

THE CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

Regular Meeting of Council

**Monday September 10, 2018 at 7:00 p.m. – Council Chambers
102 Derby Street West, Alexandria, Ontario K0C 1A0**

Draft Agenda

THE MEETING WILL OPEN WITH THE CANADIAN NATIONAL ANTHEM

1. ACCEPT THE AGENDA (Additions/Deletions) ® (Carma)
2. DECLARATIONS OF CONFLICTS OF INTEREST
3. ADOPTION OF PREVIOUS MINUTES ® (Jamie)
 - a) Regular Meeting of Council – August 27, 2018
4. DELEGATION(S)
 - a) Financial Statement - Auditor Welch LLP – Ken Fraser
 - b) Possible impacts of marijuana legalization – Ben Anson
5. COMMITTEE RECOMMENDATIONS
6. CAO/CLERK'S DEPARTMENT – Sarah Huskinson - CAO/Clerk
 - a) Enbridge Franchise Agreement – Renewal ® (Brian)
 - b) Community RUNning Event ® (Jeff)
 - c) By-law 51-2018 - Audit Committee ® (Michel)
7. COMMUNITY SERVICES DEPARTMENT –
Anne Leduc, Director of Recreation/Community Services
8. TREASURY DEPARTMENT – Kimberley Champigny – Treasurer & Director of Finance
 - a) Verbal Report - FCM Grant
9. PLANNING/BUILDING & BY-LAW ENFORCEMENT DEPARTMENT -
Jacob Rhéaume – Director of Building, By-law & Planning / CBO
10. FIRE DEPARTMENT – Patrick Gauthier, North Glengarry Fire Chief
11. PUBLIC WORKS DEPARTMENT – Ryan Morton, Director of Public Works
12. CORRESPONDENCE
 - a) Planning Committee Minutes – May 28, 2018
13. NEW BUSINESS
14. NOTICE OF MOTION
Next Regular Public Meeting of Council
September 24, 2018 at 7:00 p.m. at the Centre Sandfield Centre, 102 Derby Street West,
Alexandria, Ontario.
Note: Meeting are subject to change or cancellation.
15. QUESTION PERIOD (limit of one question per person and subsequent question will be at the discretion of the Mayor/Chair).

16. CLOSED SESSION BUSINESS
17. CONFIRMING BY-LAW
 - a) By-law 52-2018 ® (Carma)
18. ADJOURN ® (Jacques)

Section 1

ACCEPT THE AGENDA

**CORPORATION OF
THE
TOWNSHIP OF NORTH GLENGARRY**

RESOLUTION # _____

DATE: September 10, 2018

MOVED BY: _____

SECONDED BY: _____

That the Council of the Township of North Glengarry accepts the agenda of the Regular Meeting of Council on Monday September 10, 2018.

Carried

Defeated

Deferred

MAYOR / DEPUTY MAYOR

YEA

NEA

Deputy Mayor: Jamie MacDonald

Councillor: Jacques Massie

Councillor: Brian Caddell

Councillor: Jeff Manley

Councillor: Michel Depratto

Councillor: Carma Williams

Mayor: Chris McDonell

Section 1

Section 2

DECLARATIONS OF CONFLICTS OF INTEREST

Section 3

ADOPTION OF PREVIOUS MINUTES

**CORPORATION OF
THE
TOWNSHIP OF NORTH GLENGARRY**

RESOLUTION # _____

DATE: September 10, 2018

MOVED BY: _____

SECONDED BY: _____

That the minutes of the following meeting be adopted as circulated.

Regular Meeting of Council – August 27, 2018

Carried

Defeated

Deferred

MAYOR / DEPUTY MAYOR

YEA

NEA

Deputy Mayor: Jamie MacDonald

Councillor: Jacques Massie

Councillor: Brian Caddell

Councillor: Jeff Manley

Councillor: Michel Depratto

Councillor: Carma Williams

Mayor: Chris McDonell

Section 3

3(a)

THE CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

REGULAR MEETING OF COUNCIL

**Monday August 27, 2018 at 7:00 p.m. – Council Chambers
102 Derby Street West, Alexandria, On K0C 1A0**

A Regular meeting of the Municipal Council was held on August 27, 2018 at 7:00 p.m., with Mayor Chris McDonnell presiding.

PRESENT: **Deputy Mayor** - Jamie MacDonald
Councillor at Large – Jacques Massie
Councillor (Lochiel Ward) – Brian Caddell
Councillor (Kenyon Ward) – Jeff Manley
Councillor (Alexandria Ward) – Michel Depratto
Councillor (Maxville Ward) – Carma Williams

ALSO PRESENT: **CAO/Clerk** - Sarah Huskinson
Deputy Clerk – Lise Lavigne
Treasurer & Director of Finance – Kimberley Champigny
North Glengarry Fire Chief – Patrick Gauthier
Director of the Building/By-law & Planning Services – Jacob Rhéaume
Planning Consultant – Gerry Murphy

1. **DECLARATIONS OF CONFLICTS OF INTEREST**
2. **ACCEPT THE AGENDA**

Resolution No. 1

Moved by: Carma Williams

Seconded by: Michel Depratto

That the Council of the Township of North Glengarry accepts the agenda of the Regular Meeting of Council on Monday August 27, 2018 as amended.

Carried

Additions to the Agenda

4 (b) OPP Update – Constable MacPherson

3. **ADOPTION OF PREVIOUS MINUTES**

Resolution No. 2

Moved by: Jamie MacDonald

Seconded by: Carma Williams

That the minutes of the following meeting be adopted as circulated.

Regular Meeting of Council – July 23, 2018

Carried

4. **DELEGATION(S)**

a) **Bill Kerr – Proposed Seniors Village on the Hospital Site**

Bill Kerr with the IHA Canada presented the proposed Seniors Village on the Hospital Site

b) **OPP Update – Constable MacPherson**

Constable MacPherson provided relevant statistics to Council from the OPP detachment.

5. **COMMITTEE RECOMMENDATIONS**

6. **CAO/CLERK'S DEPARTMENT** – Sarah Huskinson - CAO/Clerk

a) **Lame Duck**

Sarah Huskinson CAO/Clerk explained to Council that as of July 27th the Council of North Glengarry are Lame Duck until the new Council is sworn in.

b) **By-law No. 45-2018 – Appointing Livestock Evaluator**

Resolution No. 3

Moved by: Michel Depratto

Seconded by: Carma Williams

THAT Council adopt by-law 45-2018 being a by-law to appoint Livestock Valuers for the Corporation of the Township of North Glengarry; and

THAT by-law 45-2018 be read a first, second and third time and enacted in Open Council this 27th day of August, 2018.

Carried

c) **By-law No. 46-2018 – Appointing Fence Viewer**

Resolution No. 4

Moved by: Jeff Manley

Seconded by: Brian Caddell

THAT Council adopt by-law 46-2018 being a by-law to appoint Fence Viewers for the Corporation of the Township of North Glengarry; and

THAT by-law 46-2018 be read a first, second and third time and enacted in Open Council this 27th day of August, 2018.

Carried

7. **COMMUNITY SERVICES DEPARTMENT** - Anne Leduc, Director Community Services

8. **TREASURY DEPARTMENT** – Kimberley Champigny, Treasurer & Director of Finance

a) **Variance Report – July 31, 2018**

Resolution No. 5

Moved by: Brian Caddell

Seconded by: Jeff Manley

THAT the Council for the Township of North Glengarry receives Staff Report TR-2018-15 July 31st, 2018 Variance Report for information purposes only.

Carried

9. PLANNING/BUILDING & BY-LAW ENFORCEMENT DEPARTMENT -
Jacob Rhéaume – Director of the Building/By-law & Planning Services

a) No Parking Signage at King George Park

Resolution No. 6

Moved by: Carma Williams

Seconded by: Michel Depratto

THAT the Council for the Township of North Glengarry receives Staff Report BP-2018-12 No Parking Sign at King George Park for information purposes only.

Carried

Action – JR

b) By-law No. 47-2018 – Road Widening

Resolution No. 7

Moved by: Jamie MacDonald

Seconded by: Carma Williams

THAT Council adopt by-law 47-2018 being a by-law to acquire and dedicate a portion of a property for road widening purposes for the Corporation of the Township of North Glengarry; and

THAT by-law 47-2018 be read a first, second and third time and enacted in Open Council this 27th day of August, 2018.

Carried

Action - GM

10. FIRE DEPARTMENT – Patrick Gauthier, North Glengarry Fire Chief

a) By-law 48-2018 – Establishing and Regulating a Fire Department

Resolution No. 8

Moved by: Jeff Manley

Seconded by: Brian Caddell

THAT Council adopt by-law 48-2018 being a by-law to establish and regulate a fire department for the Township of North Glengarry; and

THAT by-law 48-2018 be read a first, second and third time and enacted in Open Council this 27th day of August, 2018.

Carried

b) Training Facility

Resolution No. 9

Moved by: Jacques Massie

Seconded by: Jeff Manley

THAT the Council of North Glengarry approves the new location for a Firefighter Training facility located on a 6 acre parcel in Alexandria owned by the Township.

Carried

Action – PG

11. PUBLIC WORKS DEPARTMENT – Ryan Morton, Director of Public Works

a) Extension of Water Service to 20490 McCormick Road

Resolution No 10

Moved by: Michel Depratto

Seconded by: Carma Williams

THAT the Council for the Township of North Glengarry direct Staff to include the watermain extension on McCormick Road in the 2019 budget.

Carried

Action - RM

12. CORRESPONDENCE

13. NEW BUSINESS

14. NOTICE OF MOTION - Next Meeting of Council, Sept 10, 2018.

15. QUESTION PERIOD

16. CLOSED SESSION BUSINESS

Resolution No. 11

Moved by: Jeff Manley

Seconded by: Brian Caddell

Proceed "In Closed Session",

Union Negotiations (as this matter deals with labour relations or employee negotiations they may be discussed in closed session under sections 239 (2)(d) of the *Ontario Municipal Act*);

Litigation (as this matter deals with litigation or potential litigation, including matters before administrative tribunals affecting the municipality or local board they may be discussed in closed session under sections 239 (2)(e) of the *Ontario Municipal Act*);

And adopt the minutes of the Municipal Council Closed Session meeting of July 23, 2018.

Carried

Resolution No. 12

Moved by: Carma Williams

Seconded by: Michel Depratto

That we return to the Regular Meeting of Council at 9:09 p.m.

Carried

17. CONFIRMING BY-LAW

a) By-law 49-2018

Resolution No. 13

Moved by: Jamie MacDonald

Seconded by: Carma Williams

That the Council of the Township of North Glengarry receive By-law 49-2018; and

That Council adopt by-law 49-2018 being a by-law to adopt, confirm and ratify matters dealt with by Resolution and that By-law 49-2018 be read a first, second, third time and enacted in Open Council this 27th day of August, 2018.

