's role in providing information and advice. In addition, in response to client feedback, the Centre dedicated additional efforts and resources to expanding opportunities for practical, hands-on training, ensuring programming continues to align with needs of clients.

Performance Indicator: Training Quality – Quality Assurance Index

Performance Target

 Maintain a quality assurance index of >0.950

Result

 The quality assurance index was 0.956 of a maximum score of 1.000

The Centre is committed to training excellence and continuous improvement and maintains a quality assurance index to monitor the satisfaction of training participants. The score was calculated from participants' course evaluations that rated instructors, course content and overall course satisfaction.

The quality assurance index for the 2025–26 fiscal year was 0.956 out of a possible 1.000. The quality assurance index indicates that, for all courses combined, 95.6 per cent of survey respondents provided an overall course rating of good or excellent from the options: very poor; poor; fair; good; and excellent.

A number of other factors also contribute to the Centre's high-quality training:

-  Instructors are required to pass a two-day train-the-trainer workshop that includes a practical evaluation of their ability to deliver training.
-  Participant feedback forms are collected after every training session and compiled to provide a rating for each session.
-  Courses and instructors are regularly audited by the Centre to support quality assurance and ensure alignment with adult education principles.
-  New curricula are developed based on input from a range of sources, including training participants and industry standards.

Performance Indicator: Technical Tours of the Technology Demonstration Facility

Performance Target

 Provide technical tours to 300 individuals

Result

 The Centre provided technical tours to 213 individuals

The Centre's Technology Demonstration Facility reflects the variety of water treatment and distribution technologies used in Ontario. During the 2025–26 fiscal year, 213 individuals — including course participants, industry representatives, postsecondary and high school students — received technical tours focussing on the equipment and operational requirements necessary to ensure that drinking water is safe. The Centre also provided non-technical tours to 51 individuals to share general information about drinking water. The lower number of technical tours can be attributed to several factors, including fewer requests for the two-day hands-on course offered to colleges and universities, and a decline in requests from post-secondary institutions, due in part to fewer active environmental programs at Ontario colleges that offer the *Entry-Level Course for Drinking Water Operators* as part of their curriculum.

Performance Indicator: Pilot Testing

Performance Target

 Complete seven pilot projects

Result

 Seven pilot projects were completed during the 2025–26 fiscal year and five more remain in progress as of March 31, 2026

Through pilot projects, the Centre provides information on source water quality, treatment performance and alternative treatment technologies for clients across Ontario as they address site-specific challenges. Clients who participated in pilot projects can use the results to engage further with professional engineering firms and consultants to address site-specific vulnerabilities. Results may also contribute to the Centre’s development of new courses or be used to improve existing training. Pilot project results may also be shared through conference presentations, articles in industry publications and fact sheets.

The Centre completed seven pilot projects and five more were ongoing at the end of the fiscal year. The completed pilot testing projects involved conducting bench-scale or off-site pilot scale testing for the removal of natural organic matter (NOM), ammonia, nitrates or arsenic from water sources. Elevated levels of NOM can lead to increased formation of disinfection by-products during the chlorine disinfection process. The NOM removal technologies tested included enhanced coagulation, granular activated carbon (GAC), magnetic ion exchange (MIEX®), fixed-bed ion exchange and nanofiltration. Simulated distribution system experiments were also conducted to assess the formation of disinfection by-products following treatment.

The Centre evaluated two processes for arsenic removal from a groundwater source: (1) oxidation with chlorine followed by filtration, and (2) oxidation with chlorine followed by treatment using adsorptive media. For nitrates removal, an ion exchange process was pilot tested on a groundwater source.

The Centre completed a long-term pilot project to investigate the performance of biological filtration of ammonia through a partnership with the United States Environmental Protection Agency (US EPA) Center for Environmental Solutions and Emergency Response, which provided its patented pilot system for the Centre’s use. The pilot project investigated the efficacy of the innovative and cost-effective technology in the biological removal of naturally occurring ammonia from an Ontario water system. Since this process is biological in nature, adequate time had been allotted in the test schedule to allow biology to colonize the media.