Carried

18. ADJOURNMENT

Resolution No. 14

Moved by: Jacques Massie

Seconded by: Jeff Manley

There being no further business to discuss, the meeting was adjourned at 9:09 p.m.

Carried

CAO/Clerk/ Deputy Clerk

Mayor / Deputy Mayor

Section 4

DELEGATION

Section 5

COMMITTEE

RECOMMENDATIONS

CONSOLIDATED FINANCIAL STATEMENTS
For the
CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

For year ended
DECEMBER 31, 2017

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CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017

	<u>Page(s)</u>
Management's Responsibility for the Consolidated Financial Statements	1
Independent Auditor's Report	2-3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Changes in Net Financial Assets (Liabilities)	6
Consolidated Statement of Cash Flows	7
Notes to Consolidated Financial Statements	8-18
Schedule 1 - Five year financial review (unaudited)	19

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the **Corporation of the Township of North Glengarry** are the responsibility of management and have been approved by Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, Welch LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Corporation of the Township of North Glengarry and meet when required.

On behalf of the Corporation of the Township of North Glengarry:

Sarah Huskinson
Chief Administrative Officer/Clerk

Kimberley Champigny
Director of Finance/Treasurer

Alexandria, Ontario
September 10, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Council of the:

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

We have audited the accompanying consolidated financial statements of the **Corporation of the Township of North Glengarry** which comprise the consolidated statement of financial position as at December 31, 2017 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the consolidated financial statements 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 Township's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

The Township is expected to receive insurance proceeds related to an investigation into its taxes receivable. A provision in the amount of \$550,000 for estimated insurance recoveries has been recorded in these consolidated financial statements. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of this expected insurance recovery due to the measurement uncertainty of the insurable loss. Consequently, we were unable to determine whether any adjustments might have been necessary to the financial assets recorded in the consolidated statement of financial position as at December 31, 2017, as well as any related adjustments to the consolidated statements of operations, changes in net assets and the cash flows.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of the **Corporation of the Township of North Glengarry** as at December 31, 2017 and its results of consolidated operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The consolidated financial statements of Corporation of the Township of North Glengarry for the year ended December 31, 2016, were audited by another auditor who expressed a qualified opinion on August 8, 2017. The qualified opinion was due to a lack of sufficient appropriate audit evidence related to the carrying amount of the Township's taxes receivable due to measurement uncertainty with respect to expected insurance recoveries.

**Cornwall, Ontario
September 10, 2018**

**CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS**

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CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
Financial assets		
Cash (note 2)	\$ 1,543,581	\$ 1,458,590
Taxes receivable	1,888,356	2,522,276
Accounts receivable (note 3)	2,395,890	1,519,894
Long-term receivables (note 4)	<u>476,498</u>	<u>480,615</u>
	<u>6,304,325</u>	<u>5,981,375</u>
Financial liabilities		
Accounts payable and accrued liabilities	1,737,197	1,028,772
Employee benefits payable (note 6)	191,399	192,574
Deferred revenue - obligatory reserve funds (note 5)	262,146	162,966
Landfill closure and post-closure liabilities	1,395,722	1,412,409
Municipal debt (note 9)	<u>2,461,582</u>	<u>3,060,128</u>
	<u>6,048,046</u>	<u>5,856,849</u>
Net financial assets	<u>256,279</u>	<u>124,526</u>
Non-financial assets		
Tangible capital assets (note 7)	39,395,562	39,460,337
Tangible capital assets under construction	4,019,357	3,672,641
Inventory	184,317	134,189
Prepaid expenses	<u>17,598</u>	<u>36,855</u>
	<u>43,616,834</u>	<u>43,304,022</u>
Accumulated surplus (note 10)	<u>\$ 43,873,113</u>	<u>\$ 43,428,548</u>
Contingencies (note 14)		

The accompanying notes are an integral part of these financial statements.

(See accompanying notes)

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u> <u>Budget</u> (Note 15)	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
Operating revenues			
Municipal taxation	\$ 5,153,393	\$ 4,973,179	\$ 5,021,089
User charges	5,866,375	5,835,122	5,763,160
Government transfers - operating	3,150,782	2,615,702	2,820,823
Investment income	20,000	33,752	34,376
Interest and penalties on taxes	320,000	359,859	395,620
Donations and other income	<u>2,500</u>	<u>1,775</u>	<u>4,273</u>
	<u>14,513,050</u>	<u>13,819,389</u>	<u>14,039,341</u>
Operating expenditures			
General government	1,270,872	1,772,364	1,679,148
Protection to persons and property	1,400,810	1,426,833	1,369,880
Transportation services	4,283,986	3,602,485	3,695,413
Environmental services	4,684,422	4,137,708	5,026,195
Health services	23,000	20,981	20,295
Recreational and cultural services	2,182,421	2,157,301	2,000,569
Planning and development	<u>1,108,585</u>	<u>623,905</u>	<u>606,971</u>
	<u>14,954,096</u>	<u>13,741,577</u>	<u>14,398,471</u>
Net operating expenditures	<u>(441,046)</u>	<u>77,812</u>	<u>(359,130)</u>
Other income related to capital			
Government transfers - capital	733,944	327,666	175,689
Donations	-	-	910,000
Gain on disposal of tangible capital assets	<u>24,000</u>	<u>39,087</u>	<u>22,847</u>
	<u>757,944</u>	<u>366,753</u>	<u>1,108,536</u>
Annual surplus	316,898	444,565	749,406
Accumulated surplus at beginning of year	<u>43,428,548</u>	<u>43,428,548</u>	<u>42,679,142</u>
Accumulated surplus at end of year	<u>\$ 43,745,446</u>	<u>\$ 43,873,113</u>	<u>\$ 43,428,548</u>

(See accompanying notes)

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS (LIABILITIES)
YEAR ENDED DECEMBER 31, 2017

	<u>2017</u> <u>Budget</u> <small>(Note 15)</small>	<u>2017</u> <u>Actual</u>	<u>2016</u> <u>Actual</u>
Annual surplus	\$ 316,898	\$ 444,565	\$ 749,406
Amortization of tangible capital assets	2,294,884	2,294,884	2,208,328
Acquisition of tangible capital assets and tangible capital assets under construction	(3,098,049)	(2,576,379)	(3,202,820)
Gain on disposal of tangible capital assets	-	(39,087)	(22,847)
Proceeds on disposal of tangible capital assets	-	38,641	35,629
Change in inventory	-	(50,128)	18,923
Change in prepaid expenses	<u>-</u>	<u>19,257</u>	<u>22,804</u>
Increase (decrease) in net financial assets	(486,267)	131,753	(190,577)
Net financial assets at beginning of year	<u>124,526</u>	<u>124,526</u>	<u>315,103</u>
Net financial assets (liabilities) at end of year	<u>\$ (361,741)</u>	<u>\$ 256,279</u>	<u>\$ 124,526</u>

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(See accompanying notes)

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities		
Annual surplus	\$ 444,565	\$ 749,406
Items not affecting cash:		
Amortization	2,294,884	2,208,328
Gain on disposal of tangible capital assets	<u>(39,087)</u>	<u>(22,847)</u>
	2,700,362	2,934,887
Net changes in non-cash working capital items:		
Taxes receivable	633,920	81,970
Accounts receivable	(875,996)	(76,904)
Inventory	(50,128)	18,923
Prepaid expenses	19,257	22,804
Accounts payable and accrued liabilities	708,425	73,893
Employee benefits payable	(1,175)	14,001
Landfill closure and post-closure	(16,687)	852,169
Deferred revenue	<u>99,180</u>	<u>25,224</u>
	<u>3,217,158</u>	<u>3,946,967</u>
Cash flows from capital activities		
Acquisition of tangible capital assets	(2,576,379)	(3,202,820)
Proceeds on disposal of tangible capital assets	<u>38,641</u>	<u>35,629</u>
	<u>(2,537,738)</u>	<u>(3,167,191)</u>
Cash flows from investing activities		
Advances of long-term receivables	(129,725)	(155,874)
Repayment of long-term receivable	<u>133,842</u>	<u>71,862</u>
	<u>4,117</u>	<u>(84,012)</u>
Cash flows from financing activities		
Municipal debt repaid	(648,546)	(862,301)
Proceeds from long-term debt	<u>50,000</u>	<u>81,100</u>
	<u>(598,546)</u>	<u>(781,201)</u>
Increase (decrease) in cash	84,991	(85,437)
Cash at beginning of year	<u>1,458,590</u>	<u>1,544,027</u>
Cash at end of year	<u>\$ 1,543,581</u>	<u>\$ 1,458,590</u>

(See accompanying notes)

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

NATURE OF OPERATIONS

The Corporation of the Township of North Glengarry (the "Township") was incorporated on January 1, 1998 and is a lower tier municipality in the Province of Ontario. The Township is responsible for providing a variety of municipal services to its residents. The Township conducts its operations under the direction of its elected Council, guided by the provisions of provincial statutes such as the Municipal Act, 2001, Municipal Affairs Act and related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township are prepared by management in accordance with Canadian generally accepted accounting policies for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. These financial statements include the following significant accounting policies:

a) *Reporting entity*

These financial statements reflect the assets, liabilities, revenues and expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all municipal organizations, committees, and local boards accountable to the Township, and which are owned or controlled by the Township. Included with the municipality is the following:

Palais des Sports Glengarry Sports Palace

Interdepartmental and organizational transactions and balances are eliminated.

b) *Accounting for United Counties and School Board transactions*

The assets, liabilities, revenues, and expenditures with respect to the operations of the school boards and the United Counties of Stormont, Dundas and Glengarry are not reflected in these financial statements.

c) *Basis of accounting*

These financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenses are recognized as they are incurred and measurable based upon cost of goods or services acquired.

d) *Deferred revenue*

The Township receives contributions under the authority of federal and provincial legislation and funding agencies. These funds, by their nature, are restricted in their use, and until applied to applicable projects, are recorded as deferred revenue. Amounts applied to projects are recorded as revenue in the fiscal period in which they are expended.

e) *Reserve and reserve funds*

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital expenditures. Transfers to and from reserves and reserve funds are recorded as an adjustment to the respective fund when approved.

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) *Government transfers*

Government transfers are recognized as revenues or expenditures in the period in which the events giving rise to the transfer occurred, provided the transfers are authorized, any eligibility criteria have been met by the recipient, and a reasonable estimates of the amounts can be made.

g) *Taxation and related revenues*

Property tax billings are prepared by the Township based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Council incorporating amounts to be raised for local services and amounts the Township is required to collect on behalf of the United Counties of Stormont, Dundas and Glengarry and the Province of Ontario in respect of education taxes. Realty taxes are billed based on the assessment rolls provided by MPAC. Taxation revenues are recorded at the time tax billings are issued.

A normal part of the assessment process is the issue of supplementary assessment rolls that provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Township determines the taxes applicable and renders supplementary tax billings. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the period they are determined and the effect shared with the school boards as appropriate.

h) *Landfill Closure and Post-closure Liability*

The Township accrues landfill closure and post-closure care requirements that have been defined in accordance with industry standards and include final covering, landscaping, as well as surface and ground water monitoring and visual inspections. The reported liability is based on estimated future expenses in current dollars, adjusted for estimated inflation and charges to expense are based on usage.

i) *Use of Estimates*

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. These estimates are reviewed periodically and adjustments are made as appropriate in the year they become known. Management makes accounting estimates when determining the estimated useful life of the Township's tangible capital assets, its allowance for doubtful accounts and accounts receivable, the accrued liability for employee benefits and the accrued liability for landfill closure and post closure costs. Actual results could differ from those estimates.

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) *Tangible capital assets*

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful life as follows:

Land improvements	10 years
Buildings	40 years
Vehicles	10 to 25 years
Machinery and equipment	5 to 50 years
Transportation:	
- roads	7 to 40 years
- bridges and structures	40 years
Water and waste plants and networks	50 to 100 years

Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized. One half of the annual amortization is charged in the year of acquisition and in the year of disposal.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue. Similarly, transfer of assets to third parties are recorded as an expense equal to the net book value of the assets as of the date of transfer.

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

2. CASH

Cash consists of the following:

	<u>2017</u>	<u>2016</u>
Unappropriated cash	\$ 336,538	\$ 362,275
Restricted under federal gas tax agreement	174,926	91,629
Restricted for parkland	87,220	71,337
Restricted for reserve funds	<u>944,897</u>	<u>933,349</u>
	<u>\$ 1,543,581</u>	<u>\$ 1,458,590</u>

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

3. ACCOUNTS RECEIVABLE

Accounts receivable consists of the following:

	<u>2017</u>	<u>2016</u>
Water and sewer user fees receivables	\$ 367,928	\$ 393,737
Excise tax rebates receivable	83,351	171,316
Municipal drains charges receivable	366,061	358,688
Due from School Boards and the United Counties	489,296	-
Accounts receivable - other	<u>1,089,254</u>	<u>596,153</u>
	<u>\$ 2,395,890</u>	<u>\$ 1,519,894</u>

4. LONG-TERM RECEIVABLES

Long-term receivables consists of the following:

	<u>2017</u>	<u>2016</u>
Community improvement program loans receivable	\$ 137,418	\$ 74,774
Tile drainage loans receivable	<u>339,080</u>	<u>405,841</u>
	<u>\$ 476,498</u>	<u>\$ 480,615</u>

5. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

A requirement of Canadian public sector accounting standards is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded. The balances held in the obligatory reserve funds are as follows:

	<u>Balance</u> <u>December 31,</u> <u>2016</u>	<u>Additions</u>	<u>Transferred</u> <u>to</u> <u>Income</u>	<u>Balance</u> <u>December 31,</u> <u>2017</u>
Parkland	\$ 71,337	\$ 15,883	\$ -	\$ 87,220
Federal gas tax	<u>91,629</u>	<u>319,765</u>	<u>(236,468)</u>	<u>174,926</u>
	<u>\$ 162,966</u>	<u>\$ 335,648</u>	<u>\$ (236,468)</u>	<u>\$ 262,146</u>

6. EMPLOYEE BENEFITS PAYABLE

The Township provides employee benefits that will require funding in future periods for vacation pay. The vacation pay liability has been estimated based on pay rates in effect at December 31, 2017 and is expected to be paid out over the next fiscal year.

Employee benefits payable is comprised of:

	<u>2017</u>	<u>2016</u>
Vacation pay	<u>\$ 191,399</u>	<u>\$ 192,574</u>

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

7. TANGIBLE CAPITAL ASSETS

Tangible capital assets consists of the following:

<u>Cost</u>	<u>Balance</u> <u>December 31,</u> <u>2016</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>December 31,</u> <u>2017</u>
Land	\$ 536,998	\$ -	\$ -	\$ 536,998
Land improvements	462,744	12,302	-	475,046
Buildings	24,342,729	19,313	-	24,362,042
Vehicles	5,814,339	847,941	-	6,662,280
Equipment	6,969,978	322,250	-	7,292,228
Roads	15,332,501	716,695	(11,479)	16,037,717
Bridges	6,361,508	190,031	-	6,551,539
Water and sewer	19,611,994	121,131	-	19,733,125
	<u>\$ 79,432,791</u>	<u>\$ 2,229,663</u>	<u>\$ (11,479)</u>	<u>\$ 81,650,975</u>

<u>Accumulated Amortization</u>	<u>Balance</u> <u>December 31,</u> <u>2016</u>	<u>Amortization</u> <u>Expense</u>	<u>Disposals</u>	<u>Balance</u> <u>December 31,</u> <u>2017</u>
Land	\$ -	\$ -	\$ -	\$ -
Land improvements	241,102	36,596	-	277,698
Buildings	15,084,159	600,197	-	15,684,356
Vehicles	3,413,880	290,891	-	3,704,771
Equipment	4,501,526	354,088	-	4,855,614
Roads	10,700,594	668,867	(11,925)	11,357,536
Bridges	2,689,060	134,503	-	2,823,563
Water and sewer	3,342,133	209,742	-	3,551,875
	<u>\$ 39,972,454</u>	<u>\$ 2,294,884</u>	<u>\$ (11,925)</u>	<u>\$ 42,255,413</u>

<u>Net book value</u>	<u>December 31,</u> <u>2016</u>	<u>December 31,</u> <u>2017</u>
Land	\$ 536,998	\$ 536,998
Land improvements	221,642	197,348
Buildings	9,258,570	8,677,686
Vehicles	2,400,459	2,957,509
Equipment	2,468,452	2,436,614
Roads	4,631,907	4,680,181
Bridges	3,672,448	3,727,976
Water and sewer	16,269,861	16,181,250
	<u>\$ 39,460,337</u>	<u>\$ 39,395,562</u>

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

8. CREDIT FACILITY

The Township has a revolving operating credit facility with a maximum limit of 50% of the Township's total estimated annual revenue. The credit facility bears interest at prime plus 0.5% and was unused at December 31, 2017.

9. MUNICIPAL DEBT

Municipal debt consists of the following:

	<u>2017</u>	<u>2016</u>
<u>Royal Bank of Canada</u>		
Term loans - interest rates between 2.19% and 5.35%, repayable in monthly blended payments ranging between \$103 and \$10,878, maturity dates ranging from 2018 to 2022	\$1,168,150	\$1,518,027
<u>Ontario Infrastructure and Lands Corporation</u>		
Debenture loans - interest rates between 1.86% and 2.87%, repayable in semi-annual payments ranging between \$13,522 and \$63,818 plus interest, maturity dates ranging from 2022 to 2025	954,352	1,136,260
<u>Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA):</u>		
Tile drainage debenture loans - 6% repayable over a ten year period in blended annual payments ranging between \$217 and \$6,793, maturity dates ranging from 2018 to 2027	<u>339,080</u>	<u>405,841</u>
	<u>\$2,461,582</u>	<u>\$3,060,128</u>

The Township has offsetting tile drain loans receivable from property owners with the same terms and maturity dates as the OMAFRA tile drain loans above. These loans receivable have been included in long-term receivables on the statement of financial position.

Principal repayments on municipal debt are estimated to be as follows:

2018	\$ 607,245
2019	470,680
2020	464,620
2021	326,643
2022	308,857
2023 and subsequent	<u>283,537</u>
	<u>\$2,461,582</u>

Subsequent to the year-end the Township obtained new financing in the amount of \$867,930 to finance the cost of fire equipment purchased in 2017. The new loan bears interest at 3.01%, is repayable in semi-annual payments of \$43,397 plus interest and is due in 2028.

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

10. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	<u>2017</u>	<u>2016</u>
Reserves:		
Working funds	\$ 885,232	\$ 709,848
CEMC contingency fund	50,000	50,000
Fire	324,560	324,560
Recreation	63,455	73,455
Roads	541,417	649,761
Waste management	800,280	701,705
Water & sewer	1,297,536	996,155
WSIB	54,443	54,443
Zoning and elections	47,500	30,000
Other	<u>34,270</u>	<u>42,678</u>
	<u>4,098,693</u>	<u>3,632,605</u>
Reserve funds:		
Water and sewer reserve funds	930,571	919,198
Other	<u>14,326</u>	<u>14,151</u>
	<u>944,897</u>	<u>933,349</u>
Reserves and reserve funds - total	<u>5,043,590</u>	<u>4,565,954</u>
Invested in tangible capital assets:		
Equity in tangible capital assets	43,414,919	43,132,978
Less: related debt	(2,122,502)	(2,654,287)
Less: unfinanced tangible capital assets	<u>(867,930)</u>	<u>-</u>
	<u>40,424,487</u>	<u>40,478,691</u>
Amounts to be recovered from future revenues:		
Accrued interest	(7,843)	(11,114)
Accrued landfill closure and post-closure costs	(1,395,722)	(1,412,409)
Employee benefits payable	<u>(191,399)</u>	<u>(192,574)</u>
	<u>(1,594,964)</u>	<u>(1,616,097)</u>
	<u>\$ 43,873,113</u>	<u>\$ 43,428,548</u>

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

11. SEGMENTED INFORMATION

The Township is a diversified municipal government that provides a wide range of services to its citizens. The services are provided by departments and their activities are reported in the statement of operations. Departments have been separately disclosed in the segmented information. For each reported segment, revenues and expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore certain allocation methodologies are employed in the preparation of segmented financial information. The accounting policies used in these segments are consistent with those in the preparation of the financial statements as disclosed in note 1. The nature of the Township's segments and the activities they encompass are as follows:

General Government

General government includes corporate services and governance of the Township. Administration as a segment includes operating and maintaining municipal owned buildings, human resource management, legal, communications, information systems and technology, support to Council for policy development in compliance with the Municipal Act, tax billing and collection responsibilities, financial management reporting and overall budget status as well as frontline reception and customer service.

Protection to Persons and Property

Protection services includes fire protection, conservation authority, protective inspection and control, and emergency measures. Fire protection includes inspection, extinguishing and suppression services, emergency first response, and prevention education and training programs. Inspection and control includes building inspection, by-law enforcement and dog control services.

Transportation Services

Transportation services includes administration and operation of traffic and parking services for the Township. In addition, services are provided for the winter and summer road maintenance along with the repair and construction of the municipal roads system including bridges and culverts, as well as operation and maintenance of a fleet of vehicles and equipment for use in providing services to the Township.

Environmental Services

Environmental services includes the operation of water and waste water facilities and infrastructure for the collection and distribution of both water and sewer services as well as solid waste collection, disposal and recycling services.

Health Services

Health services includes health and safety programs, and contributions to the Glengarry Memorial Hospital.

Recreation and Cultural Services

Recreation and cultural services includes services that contribute to the Township's development and sustainability through the provision of recreation and leisure programs including community halls, libraries, parks, recreation fields and arenas.