The Centre continued the long-term pilot project related to the removal of per- and polyfluoroalkyl substances (PFAS). This work included building specialized experimental set-ups and efforts to identify and avoid sources of contamination. This project, which addresses an emerging issue and anticipated future concerns, requires more resources, has a longer duration due to the time-consuming nature of the experiments and the extended turnaround time needed to analyze these trace contaminants.

Additionally, the Centre initiated two new long-term projects:

- The biological ion exchange process (BIEX) which extends conventional ion exchange by operating to beyond the exhaustion point of the exchanged ion. Key advantages of this process include reduced regeneration frequency of the filtration media, lower salt consumption and decreased volume of waste.
- The biological removal of nitrates which enables the removal of nitrates without the generation of concentrated waste or brine to dispose.

Goal: Grow E-Learning Programs

Performance Indicator: E-Learning

Performance Target

 Introduce three new e-learning courses

Result

 Three new e-learning courses were introduced

The Centre introduced three new e-learning courses: *Operation of Limited Systems*; *Operation of Small Systems for Training Persons (O. Reg. 170/03)*; and *Exam Prep Water Treatment III and IV: Math*. These courses, which are available in a self-directed format, help to improve the affordability, flexibility and accessibility of training across Ontario.

Goal: Expand Support for First Nations Communities

Performance Indicator: Support for Operators of First Nations Water Systems

Performance Targets

-  Deliver three sessions of *Entry-Level Course for Drinking Water Operators for First Nations*
-  Deliver five sessions of *Managing Drinking Water Systems in First Nations Communities*
-  Deliver 20 specialized course sessions

Results

-  Six sessions of *Entry-Level Course for Drinking Water Operators for First Nations* were delivered
-  Three sessions of *Managing Drinking Water Systems in First Nations Communities* were delivered
-  Fifty-two specialized course sessions were delivered

The Centre and its collaborator, Keewaytinook Okimakanak, delivered six sessions of *Entry-Level Course for Drinking Water Operators for First Nations*. Each session was a two-week initiative with one week of supervised self-study and one week of hands-on training. The curriculum was tailored specifically to the experience of water system operators in First Nations communities, and training was provided at no cost to participants.

The Centre delivered three sessions of *Managing Drinking Water Systems in First Nations Communities*. These sessions provided information related to effective water system management, resources and practical tools for Chiefs and councils, managers and supervisors responsible for water systems.

Also delivered were new courses developed the previous fiscal year, including four sessions of *Drinking Water Advisories in First Nations Communities*, two sessions of *Watermain Construction and Maintenance*, and an additional e-learning course, *Introduction to First Nations Guidance Documents*, completed independently by 11 participants.

Fifty-two specialized course sessions, delivered to a total of 485 participants, were also coordinated and delivered to operators of First Nations water systems, significantly surpassing the target. With more operators having completed *Entry-Level Course for Drinking Water Operators for First Nations*, the Centre is seeing increased demand for specialized training as these operators continue

their careers in the water industry and improve their skills and knowledge. Going forward, the Centre will continue to provide training to contribute to the improvement of drinking water in First Nations communities.

Three new courses were developed to meet the needs of drinking water system operators in First Nations communities: *Operator Toolbox*, *Exam Prep Water Treatment III and IV: Math*, and *Water Stewardship for First Nations Leaders*.

The Centre also launched a program, in partnership with the Ministry, to provide on-site technical and training services tailored to system-specific operations, providing hands-on support to help operators of First Nations drinking water systems address the unique needs of their facilities.

Analysis of Financial Performance

Responsibility for Financial Information

The Board of Directors and the Centre's management team are responsible for financial performance of the Centre. The Board of Directors reviewed and approved the financial statements and all information presented in this annual report.

External Audit

MNP LLP audited the Centre's financial statements for the 2025–26 fiscal year. The chartered accountant's responsibility was to express an opinion on whether the financial statements were fairly presented in accordance with public sector accounting standards. The auditor's report outlined the scope of their examination and opinion.

The Board of Directors' Finance and Audit Committee met with the external auditor to review any issues that needed to be identified in the audit and reviewed the audited financial statements and the external auditor's report.

Revenue

During the 2025–26 fiscal year, the Centre generated revenues of \$4,103,588, an increase of approximately eight per cent from the previous fiscal year. The Centre also received an annual transfer payment of \$3,000,000 from the Government of Ontario during the 2025–26 fiscal year to support its operations.