Planning and Development

Planning and development manages development for business interest, environmental concerns, heritage matters, local neighbourhoods and community development. It also facilitates economic development by providing services for the approval of all land development plans and the application and enforcement of the zoning by-law and official plan.

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

11. SEGMENTED INFORMATION (continued)

	<u>General Government</u>	<u>Protection</u>	<u>Transportation</u>	<u>Environment</u>	<u>Health</u>	<u>Recreation and Cultural</u>	<u>Planning and Development</u>	<u>2017 Totals</u>	<u>2016 Totals</u>
Revenues									
Municipal taxation	\$ 460,834	\$ 643,865	\$ 2,107,202	\$ 459,640	\$ 13,735	\$ 909,493	\$ 378,410	\$ 4,973,179	\$ 5,021,089
User charges	78,331	245,948	54,561	4,513,338	-	767,134	175,810	5,835,122	5,763,160
Government transfers									
- operating	242,381	338,648	1,108,308	241,753	7,224	478,359	199,029	2,615,702	2,820,823
- capital	-	-	327,666	-	-	-	-	327,666	175,689
Other	395,386	30,837	8,250	-	-	-	-	434,473	1,367,116
	<u>1,176,932</u>	<u>1,259,298</u>	<u>3,605,987</u>	<u>5,214,731</u>	<u>20,959</u>	<u>2,154,986</u>	<u>753,249</u>	<u>14,186,142</u>	<u>15,147,877</u>
Expenditures									
Wages and benefits	944,212	544,824	1,277,698	1,248,636	-	791,432	239,302	5,046,104	4,682,318
Interest municipal debt	-	9,806	7,359	51,262	-	-	29,971	98,398	116,681
Materials and services	389,832	503,978	1,134,926	1,586,807	981	802,775	268,841	4,688,140	5,802,423
Contracted services	-	32,287	79,984	495,516	-	13,867	-	621,654	581,557
Insurance and financial costs	406,492	56,525	51,168	81,000	-	31,957	-	627,142	682,506
Third party transfers	-	75,771	-	-	20,000	191,496	77,988	365,255	324,658
Amortization	31,827	203,641	1,051,351	674,488	-	325,773	7,804	2,294,884	2,208,328
	<u>1,772,363</u>	<u>1,426,832</u>	<u>3,602,486</u>	<u>4,137,709</u>	<u>20,981</u>	<u>2,157,300</u>	<u>623,906</u>	<u>13,741,577</u>	<u>14,398,471</u>
Net surplus (deficit)	\$ (595,431)	\$ (167,534)	\$ 3,501	\$ 1,077,022	\$ (22)	\$ (2,314)	\$ 129,343	\$ 444,565	\$ 749,406

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

12. OPERATION OF SCHOOL BOARDS AND THE UNITED COUNTIES

The following taxation revenues were raised and remitted to school boards and the United Counties of Stormont, Dundas and Glengarry:

	<u>2017</u>	<u>2016</u>
School boards	<u>\$ 2,535,463</u>	<u>\$ 2,914,537</u>
United Counties of Stormont, Dundas and Glengarry	<u>\$ 5,817,652</u>	<u>\$ 5,775,808</u>

13. PENSION AGREEMENTS

The Township makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of its employees. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees, based on length of service and rates of pay. OMERS provides pension services to approximately 1,000 employers and 480,000 plan members.

Each year an independent actuary determines the funding status of the OMERS pension plan (the Plan) by comparing the actuarial value of the invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2017. The results of this valuation disclosed total actuarial liabilities of \$94,431 million in respect of defined benefit obligations with actuarial assets of \$89,028 million indicating an actuarial deficit of \$5,403 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of employers and plan members participating in the Plan. The Township has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles. As a result, the Township does not recognize any share of the OMERS pension deficit.

The amount contributed to OMERS for 2017 was \$263,366 (2016 - \$248,403) for current service and is included as an expenditure on the statement of operations.

14. CONTINGENCIES

In 2014, the Government of Ontario expanded regulations to include six additional cancers presumed to be work related for firefighters under the Workplace Safety and Insurance Act. This change is retroactive to January 1, 1960. The Workplace Safety and Insurance Board (WSIB) has determined a potential liability for all Schedule 2 employers based on the total number of firefighters employed across the province. As the WSIB potential liability has been based on assumptions and general allocations and no specific claims have been filed with the Township, no provision for potential claims has been recorded in these financial statements. The Township previously established a reserve for future WSIB costs in the amount of \$54,443 to mitigate any claims from when it previously was a Schedule 2 employer.

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. Litigation is subject to many uncertainties and the outcome of individual matters is not predictable. A provision for litigation claims has been recorded in these consolidated financial statements based on management's best estimate of the likely outcomes. Should claims be settled for amounts other than established accruals, the outstanding amounts will be offset against operations in the year of settlement.

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017

15. BUDGETED FIGURES

The budgeted figures are presented for comparison purposes as prepared and approved by the Township's Council. The budget figures have been adjusted from the cash basis of accounting as originally prepared and have been restated as follows to conform with Canadian public sector accounting standards:

	<u>2017</u>
Annual surplus as budgeted	\$ -
Add:	
Capital expenditures expensed	3,098,049
Principal repayment of municipal debt expensed	623,103
Transfers to reserves expensed	471,928
Less:	
Loan proceeds included as income	(400,000)
Transfers from reserves included as income	(1,090,048)
Principal repayment of tile drain loans receivable included as income	(91,250)
Amortization of tangible capital assets not recorded	<u>(2,294,884)</u>
Annual surplus as presented on the statement of operations	<u>\$ 316,898</u>

16. EXPENSES BY OBJECT

Operating expenditures by object is summarized as follows:

	<u>2017</u>	<u>2016</u>
Wages and benefits	\$ 5,046,104	\$ 4,682,318
Interest on municipal debt	98,398	116,681
Materials and services	4,688,140	5,802,423
Contracted services	621,654	581,557
Insurance and financial costs	627,142	682,506
Third party transfers	365,255	324,658
Amortization	<u>2,294,884</u>	<u>2,208,328</u>
	<u>\$ 13,741,577</u>	<u>\$ 14,398,471</u>

17. COMPARATIVE FIGURES

Comparative figures have been audited by another auditor and have been reclassified where necessary to conform to the presentation adopted for 2017.

CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

SCHEDULE 1 - FIVE YEAR FINANCIAL REVIEW (unaudited)

DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Population (MPAC)	8,865	10,088	9,740	9,690	9,573
Number of Households (MPAC)	5,847	5,734	5,754	5,774	4,786
Taxable Assessment (000's)					
Residential and farm	\$ 1,055,595	\$ 969,296	\$ 907,281	\$ 846,782	\$ 787,280
Commercial and industrial	<u>101,315</u>	<u>106,141</u>	<u>101,852</u>	<u>99,245</u>	<u>89,614</u>
Total	<u>\$ 1,156,910</u>	<u>\$ 1,075,437</u>	<u>\$ 1,009,133</u>	<u>\$ 946,027</u>	<u>\$ 876,894</u>
Property Taxes Billed (000's)					
Own purpose	\$ 4,973	\$ 5,021	\$ 4,785	\$ 4,523	\$ 4,136
Upper-Tier Municipality	5,818	5,776	5,646	5,444	5,328
School Boards	<u>2,535</u>	<u>2,915</u>	<u>2,843</u>	<u>2,785</u>	<u>2,746</u>
Total	<u>\$ 13,326</u>	<u>\$ 13,712</u>	<u>\$ 13,274</u>	<u>\$ 12,752</u>	<u>\$ 12,210</u>
Tax Arrears					
% of own levy	38 %	50 %	54 %	55 %	56 %
% of total levy	14 %	18 %	20 %	19 %	19 %
Municipal Debt (000's)					
Municipal debt	\$ 2,462	\$ 3,060	\$ 3,851	\$ 4,020	\$ 4,407
Annual debt charges	\$ 603	\$ 799	\$ 666	\$ 658	\$ 690
Municipal Equity (000's)					
Surplus and reserves	\$ 5,044	\$ 4,566	\$ 4,096	\$ 3,652	\$ 3,032
Invested in tangible capital assets	\$ 40,424	\$ 40,479	\$ 38,697	\$ 39,061	\$ 38,567
Reserves as % of operating expenses	36.71 %	31.71 %	35.85 %	33.00 %	38.00 %
Financial Indicators:					
Sustainability:					
Financial assets to liabilities	1.04 %	1.02 %	1.06 %	0.72 %	0.63 %
Municipal debt to tangible capital assets	5.67 %	7.09 %	9.14 %	9.45 %	10.39 %
Flexibility:					
Debt charges to total operating revenue	4.36 %	5.69 %	5.94 %	6.14 %	6.85 %
Total operating revenue to taxable assessment	1.19 %	1.31 %	1.27 %	1.31 %	1.34 %
Vulnerability:					
Operating government transfers to operating revenues	18.93 %	20.09 %	19.22 %	19.09 %	19.14 %
Total government transfers to total revenues	21.30 %	21.34 %	22.46 %	22.22 %	30.49 %

Section 6

CAO/CLERK'S

DEPARTMENT

Sarah Huskinson

**CORPORATION OF
THE
TOWNSHIP OF NORTH GLENGARRY**

RESOLUTION # _____

DATE: September 10, 2018

MOVED BY: _____

SECONDED BY: _____

THAT Council for the Township of North Glengarry receives Staff Report No. AD-2018-05;

AND THAT Council approves the form of Franchise Agreement and draft by-law attached hereto and authorizes the submission thereof to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of the Municipal Franchises Act;

AND THAT Council requests the Ontario Energy Board to make an order dispensing with the assent of the municipal electors of the attached draft by-law, pursuant to the provisions of Section 9(4) of the Municipal Franchises Act;

AND FURTHER THAT the Mayor and Clerk be authorized to enter into the Franchise Agreement with Enbridge Gas Distribution Inc. upon receipt of notice of a Decision and Order from the Ontario Energy Board and subsequent passing of the by-law.

Carried

Defeated

Deferred

MAYOR / DEPUTY MAYOR

YEA

NEA

Deputy Mayor: Jamie MacDonald

Councillor: Jacques Massie

Councillor: Brian Caddell

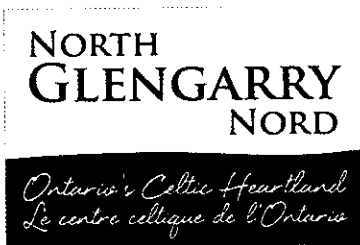
Councillor: Jeff Manley

Councillor: Michel Depratto

Councillor: Carma Williams

Mayor: Chris McDonell

Section 6 Item a



6(a)

STAFF REPORT TO COUNCIL

Report No: AD-2018-05

September 10, 2018

From: Sarah Huskinson – Chief Administrative Officer/ Clerk

RE: Enbridge Franchise Agreement - Renewal

Recommended Motion:

THAT Council for the Township of North Glengarry receives Staff Report No. AD-2018-05;

AND THAT Council approves the form of Franchise Agreement and draft by-law attached hereto and authorizes the submission thereof to the Ontario Energy Board for approval pursuant to the provisions of Section 9 of the Municipal Franchises Act;

AND THAT Council requests the Ontario Energy Board to make an order dispensing with the assent of the municipal electors of the attached draft by-law, pursuant to the provisions of Section 9(4) of the Municipal Franchises Act;

AND FURTHER THAT the Mayor and Clerk be authorized to enter into the Franchise Agreement with Enbridge Gas Distribution Inc. upon receipt of notice of a Decision and Order from the Ontario Energy Board and subsequent passing of the by-law.

Background / Analysis:

Provincial legislation requires a Franchise Agreement between the municipality and the gas company serving that municipality. As a result, Enbridge and the Township of North Glengarry are required to commence the process to renew a long-term Franchise Agreement using the approved OEB model agreement. The present franchise agreement between the Township of North Glengarry and Enbridge was executed on September 28, 1998 with a 20 year term.

The attached by-law contains consent by the Township to Enbridge for the distribution, storage and transmission of gas within the municipality. There are provisions for the use of highways, approval of construction, and what to do in the event of an emergency. New in the agreement is a clause for insurance, and generally speaking, the new language in the agreement adds clarification to the responsibilities for both parties. The agreement is for another 20 year term, and under the new agreement, if there is an update to the

model agreement by the OEB over the term, any new provision will deem to take effect on the 7th and 14th anniversary year of the agreement.

Once Council approves the new Franchise Agreement, the Council Resolution is sent with the Franchise Agreement and by-law to Enbridge, who will complete the renewal process at the OEB. Once this process is complete, the Franchise Agreement is executed by both parties and the by-law is formally passed by Council.

Alternatives:

Option 1: THAT Council approves the form of the Franchise Agreement and draft by-law.

Option 2: Not recommended – THAT Council does not approve the form of the Franchise Agreement and draft by-law.

Financial Implications:

N/A

Attachments & Relevant Legislation:

Franchise Agreement and draft by-law

Municipal Franchise Act

Others Consulted:



Sarah Huskinson
Chief Administrative Officer/ Clerk

THE CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

BY-LAW No. _____

A BY-LAW TO AUTHORIZE A FRANCHISE AGREEMENT BETWEEN THE CORPORATION AND ENBRIDGE GAS DISTRIBUTION INC.

WHEREAS the Council of the Corporation deems it expedient to enter into the attached franchise agreement with Enbridge Gas Distribution Inc.;

AND WHEREAS the Ontario Energy Board by its Order issued pursuant to the Municipal Franchises Act on the _____ day of _____, 2018 has approved the terms and conditions upon which and the period for which the franchise provided for in the attached agreement is proposed to be granted, and has declared and directed that the assent of the municipal electors in respect of this By-law is not necessary;

NOW THEREFORE BE IT ENACTED:

1. That the attached franchise agreement between the Corporation and Enbridge Gas Distribution Inc. is hereby authorized and the franchise provided for therein is hereby granted.
2. That the Mayor and the CAO/Clerk are hereby authorized and instructed on behalf of the Corporation to enter into and execute under its corporate seal and deliver the aforesaid agreement, which agreement is hereby incorporated into and shall form part of this By-law.

READ a first, second, third time and enacted in Open Council, this _____ day of _____ 2018

CAO/Clerk / Deputy Clerk

Mayor / Deputy Mayor

I, hereby certify that the foregoing is a true copy of By-Law No. _____, duly adopted by the Council of the Corporation of the Township of North Glengarry, on _____, 2018.

Date Certified

CAO/Clerk /Deputy Clerk

Model Franchise Agreement

THIS AGREEMENT effective this day of , 20 .

BETWEEN: The Corporation of The Township of North Glengarry hereinafter called the

"Corporation"

- and -

Enbridge Gas Distribution Inc. hereinafter called the "Gas Company"

WHEREAS the Gas Company desires to distribute, store and transmit gas in the Municipality upon the terms and conditions of this Agreement;

AND WHEREAS by by-law passed by the Council of the Corporation (the "By-law"), the duly authorized officers have been authorized and directed to execute this Agreement on behalf of the Corporation;

THEREFORE the Corporation and the Gas Company agree as follows:

Part I - Definitions

1. In this Agreement:
 - a. "decommissioned" and "decommissions" when used in connection with parts of the gas system, mean any parts of the gas system taken out of active use and purged in accordance with the applicable CSA standards and in no way affects the use of the term 'abandoned' pipeline for the purposes of the Assessment Act;
 - b. "Engineer/Road Superintendent" means the most senior individual employed by the Corporation with responsibilities for highways within the Municipality or the person designated by such senior employee or such other person as may from time to time be designated by the Council of the Corporation;
 - c. "gas" means natural gas, manufactured gas, synthetic natural gas, liquefied petroleum gas or propane-air gas, or a mixture of any of them, but does not include a liquefied petroleum gas that is distributed by means other than a pipeline;

- d. "gas system" means such mains, plants, pipes, conduits, services, valves, regulators, curb boxes, stations, drips or such other equipment as the Gas Company may require or deem desirable for the distribution, storage and transmission of gas in or through the Municipality;
- e. "highway" means all common and public highways and shall include any bridge, viaduct or structure forming part of a highway, and any public square, road allowance or walkway and shall include not only the travelled portion of such highway, but also ditches, driveways, sidewalks, and sodded areas forming part of the road allowance now or at any time during the term hereof under the jurisdiction of the Corporation;
- f. "Model Franchise Agreement" means the form of agreement which the Ontario Energy Board uses as a standard when considering applications under the Municipal Franchises Act. The Model Franchise Agreement may be changed from time to time by the Ontario Energy Board;
- g. "Municipality" means the territorial limits of the Corporation on the date when this Agreement takes effect, and any territory which may thereafter be brought within the jurisdiction of the Corporation;
- h. "Plan" means the plan described in Paragraph 5 of this Agreement required to be filed by the Gas Company with the Engineer/Road Superintendent prior to commencement of work on the gas system; and
- i. whenever the singular, masculine or feminine is used in this Agreement, it shall be considered as if the plural, feminine or masculine has been used where the context of the Agreement so requires.

Part II - Rights Granted

- 2. To provide gas service:

The consent of the Corporation is hereby given and granted to the Gas Company to distribute, store and transmit gas in and through the Municipality to the Corporation and to the inhabitants of the Municipality.

3. To Use Highways.

Subject to the terms and conditions of this Agreement the consent of the Corporation is hereby given and granted to the Gas Company to enter upon all highways now or at any time hereafter under the jurisdiction of the Corporation and to lay, construct, maintain, replace, remove, operate and repair a gas system for the distribution, storage and transmission of gas in and through the Municipality.

4. Duration of Agreement and Renewal Procedures.

- a. If the Corporation has not previously received gas distribution services, the rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law.

or

- b. If the Corporation has previously received gas distribution services, the rights hereby given and granted shall be for a term of 20 years from the date of final passing of the By-law provided that, if during the 20-year term this Agreement, the Model Franchise Agreement is changed, then on the 7th anniversary and on the 14th anniversary of the date of the passing of the By-law, this Agreement shall be deemed to be amended to incorporate any changes in the Model Franchise Agreement in effect on such anniversary dates. Such deemed amendments shall not apply to alter the 20-year term.
- c. At any time within two years prior to the expiration of this Agreement, either party may give notice to the other that it desires to enter into negotiations for a renewed franchise upon such terms and conditions as may be agreed upon. Until such renewal has been settled, the terms and conditions of this Agreement shall continue, notwithstanding the expiration of this Agreement. This shall not preclude either party from applying to the Ontario Energy Board for a renewal of the Agreement pursuant to section 10 of the Municipal Franchises Act.

Part III - Conditions

5. Approval of Construction

- a. The Gas Company shall not undertake any excavation, opening or work which will disturb or interfere with the surface of the travelled portion of any highway unless a permit therefor has first been obtained from the Engineer/Road Superintendent and all work done by the Gas Company shall be to his satisfaction.
- b. Prior to the commencement of work on the gas system, or any extensions or changes to it (except service laterals which do not interfere with municipal works in the highway), the Gas Company shall file with the Engineer/Road Superintendent a Plan, satisfactory to the Engineer/Road Superintendent, drawn to scale and of sufficient detail considering the complexity of the specific locations involved, showing the highways in which it proposes to lay its gas system and the particular parts thereof it proposes to occupy.
- c. The Plan filed by the Gas Company shall include geodetic information for a particular location:
 - i. where circumstances are complex, in order to facilitate known projects, including projects which are reasonably anticipated by the Engineer/Road Superintendent, or
 - ii. when requested, where the Corporation has geodetic information for its own services and all others at the same location.
- d. The Engineer/Road Superintendent may require sections of the gas system to be laid at greater depth than required by the latest CSA standard for gas pipeline systems to facilitate known projects or to correct known highway deficiencies.
- e. Prior to the commencement of work on the gas system, the Engineer/Road Superintendent must approve the location of the work as shown on the Plan filed by the Gas Company, the timing of the work and any terms and conditions relating to the installation of the work.
- f. In addition to the requirements of this Agreement, if the Gas Company proposes to affix any part of the gas system to a bridge, viaduct or other structure, if the Engineer/Road Superintendent approves this proposal, he may require the Gas Company to comply with special

conditions or to enter into a separate agreement as a condition of the approval of this part of the construction of the gas system.

- g. Where the gas system may affect a municipal drain, the Gas Company shall also file a copy of the Plan with the Corporation's Drainage Superintendent for purposes of the Drainage Act, or such other person designated by the Corporation as responsible for the drain.
- h. The Gas Company shall not deviate from the approved location for any part of the gas system unless the prior approval of the Engineer/Road Superintendent to do so is received.
- i. The Engineer/Road Superintendent's approval, where required throughout this Paragraph, shall not be unreasonably withheld.
- j. The approval of the Engineer/Road Superintendent is not a representation or warranty as to the state of repair of the highway or the suitability of the highway for the gas system.

6. As Built Drawings

The Gas Company shall, within six months of completing the installation of any part of the gas system, provide two copies of "as built" drawings to the Engineer/Road Superintendent. These drawings must be sufficient to accurately establish the location, depth (measurement between the top of the gas system and the ground surface at the time of installation) and distance of the gas system. The "as built" drawings shall be of the same quality as the Plan and, if the approved pre-construction plan included elevations that were geodetically referenced, the "as built" drawings shall similarly include elevations that are geodetically referenced. Upon the request of the Engineer/Road Superintendent, the Gas Company shall provide one copy of the drawings in an electronic format and one copy as a hard copy drawing.