Expenses

The Centre's internal financial management controls effectively regulated overall expenditures during the 2025–26 fiscal year. Total expenditures for the 2025–26 fiscal year were \$6,822,684, a decrease of approximately two per cent from the previous fiscal year. To ensure competitiveness and fiscal accountability in training delivery, the Centre uses Vendor of Record agreements with contract instructors and curriculum developers. These vendors provide services related to the development, review and delivery of training materials and ensure flexibility in the delivery of a wide range of subject matter over a large geographical area.

Balance Sheet

The Centre continues to be in a strong financial position. The March 31, 2026 net asset balance of \$8,472,303 will enable the Centre to continue to contribute to water education, training and pilot testing across Ontario, and plan effectively for future initiatives.

Appendix A: Independent Auditor's Report

Walkerton Clean Water Centre
Financial Statements
March 31, 2026

Walkerton Clean Water Centre
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For the year ended March 31, 2026

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Independent Auditor's Report

Financial Statements

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To the Board of Directors of Walkerton Clean Water Centre:

Opinion

We have audited the financial statements of Walkerton Clean Water Centre (the "Organization"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations and changes in net assets, cash flows and the related schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2026, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector 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 report. We are independent of the Organization 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.

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 Canadian public sector 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 these 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 Organization's internal control.
- 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 Organization'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 Organization 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.

We 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.

Walkerton, Ontario

June 23, 2026

MNP LLP
Chartered Professional Accountants

Licensed Public Accountants

MNP

Walkerton Clean Water Centre Statement of Financial Position

As at March 31, 2026

	2026	2025
Assets		
Current		
Cash	9,327,774	9,420,092
Accounts receivable	413,201	521,657
Marketable securities (Note 2)	-	1,024,329
Prepaid expenses	106,638	81,654
	9,847,613	11,047,732
Capital assets (Note 3)	1,488,205	1,310,384
	11,335,818	12,358,116
Liabilities		
Current		
Accounts payable and accruals (Note 4)	656,310	558,685
Deferred revenue (Note 5)	2,026,689	3,745,580
	2,682,999	4,304,265
Deferred capital contributions (Note 6)	180,516	122,202
	2,863,515	4,426,467
Commitments (Note 8)		
Net Assets		
Net assets, end of year	8,472,303	7,931,649
	11,335,818	12,358,116

Approved on behalf of the Board



Director

Walkerton Clean Water Centre

Statement of Operations and Changes in Net Assets

For the year ended March 31, 2026

	2026	2025
Revenue		
Government funding		
Province of Ontario transfer payment (Note 7)	3,000,000	3,000,000
Province of Ontario transfer payment First Nations	1,500,614	802,197
	4,500,614	3,802,197
Training registrations	2,602,974	2,998,533
	7,103,588	6,800,730
Expenses		
Advertising and promotion	41,381	26,375
Amortization, net	268,679	241,499
Audit and legal	21,000	19,500
Bad debts	318	9,643
Bank and payroll charges	15,346	17,332
Conferences	17,382	30,526
Consulting services	111,874	121,075
Director fees	9,513	9,875
Employee benefits (Note 9)	802,464	897,770
Insurance	49,359	45,660
Office and supplies	210,634	133,856
Professional development	59,380	42,792
Property maintenance	-	101
Recruitment	1,770	11,273
Rent	784,680	722,691
Repairs and maintenance	109,754	95,648
Research projects	52,751	36,534
Salaries	2,785,806	3,099,120
Sponsorships	13,500	11,000
Subscriptions and memberships	21,747	20,505
Telephone	23,449	15,793
Training	1,299,661	1,157,095
Travel	37,039	38,201
Vehicle	7,489	4,367
Website and communications	77,708	29,113
	6,822,684	6,837,344
Excess (deficiency) of revenue over expenses before other items	280,904	(36,614)
Other items		
Interest and other income	259,750	500,769
Gain (loss) on disposal of capital assets	-	(8,493)
	259,750	492,276
Excess of revenue over expenses	540,654	455,662
Balance, beginning of year	7,931,649	7,475,987
Net assets, end of year	8,472,303	7,931,649