7. Emergencies

In the event of an emergency involving the gas system, the Gas Company shall proceed with the work required to deal with the emergency, and in any instance where prior approval of the Engineer/Road Superintendent is normally required for the work, the Gas Company shall use its best efforts to immediately notify the Engineer/Road Superintendent of the location and nature of the emergency and the work being done and, if it deems appropriate, notify the police force, fire or other emergency services having jurisdiction. The Gas Company shall provide the Engineer/Road Superintendent with at least one 24 hour emergency contact for the Gas Company and shall ensure the contacts are current.

8. Restoration

The Gas Company shall well and sufficiently restore, to the reasonable satisfaction of the Engineer/Road Superintendent, all highways, municipal works or improvements which it may excavate or interfere with in the course of laying, constructing, repairing or removing its gas system, and shall make good any settling or subsidence thereafter caused by such excavation or interference. If the Gas Company fails at any time to do any work required by this Paragraph within a reasonable period of time, the Corporation may do or cause such work to be done and the Gas Company shall, on demand, pay the Corporation's reasonably incurred costs, as certified by the Engineer/Road Superintendent.

9. Indemnification

The Gas Company shall, at all times, indemnify and save harmless the Corporation from and against all claims, including costs related thereto, for all damages or injuries including death to any person or persons and for damage to any property, arising out of the Gas Company operating, constructing, and maintaining its gas system in the Municipality, or utilizing its gas system for the carriage of gas owned by others. Provided that the Gas Company shall not be required to indemnify or save harmless the Corporation from and against claims, including costs related thereto, which it may incur by reason of damages or injuries including death to any person or persons and for damage to any property, resulting from the negligence or wrongful act of the Corporation, its servants, agents or employees.

10. Insurance

- a. The Gas Company shall maintain Comprehensive General Liability Insurance in sufficient amount and description as shall protect the Gas Company and the Corporation from claims for which the Gas Company is obliged to indemnify the Corporation under Paragraph 9. The insurance policy shall identify the Corporation as an additional named insured, but only with respect to the operation of the named insured (the Gas Company). The insurance policy shall not lapse or be cancelled without sixty (60) days' prior written notice to the Corporation by the Gas Company.
- b. The issuance of an insurance policy as provided in this Paragraph shall not be construed as relieving the Gas Company of liability not covered by such insurance or in excess of the policy limits of such insurance.

- c. Upon request by the Corporation, the Gas Company shall confirm that premiums for such insurance have been paid and that such insurance is in full force and effect.

11. Alternative Easement

The Corporation agrees, in the event of the proposed sale or closing of any highway or any part of a highway where there is a gas line in existence, to give the Gas Company reasonable notice of such proposed sale or closing and, if it is feasible, to provide the Gas Company with easements over that part of the highway proposed to be sold or closed sufficient to allow the Gas Company to preserve any part of the gas system in its then existing location. In the event that such easements cannot be provided, the Corporation and the Gas Company shall share the cost of relocating or altering the gas system to facilitate continuity of gas service, as provided for in Paragraph 12 of this Agreement.

12. Pipeline Relocation

- a. If in the course of constructing, reconstructing, changing, altering or improving any highway or any municipal works, the Corporation deems that it is necessary to take up, remove or change the location of any part of the gas system, the Gas Company shall, upon notice to do so, remove and/or relocate within a reasonable period of time such part of the gas system to a location approved by the Engineer/Road Superintendent.
- b. Where any part of the gas system relocated in accordance with this Paragraph is located on a bridge, viaduct or structure, the Gas Company shall alter or relocate that part of the gas system at its sole expense.
- c. Where any part of the gas system relocated in accordance with this Paragraph is located other than on a bridge, viaduct or structure, the costs of relocation shall be shared between the Corporation and the Gas Company on the basis of the total relocation costs, excluding the value of any upgrading of the gas system, and deducting any contribution paid to the Gas Company by others in respect to such relocation; and for these purposes, the total relocation costs shall be the aggregate of the following:
 - i. the amount paid to Gas Company employees up to and including field supervisors for the hours worked on the project plus the current cost of fringe benefits for these employees,

- ii. the amount paid for rental equipment while in use on the project and an amount, charged at the unit rate, for Gas Company equipment while in use on the project,
 - iii. the amount paid by the Gas Company to contractors for work related to the project,
 - iv. the cost to the Gas Company for materials used in connection with the project, and
 - v. a reasonable amount for project engineering and project administrative costs which shall be 22.5% of the aggregate of the amounts determined in items (i), (ii), (iii) and (iv) above.
- d. The total relocation costs as calculated above shall be paid 35% by the Corporation and 65% by the Gas Company, except where the part of the gas system required to be moved is located in an unassumed road or in an unopened road allowance and the Corporation has not approved its location, in which case the Gas Company shall pay 100% of the relocation costs.

Part IV - Procedural And Other Matters

13. Municipal By-laws of General Application

The Agreement is subject to the provisions of all regulating statutes and all municipal by-laws of general application, except by-laws which have the effect of amending this Agreement.

14. Giving Notice

Notices may be delivered to, sent by facsimile or mailed by prepaid registered post to the Gas Company at its head office or to the authorized officers of the Corporation at its municipal offices, as the case may be.

15. Disposition of Gas System

- a. If the Gas Company decommissions part of its gas system affixed to a bridge, viaduct or structure, the Gas Company shall, at its sole expense, remove the part of its gas system affixed to the bridge, viaduct or structure.
- b. If the Gas Company decommissions any other part of its gas system, it shall have the right, but is not required, to remove that part of its gas system. It may exercise its right to remove the decommissioned parts of its gas system by giving notice of its intention to do so by filing a Plan

as required by Paragraph 5 of this Agreement for approval by the Engineer/Road Superintendent. If the Gas Company does not remove the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in any highway, the Corporation may remove and dispose of so much of the decommissioned gas system as the Corporation may require for such purposes and neither party shall have recourse against the other for any loss, cost, expense or damage occasioned thereby. If the Gas Company has not removed the part of the gas system it has decommissioned and the Corporation requires the removal of all or any part of the decommissioned gas system for the purpose of altering or improving a highway or in order to facilitate the construction of utility or other works in a highway, the Gas Company may elect to relocate the decommissioned gas system and in that event Paragraph 12 applies to the cost of relocation.

16. Use of Decommissioned Gas System

- a. The Gas Company shall provide promptly to the Corporation, to the extent such information is known:
 - i. the names and addresses of all third parties who use decommissioned parts of the gas system for purposes other than the transmission or distribution of gas; and
 - ii. the location of all proposed and existing decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas.
- b. The Gas Company may allow a third party to use a decommissioned part of the gas system for purposes other than the transmission or distribution of gas and may charge a fee for that third party use, provided
 - i. the third party has entered into a municipal access agreement with the Corporation; and
 - ii. the Gas Company does not charge a fee for the third party's right of access to the highways.
- c. Decommissioned parts of the gas system used for purposes other than the transmission or distribution of gas are not subject to the provisions of this Agreement. For decommissioned parts of the gas system used for purposes other than the transmission and distribution of gas, issues

such as relocation costs will be governed by the relevant municipal access agreement.

17. Franchise Handbook

The Parties acknowledge that operating decisions sometimes require a greater level of detail than that which is appropriately included in this Agreement. The Parties agree to look for guidance on such matters to the Franchise Handbook prepared by the Association of Municipalities of Ontario and the gas utility companies, as may be amended from time to time.

18. Agreement Binding Parties

This Agreement shall extend to, benefit and bind the parties thereto, their successors and assigns, respectively.

IN WITNESS WHEREOF the parties have executed this Agreement effective from the date written above.

THE CORPORATION OF THE TOWNSHIP OF NORTH
GLENGARRY

By: _____

By: _____

Duly Authorized Officer

ENBRIDGE GAS DISTRIBUTION INC.

By: _____

By: _____

DATED this day of , 20 .

THE CORPORATION OF THE
TOWNSHIP OF NORTH GLENGARRY

- and -

ENBRIDGE GAS DISTRIBUTION INC.

FRANCHISE AGREEMENT

ENBRIDGE GAS DISTRIBUTION INC.
500 Consumers Road
North York, Ontario
M2J 1P8

Attention: Regulatory Affairs Department

**CORPORATION OF
THE
TOWNSHIP OF NORTH GLENGARRY**

RESOLUTION # _____

DATE: September 10, 2018

MOVED BY: _____

SECONDED BY: _____

THAT Council for the Township of North Glengarry receives Staff Report No. AD-2018-06 for information.

Carried

Defeated

Deferred

MAYOR / DEPUTY MAYOR

YEA

NEA

Deputy Mayor: Jamie MacDonald

Councillor: Jacques Massie

Councillor: Brian Caddell

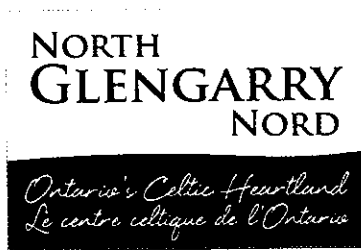
Councillor: Jeff Manley

Councillor: Michel Depratto

Councillor: Carma Williams

Mayor: Chris McDonell

Section 6 Item b



6(b)

STAFF REPORT TO COUNCIL

Report No: AD-2018-06

September 10, 2018

From: Sarah Huskinson – Chief Administrative Officer/ Clerk

RE: Community RUNning Event

Recommended Motion:

THAT Council for the Township of North Glengarry receives Staff Report No. AD-2018-06 for information.

Background / Analysis:

The Township of North Glengarry, in collaboration with Community Living Glengarry, will be hosting a Community RUNning event on the morning of Saturday, September 29th. Proceeds from the event will be utilized to purchase a recumbent/ hand bike station to be used in the new outdoor circuit training area of Island Park. The event will include a 1km, 5km and 10km course and will involve closing several streets. The closing of the streets and traffic re-direction will be coordinated with the Roads Department, Fire Department, and OPP. Residents along the route will be notified by the Township of the closure, which is estimated to be between 9am and 11am. A copy of the course map is attached for reference.

Alternatives:

None.

Financial Implications:

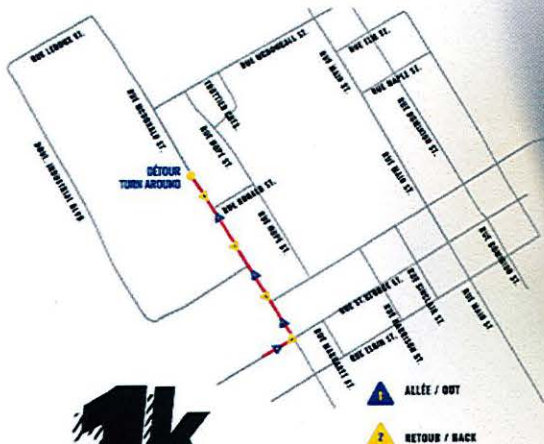
None.

Attachments & Relevant Legislation:

Course map.