The accompanying notes are an integral part of these financial statements

Walkerton Clean Water Centre

Statement of Cash Flows

For the year ended March 31, 2026

	2026	2025
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	540,654	455,662
Amortization	268,679	241,499
Gain (loss) on disposal of capital assets	-	8,493
	809,333	705,654
Changes in working capital accounts		
Accounts receivable	108,456	852,601
Prepaid expenses and deposits	(24,984)	(3,684)
Accounts payable and accruals	97,625	215,045
Deferred revenue	(1,718,891)	(922,920)
	(728,461)	846,696
Capital activities		
Contributions received for capital purposes	83,339	119,210
Acquisitions of capital assets	(471,525)	(371,758)
	(388,186)	(252,548)
Investing		
Purchase of marketable securities	-	(6,024,329)
Proceeds on disposal of marketable securities	1,024,329	7,045,058
	1,024,329	1,020,729
Increase (decrease) in cash resources	(92,318)	1,614,877
Cash resources, beginning of year	9,420,092	7,805,215
Cash resources, end of year	9,327,774	9,420,092

The accompanying notes are an integral part of these financial statements

1. Significant accounting policies

Nature and Purpose of Organization

The Walkerton Clean Water Centre is an operational service agency of the Province of Ontario and was established on October 1, 2004 under the authority of The Development Corporation Act.

In accordance with the act, the Centre's objects are to:

- a) Coordinate and deliver training for drinking water system owners, operators and operating authorities.
- b) Provide advice to the Ministry of the Environment, Conservation and Parks on high-priority research to achieve safe drinking water.
- c) Sponsor drinking water research within the Centre's mandate.
- d) Make technical, scientific and regulatory information related to making safe drinking water more readily available including information about the statutory standard of care.

The Centre is exempt from Federal and Provincial income taxes.

Basis of presentation

The financial statements of the Centre have been prepared in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board (PSAB for Government NPOs)

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and guaranteed investment certificates with a duration of less than 90 days from the date of acquisition.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution plus all costs directly attributable to the acquisition.

Labour and benefit expenses directly attributable to internally developed course curriculums are capitalized accordingly.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Technical equipment	declining balance	20 %
Computers hardware	declining balance	33 %
Automotive	declining balance	20 %
Furniture and fixtures	declining balance	20 %
Leasehold improvements	declining balance	20 %
Computer software	declining balance	50 %
Signs	declining balance	20 %
Course curriculums	declining balance	15 %

Revenue recognition

Transfer payments are recognized when the amount is known, collectability is reasonably assured and stipulations have been met. Revenue from training registrations is recognized when payment is receivable and the course has been completed. Interest revenue is recognized as it is earned over the period of investment. Donation revenue is recognized once the Centre has possession of the donated funds or goods.

Restricted transfer payments for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

1. Significant accounting policies *(Continued from previous page)*

Financial instruments

The Centre classifies its financial instruments as either fair value or amortized cost. The Centre's accounting policy for each category is as follows:

Fair Value

The category includes cash and investments that are quoted in an active market. They are initially recognized at cost and subsequently carried at fair value. Changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

When a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations

Amortized Cost

This category includes accounts receivable, and accounts payable and accrued liabilities. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the statement of operations.

Use of Estimates

The preparation of financial statements in conformity with PSAB for Government NPOs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Areas of key estimation include determination of the allowance for doubtful accounts, estimated useful life of capital assets, and impairment of curriculum rights

2. Marketable securities

	2026	2025
Royal Bank of Canada GIC	-	1,024,329

Walkerton Clean Water Centre
Notes to the Financial Statements
For the year ended March 31, 2026

3. Capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2026 Net book value</i>	<i>2025 Net book value</i>
Technical equipment	3,617,067	3,099,646	517,421	519,680
Computers hardware	402,232	339,487	62,745	71,686
Automotive	199,590	92,671	106,919	79,169
Furniture and fixtures	389,897	370,127	19,770	24,712
Leasehold improvements	351,656	160,815	190,841	69,371
Computer software	179,906	162,668	17,238	3,241
Signs	51,041	49,890	1,151	1,439
Course curriculums	1,485,262	913,142	572,120	541,086
	6,676,651	5,188,446	1,488,205	1,310,384

During the year, capital assets amounting to \$471,525 (2025 - \$395,758) were acquired in cash (2025 \$371,758 cash and \$24,000 by trade).