Others Consulted:

Sarah Huskinson
Chief Administrative Officer/ Clerk

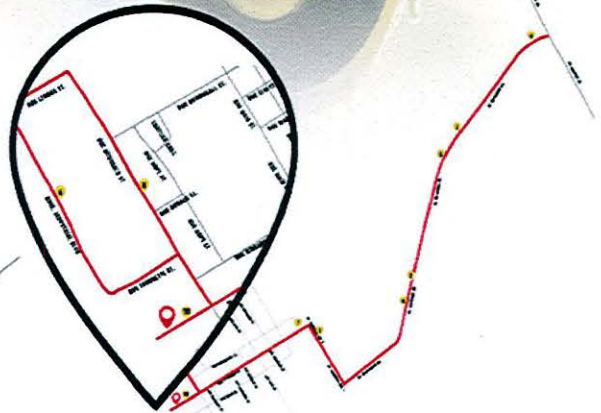


1^k

▲ ALLÉE / OUT
▼ RETOUR / BACK



5^k
OUT AND BACK
ALLER-RETOUR



10^k
OUT AND BACK
ALLER-RETOUR

RUNINSPIRED
09/29/18
"COURSE"INSPIRE

**CORPORATION OF
THE
TOWNSHIP OF NORTH GLENGARRY**

RESOLUTION # _____

DATE: September 10, 2018

MOVED BY: _____

SECONDED BY: _____

THAT Council for the Township of North Glengarry receives Staff Report No. AD-2018-05;

AND THAT Council adopt by-law 51-2018, being a by-law to appoint members to the Stormont Dundas and Glengarry Compliance Audit Committee and the attached Terms of Reference for that Committee;

AND THAT by-law 51-2018 be read a first, second and third time and enacted in Open Council this 10th day of September, 2018.

Carried

Defeated

Deferred

MAYOR / DEPUTY MAYOR

YEA

NEA

Deputy Mayor: Jamie MacDonald

Councillor: Jacques Massie

Councillor: Brian Caddell

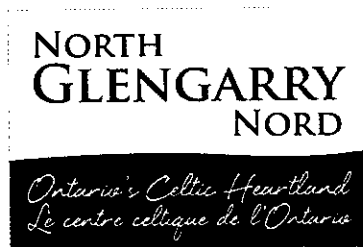
Councillor: Jeff Manley

Councillor: Michel Depratto

Councillor: Carma Williams

Mayor: Chris McDonell

Section 6 Item c



6(c)

STAFF REPORT TO COUNCIL

Report No: AD-2018-07

September 10, 2018

From: Sarah Huskinson – Chief Administrative Officer/ Clerk

RE: Compliance Audit Committee

Recommended Motion:

THAT Council for the Township of North Glengarry receives Staff Report No. AD-2018-05;

AND THAT Council adopt by-law 51-2018, being a by-law to appoint members to the Stormont Dundas and Glengarry Compliance Audit Committee and the attached Terms of Reference for that Committee;

AND THAT by-law 51-2018 be read a first, second and third time and enacted in Open Council this 10th day of September, 2018.

Background / Analysis:

Under the Municipal Elections Act (MEA), the Township is required to establish a Compliance Audit Committee. The purpose of the Compliance Audit Committee is to address applications received by eligible electors who believe, on reasonable grounds, that a candidate or registered third party has contravened a provision of the MEA relating to campaign finance and to consider reports from the Clerk citing apparent instances of over contribution to campaigns.

The SDG Clerks have been working together on election matters and are proposing a Joint Compliance Audit Committee. A Joint Compliance Audit Committee would allow for pooling of resources and broaden the area from which qualified committee members would be sought. Nothing in the Elections Act precludes municipalities from sharing a compliance audit committee. Other Townships within SDG have already passed the Joint Compliance Audit Committee by-law.

The by-law contains members of the audit committee, whom are from across the various Townships. The term of the committee will be from December 1, 2018 until November 14, 2022, at which time a new by-law would need to be passed. The mandate of the Committee is to hear and determine all applications filed. Members of the committee will receive an honorarium of \$75 for attending meetings or training plus mileage.

Alternatives:

Option 1: THAT Council adopts the Compliance Audit Committee by-law.

Option 2: Not recommended – THAT Council does not adopt the Compliance Audit Committee by-law.

Financial Implications:

In the event of an application, the affected municipality would be responsible for the associated costs.

Attachments & Relevant Legislation:

Compliance Audit Committee by-law and attached Terms of Reference

Others Consulted:

Sarah Huskinson
Chief Administrative Officer/ Clerk

THE CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

BY-LAW No. 51-2018

BEING A BY-LAW TO APPOINT MEMBERS TO THE STORMONT DUNDAS AND GLENGARRY COMPLIANCE AUDIT COMMITTEE AND TO ADOPT TERMS OF REFERENCE FOR THE COMMITTEE

WHEREAS the *Municipal Act, 2001*, c. 25, s. 5 (1) provides that the powers of a municipal corporation are to be exercised by its council;

AND WHEREAS the *Municipal Act, 2001*, c. 25, s. 5 (3) provides that the powers of every council are to be exercised by by-law;

AND WHEREAS the *Municipal Elections Act, 1996*, S. O. 1996, c.32 requires municipalities to establish a Compliance Audit Committee;

AND WHEREAS the municipalities of Stormont, Dundas and Glengarry deem it expedient to establish a Joint Compliance Audit Committee and adopt terms of reference for the Committee;

NOW THEREFORE THE CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY ENACTS AS FOLLOWS:

1. THAT the following persons are hereby appointed members of the Stormont Dundas and Glengarry Compliance Audit Committee for the term of December 1, 2018 to November 14, 2022:
 - Gilles Paradis, North Glengarry
 - Denise Labelle-Gelinas, South Stormont
 - Karen Thompson, South Dundas
 - Roger Cole, North Dundas (alternate)
 - Marc Brazeau, North Stormont (alternative)
2. THAT the Stormont Dundas and Glengarry Compliance Audit Committee Terms of Reference, attached hereto as Schedule "A", be adopted effective on this date of passing.
3. THAT any by-law inconsistent with this by-law is hereby repealed.

READ a first, second, third time and enacted in Open Council, this 10th day of September, 2018

CAO/Clerk / Deputy Clerk

Mayor / Deputy Mayor

I, hereby certify that the foregoing is a true copy of By-Law No. 51, 2018, duly adopted by the Council of the Corporation of the Township of North Glengarry, on the 10th day of September, 2018.

Date Certified

CAO/Clerk /Deputy Clerk

**Stormont, Dundas and Glengarry
Joint Compliance Audit Committee
Terms of Reference
(2018-2022)**

1. Authority

- 1.1. Sections 88.33 and 88.35 of the Municipal Elections Act, 1996 (Act) provides that an elector who is entitled to vote in an election and believes on reasonable grounds that a candidate or a registered third party has contravened a provision of the Act relating to election campaign finances may apply for a compliance audit of the candidate's or registered third party's campaign finances, even if the candidate has not filed a financial statement.
- 1.2. Sections 88.34 and 88.36 of the Act requires the Clerk to review the contributions reported on the financial statements submitted by a candidate or registered third party and report any contraventions of any of the contribution limits to the compliance audit committee.
- 1.3. Section 88.37 of the Act requires the council or local board, to establish a compliance audit committee before October 1st in an election year for the purposes of Sections 88.33 to 88.36 of the Act relative to a possible contravention of the election campaign finance rules.

2. Establishment of Committee

- 2.1. The Joint Compliance Audit Committee is established by the participants as set out below, and shall be named the "Stormont, Dundas and Glengarry Compliance Audit Committee" ("Committee") consisting of the following municipalities:
 - Township of North Stormont,
 - Township of South Stormont,
 - Township of North Dundas,
 - Municipality of South Dundas,
 - Township of North Glengarry; and
 - Township of South Glengarry.
- 2.2. The participants as set out in Section 2.1 above shall form the "Joint Participants."
- 2.3. The Committee is a statutory committee.

3. Term

- 3.1. The term of the Committee shall be concurrent with the term of Council. The term of appointment of the Committee members shall be December 1, 2018 to November 14, 2022 or until such time as the applicable Committee has disposed of any remaining matters in accordance with the Act.

4. Mandate

- 4.1. The mandate of the Committee is to hear and determine all applications filed in accordance with Sections 88.33 to 88.36 of the Act pursuant to the procedures established by the Clerks under the Act.
- 4.2. The powers and functions of the Committee are set out in Sections 88.33 to 88.36 of the Act. The Committee will perform the functions relating to the compliance audit application process as outlined in the Act. The powers and functions are generally described as:
 - (a) within 30 days of receipt of a compliance audit application from an elector, review and decide whether it should be granted or rejected;
 - (b) if the application is granted, appoint an auditor licensed under the Public Accounting Act, 2004 to conduct a compliance audit of the election campaign finances;
 - (c) receive the auditor's report;
 - (d) within 30 days of receipt of the auditor's report, consider the report and if the report concludes the candidate or registered third party appears to have contravened a provision of the Act relating to election campaign finances, decide whether legal proceedings against the candidate or registered third party for the apparent contravention shall be commenced; and
 - (e) within 30 days after receipt of a report from any participating municipality's Clerk of any apparent over-contributions to candidates or registered third parties, the Committee shall consider the Clerk's report and decide whether legal proceedings against the contributor should be commenced.

5. Composition

- 5.1. The Committee shall be composed of three (3) voting members with two (2) alternate members that would assume all the rights and privileges of a voting member if called upon. Alternate members shall be ranked and will be called upon to replace a voting member that has resigned from the Committee or declared a conflict of interest under the Municipal Conflict of Interest Act.
- 5.2. The Committee shall not include,
 - (a) employees or officers of the Joint Participants;
 - (b) members of the Council or Board of the Joint Participants;
 - (c) any persons who are candidates in the election for which the Committee is established;
 - (d) any person who is or intends to volunteer or seek employment to assist any candidate or registered third party in the election for which the Committee is established,
 - (e) any person who prepares the financial statements of any candidate or registered third party in the election for which the Committee is established, or
 - (f) any person who is a registered third party in any local area municipality.

6. Member Selection and Appointment

- 6.1. In the event a vacancy occurs during the term, the vacancy will be posted at a minimum on the municipal websites of the Joint Participants. Other recruitment measures may be initiated by the Clerks.
- 6.2. All persons interested in serving on the Committee will submit a summary of their qualifications and experience.
- 6.3. A Nomination Committee consisting of a majority of the Clerks or designates, shall review the applications and submit a joint short list of candidates to the Councils/Boards, or Clerk as the delegated authority, for appointment approval.
- 6.4. In the event a vacancy occurs during the term or a conflict of interest is declared by a member, the municipality may rely on an alternate member(s) to compose a Committee of three (3) members.
- 6.5. Members will be required to participate in an orientation session as a condition of appointment.

7. Selection Criteria

- 7.1. Without limiting the foregoing, the following skills and experience will be used to determine suitability for appointment to the Committee:
 - (a) demonstrated knowledge and understanding of municipal election campaign financing rules;
 - (b) proven analytical and decision-making skills;
 - (c) experience working on committees, task forces or similar settings;
 - (d) demonstrated knowledge of quasi-judicial proceedings;
 - (e) availability and willingness to attend meetings; and
 - (f) excellent oral and written communication skills.

8. Chair of Committee

- 8.1. The Committee members shall select a Chair from amongst its three (3) sitting members at its first meeting.
- 8.2. The Chair is the spokesperson for the Committee and speaks on behalf of the Committee to the media, as necessary.
- 8.3. The Chair is the liaison between the members and the Secretary of the Committee on matters of policy and process.
- 8.4. The Chair shall enforce the observance of order and decorum among the Committee members and the public at all meetings.
- 8.5. The Chair shall preside over the meetings of the Committee and assist the Committee in reaching consensus on fundamental policy issues of concern to the Committee.

- 8.6. When the Chair is absent, the Committee may appoint another member as Acting Chair. While presiding, the Acting Chair shall have all the powers of the Chair.

9. Secretary to Committee

- 9.1. The Clerk of the responding municipality may act as Secretary to the Committee or if deemed appropriate, a Clerk of one of the member municipalities may act as Secretary.
- 9.2. The Secretary may establish administrative practices and procedures for the Committee and shall carry out any other duties required under this Act to implement the Committee's decision.
- 9.3. When a member municipality receives a compliance audit request or a report of the Clerk, the Clerk of the member municipality shall, within 10 days, contact the committee members and arrange for the members to sit as the Compliance Audit Committee for the purpose of considering the compliance audit request or report of the Clerk. The Members sitting as a Compliance Audit Committee shall be required to participate in all meetings and any other proceedings pertaining to the request(s) or report of the Clerk.

10. Remuneration

- 10.1. Members of the Committee shall receive a retention honorarium of \$75 including mileage, for attendance at a training session the costs of which shall be shared equally amongst the Joint Participants.
- 10.2. Members shall receive an honorarium of \$75 per meeting, plus mileage, at the rate of the responding municipality.

11. Costs and Funding

- 11.1. The responding municipality shall fund and pay all costs associated with the Committee, including the retention of an auditor and any costs incurred as a result of a decision of the Committee being challenged to the Ontario Superior Court of Justice.
- 11.2. The Joint Participants shall equally share in the costs associated with advertising and training.

12. Auditor

- 12.1. The Clerks of the member municipalities shall issue a joint Request for Proposal (RFP) for auditor services and the Committee shall appoint an auditor.

13. Meetings

- 13.1. The Committee shall conduct its meetings in public but may deliberate in private.

13.2. The responding municipality's website shall be used to communicate meeting notices, agendas, minutes and decisions.

13.3. The Committee shall conduct its meetings in accordance with the responding municipality's Council Rules of Procedure By-law and the Statutory Powers Procedures Act, with modifications as deemed necessary.

14. Conflicts

14.1. Committee members shall comply with the Municipal Conflict of Interest Act and shall disclose a pecuniary interest to the Secretary in advance of any meeting, where possible or absent him/herself from meetings for the duration of the consideration of the application, discussion and voting with respect to the matter. Failure to adhere to this requirement will result in the individual being removed from the Committee.

14.2. In the event a member discloses a pecuniary interest to the application in advance of the meeting, the Clerk of the responding municipality shall select another member to replace him/her on the Committee.

14.3. To avoid possible conflict of interest, an auditor or accountant appointed to the Committee must agree, in writing, not to undertake the audits or preparation of the financial statements of any candidate or registered third party seeking election to the Councils/Boards. Failure to adhere to this requirement shall result in the individual being removed from the Committee.

14.4. All Committee members shall agree, in writing, they will not work or volunteer for, or contribute to, any candidate or registered third party in any capacity in an election to the Councils/Boards. If upon being made aware that a member has participated or contributed to a campaign or registered third party, the Clerks or designates, by majority vote, shall remove the member from the roster or recommend to the Councils/Boards, or the delegated authority, to rescind the appointment to the Committee.

15. Practices and Procedures

15.1. The Clerk shall establish administrative practices and procedures for the Committee and shall carry out any other duties required under the Act to implement the Committee's decisions.

Section 7

COMMUNITY SERVICES

DEPARTMENT

Anne Leduc

Section 8

TREASURY DEPARTMENT

KIMBERLEY CHAMPIGNY

Section 9

**PLANNING/BUILDING
BY-LAW
DEPARTMENT**

Jacob Rhéaume

Section 10

FIRE DEPARTMENT

Patrick Gauthier

Section 11

PUBLIC WORKS

DEPARTMENT

Ryan Morton

Section 12

CORRESPONDENCE

THE CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

PLANNING COMMITTEE MEETING

Monday May 28th, 2018
Council Chambers
Centre Sandfield Centre
102 Derby Street West, Alexandria, ON

A Public Meeting of Planning was held in the Council Chamber on Monday May 28th, 2018 at 6:00p.m.

- PRESENT:** Mayor – Chris McDonell
 Deputy Mayor – Jamie MacDonald
 Councillor (Lochiel Ward) – Brian Caddell
 Councillor (Maxville Ward) – Carma Williams
 Councillor (At Large) – Jacques Massie
 Councillor (Kenyon Ward) – Jeff Manley
 Councillor (Alexandria Ward) – Michel Depratto
 Interim CAO/Clerk – Steven Potter
 Planning Department – Gerry Murphy

1. PUBLIC MEETING CALLED TO ORDER

The chair of the Committee called the Meeting to order at 6:00 p.m.

2. ACCEPT THE AGENDA

Resolution No. 1

Moved by: Carma Williams **Seconded by:** Michel Depratto

That the Council of the Township of North Glengarry accepts the Planning Committee meeting agenda of Monday, May 28th, 2018.

Carried

3. ACCEPT THE MINUTES

Resolution No. 2

Moved by: Jeff Manley **Seconded by:** Brian Caddell

That the Council of the Township of North Glengarry accepts the minutes of the Planning Committee Meeting of Monday, March 19th, 2018.

Carried

The Meeting was then turned over to the Planning Department – Gerry Murphy

4A. ZONING AMENDMENTS

- a) No. Z-03-2018
 Owner: Marcel & Lucille Meloche
 Location: 22275 Binette Rd. Dalkeith

Resolution No. 3

Moved by: Brian Caddell **Seconded by:** Jeff Manley

That the Planning Committee recommend approval of zoning amendment **Z-03-2018** and that the application be forwarded to the Council of the Township of North Glengarry for further consideration and approval.

Carried

4B. SEVERANCES

- b) No. B-33/18**
 - Owner: Ron Theoret**
 - Location: 43 Bishop St. N Alexandria**

Resolution No. 4

Moved by: Michel Depratto

Seconded by: Carma Williams

That the Planning Committee recommend approval of severance application **B-33/18** as per the conditions recommended by the planning department.

Carried

5. OLD BUSINESS

6. NEW BUSINESS

7. NOTICE OF MOTION

8. ADJOURNMENT

Resolution No. 5

Moved by: Jacques Massie

Seconded by: Jeff Manley

There being no further business to discuss, the meeting was adjourned at 7:20 p.m.

Carried

CAO/Clerk/Deputy Clerk

Mayor/Deputy Mayor

Section 13

NEW BUSINESS

Section 14

NOTICE OF MOTION

Section 15

QUESTION PERIOD

Section 16

CLOSED SESSION

BUSINESS

Section 17

CONFIRMING BY-LAW

**CORPORATION OF
THE
TOWNSHIP OF NORTH GLENGARRY**

RESOLUTION # _____

DATE: September 10, 2018

MOVED BY: _____

SECONDED BY: _____

That the Council of the Township of North Glengarry receive By-law 52-2018; and

That Council adopt by-law 52-2018 being a by-law to adopt, confirm and ratify matters dealt with by Resolution and that By-law 52-2018 be read a first, second, third time and enacted in Open Council this 10th day of September, 2018.

Carried

Defeated

Deferred

MAYOR / DEPUTY MAYOR

Deputy Mayor: Jamie MacDonald

Councillor: Jacques Massie

Councillor: Brian Caddell

Councillor: Jeff Manley

Councillor: Michel Depratto

Councillor: Carma Williams

Mayor: Chris McDonell

YEA

NEA

Section 17 Item a

THE CORPORATION OF THE TOWNSHIP OF NORTH GLENGARRY

**BY-LAW 52-2018
FOR THE YEAR 2018**

BEING A BY-LAW TO ADOPT, CONFIRM AND RATIFY MATTERS DEALT WITH BY RESOLUTION.

WHEREAS s. 5(3) of the *Municipal Act, 2001*, provides that the powers of municipal corporation are to be exercised by its Council by by-law; and

WHEREAS it is deemed expedient that the proceedings, decisions and votes of the Council of the Corporation of the Township of North Glengarry at this meeting be confirmed and adopted by by-law;

THEREFORE the Council of the Corporation of the Township of North Glengarry enacts as follows:

1. **THAT** the action of the Council at its regular meeting of September 10, 2018 in respect to each motion passed and taken by the Council at its meetings, is hereby adopted, ratified and confirmed, as if each resolution or other action was adopted, ratified and confirmed by its separate by-law; and;
2. **THAT** the Mayor and the proper officers of the Township of North Glengarry are hereby authorized and directed to do all things necessary to give effect to the said action, or to obtain approvals where required, and except where otherwise provided, The Mayor and the Clerk are hereby directed to execute all documents necessary in that behalf and to affix the corporate seal of the Township to all such documents.
3. **THAT** if due to the inclusion of a particular resolution or resolutions this By-law would be deemed invalid by a court of competent jurisdiction then Section 1 to this By-law shall be deemed to apply to all motions passed except those that would make this By-law invalid.
4. **THAT** where a "Confirming By-law" conflicts with other by-laws the other by-laws shall take precedence. Where a "Confirming By-Law" conflicts with another "Confirming By-law" the most recent by-law shall take precedence.

READ a first, second and third time, passed, signed and sealed in Open Council this 10th day of September, 2018.

CAO/Clerk / Deputy Clerk

Mayor / Deputy Mayor

I, hereby certify that the forgoing is a true copy of By-Law No. 52-2018, duly adopted by the Council of the Township of North Glengarry on the 10th day of September, 2018.

Date Certified

CAO/Clerk / Deputy Clerk

Section 18

ADJOURN

**CORPORATION OF
THE
TOWNSHIP OF NORTH GLENGARRY**

RESOLUTION # _____

DATE: September 10, 2018

MOVED BY: _____

SECONDED BY: _____

There being no further business to discuss, the meeting was adjourned at _____.

Carried

Defeated

Deferred

MAYOR / DEPUTY MAYOR

YEA

NEA

Deputy Mayor: Jamie MacDonald

Councillor: Jacques Massie

Councillor: Brian Caddell

Councillor: Jeff Manley

Councillor: Michel Depratto

Councillor: Carma Williams

Mayor: Chris McDonell

Section 18