4. Accounts payable and accruals

Included in accounts payable and accruals are government remittances of \$32,834 (2025 - \$Nil).

5. Deferred revenue

The following table represents changes in the deferred contributions balance attributable to each major category of external restrictions:

	<i>Opening balance</i>	<i>Contributions received</i>	<i>Contributions recognized</i>	2026
First Nations				
Water Program	905,769	-	(905,769)	-
First Nations				
Training	2,218,199	-	(678,185)	1,540,014
Training				
Registrations	621,612	486,675	(621,612)	486,675
	3,745,580	486,675	(2,205,566)	2,026,689

The Ministry of the Environment, Conservation and Parks have provided funds for a First Nations Water Program. These funds are to be used in the research, development and implementation of an approach to facilitate the enhanced provision of available services to First Nations drinking water systems and their operators. This is to include the establishment of new or expanded services to First Nations communities.

Additional funding has been received from the Ministry of the Environment, Conservation and Parks for the purpose of training of First Nation operators.

The deferred training registrations are monies that have been received for courses that will take place in a later fiscal year.

Walkerton Clean Water Centre
Notes to the Financial Statements
For the year ended March 31, 2026

6. Deferred capital contributions

Deferred capital contributions represent restricted contributions received for the purchase of depreciable capital assets. These contributions are recognized as a reduction of amortization expense on the statement of operations calculated on a diminishing balance basis consistent with the amortization rate of the related class of assets. Changes in the deferred capital contributions balance during the year are as follows:

	2026	2025
Balance, beginning of year	122,202	15,915
Amount received during the year	83,339	119,210
Amortization of contributions	(25,025)	(12,923)
Balance, end of year	180,516	122,202

7. Transfer Payments

During the year, the Centre was granted \$3,000,000 (2025 - \$3,000,000) in transfer payments from the Province of Ontario

8. Commitments

Walkerton Clean Water Centre has entered into a lease agreement with Ontario Infrastructure and Lands Corporation. This current lease agreement will end June 2031.

The minimum annual lease payments on the building and equipment for the next 5 fiscal years and thereafter are as follows:

2027	905,940
2028	925,240
2029	925,240
2030	925,240
2031	925,240
Thereafter	231,310
	4,838,210

9. Pension Plan

The Centre provides pension benefits for all its full-time employees through participation in the Public Service Pension Plan which is a multi-employer defined benefit pension plan administered by the Ontario Pension Board. This plan is accounted for as defined contribution plan, as the Centre has insufficient information to apply defined benefit accounting to the plan. The Centre's contribution related to the pension plan for the period was \$256,880 (2025 - \$262,232) and is included in employee benefits in the statement of revenue and expenditures. As this is a multi-employer pension plan, these contributions are the Centre's pension benefit expenses. No pension liability for this type of plan is included in the Centre's financial statements. The December 31, 2025 information was not available, but as of December 31, 2024, the Ontario Pension Board had a year end deficit of \$5.61 billion per their audited financial statements.

10. Financial instruments

The Centre is exposed to various risks through its financial instruments. The following analysis provides a measure of the Centre's risk exposure and concentrations as at March 31, 2026.

Credit Risk

Credit risk is the risk of financial loss to the Centre if a debtor fails to make payments of interest and principal when due. The Centre is exposed to this risk relating to its cash and accounts receivable. The Centre holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Walkerton Clean Water Centre cash accounts are insured up to \$100,000 (2025 - \$100,000).

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: interest rate risk, currency risk, and equity risk. The Centre is not exposed to significant currency risk or equity risk as it does not transact materially in foreign currency or hold significant equity financial instruments.

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates.

The Centre is exposed to this risk through its interest bearing investments.

At March 31, 2026, a 1% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of the guaranteed investment certificates of \$NIL (2025- \$10,000).

Liquidity risk

Liquidity risk is the risk that the Centre will not be able to meet all cash outflow obligations for accounts payable and accruals as they come due. The Centre mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.