

THE CORPORATION OF THE TOWNSHIP OF SABLES-SPANISH RIVERS

REGULAR MEETING

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APRIL 27 2022

PRESENT: MAYOR: Leslie GAMBLE
COUNCILLORS: Kevin BURKE, Patricia HNATUIK, Cheryl PHILLIPS, Dale RIVERS
ACTING-CLERK: Anne WHALEN

ABSENT: COUNCILLOR: Edith FAIRBURN

Motion No: 2022-143
Moved By: C. PHILLIPS
Seconded By: D. RIVERS
WHEREAS there is a quorum of Council present and the time is 6:00 p.m.;
BE IT RESOLVED THAT this regular meeting be open for business via Zoom;
AND THAT the minutes of the regular meeting of April 13, 2022 be approved;
AND FURTHER THAT in accordance with Section 228(4) of the Municipal Act, 2001, as amended, Anne Whalen is hereby appointed as Acting-Clerk for the purpose of this meeting.
CARRIED

Arena Roof Replacement
Motion No. 2022-144
Moved By: P. HNATUIK
Seconded By: D. RIVERS
WHEREAS we have been advised by Canadian Shield Adjusters that the existing roof of the Massey & District Community Centre and Arena requires replacement;
AND WHEREAS a final cost will be determined once an appraiser has determined the actual cash value of what has been damaged, less our deductible;
BE IT RESOLVED THAT we advise Canadian Shield Adjusters and Kennedy Insurance that we wish to move forward with an upgraded roof on the Massey & District Community Centre and Arena.

D. Rivers For
K. Burke Opposed
E. Fairburn Absent
P. Hnatuik For
C. Phillips Opposed
L. Gamble For

CARRIED

Treasurer's Compliance Report
Motion No. 2022-145
Moved By: P. HNATUIK
Seconded By: C. PHILLIPS
BE IT RESOLVED THAT Council adopt the compliance report for expenses excluded from the 2022 budget outlined in the Treasurer's report dated April 21, 2022, as a requirement of Ontario Regulation 284/09 passed under the Municipal Act, 2001.
CARRIED

Senior of the Year Award
Motion No. 2022-146
Moved By: D. RIVERS
Seconded By: K. BURKE
BE IT RESOLVED THAT Roger Rainville be the 2022 recipient of the Senior of the Year Award;
AND THAT we wish to thank Roger for his dedication that has contributed to enriching the social. Cultural and civic life of our community.
CARRIED

Bolton St. Bridge - re-tender portion of work
Motion No. 2022-147
Moved By: K. BURKE
Seconded By: D. RIVERS
BE IT RESOLVED THAT we defer the expansion joint maintenance and bearing maintenance portion of the Bolton St. Bridge to the 2023 budget;
AND THAT we re-tender the balance of the scope of work.
CARRIED

Friends of The Mouth Park – Art In the Park June 18/22
Motion No. 2022-148
Moved By: K. BURKE
Seconded By: P. HNATUIK
BE IT RESOLVED THAT we advise the Friends of the Mouth Park that we have no objection to the second “Art in the Park” on Saturday, June 18, 2022 being held at the Mouth Park;
AND THAT we wish them luck in another successful event.
CARRIED

Bylaw 2022-22, 1st/2nd Readings
Motion No. 2022-149
Moved By: K. BURKE
Seconded By: C. PHILLIPS
BE IT RESOLVED THAT Bylaw 2022-22 being a bylaw to set the tax rates for the year 2022 be read a first and second time.
CARRIED

THE CORPORATION OF THE TOWNSHIP OF SABLES-SPANISH RIVERS

REGULAR MEETING

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APRIL 27 2022

Bylaws 2022-22 – 3 rd / Final Reading	Motion No.	2022-150
	Moved By:	C. PHILLIPS
	Seconded By:	D. RIVERS
	BE IT RESOLVED THAT Bylaw 2022-22 being a bylaw to set the tax rates for the year 2022 be read a third and final time and passed in open council.	
	CARRIED	

Bylaw 2022-23, 1 st /2 nd Readings	Motion No.	2022-151
	Moved By:	P. HNATUIK
	Seconded By:	K. BURKE
	BE IT RESOLVED THAT Bylaw 2022-23 being a bylaw to establish a policy on the use of corporate resources for election purposes be read a first and second time.	
	CARRIED	

Bylaws 2022-23 – 3 rd / Final Reading	Motion No.	2022-152
	Moved By:	C. PHILLIPS
	Seconded By:	P. HNATUIK
	BE IT RESOLVED THAT Bylaw 2022-23 being a bylaw to establish a policy on the use of corporate resources for election purposes be read a third and final time and passed in open council.	
	CARRIED	

Closed Session	Motion No.	2022-153
	Moved By:	P. HNATUIK
	Seconded By:	K. BURKE
	BE IT RESOLVED THAT we move into closed session at 7:13 p.m. to consider personal matters about identifiable individuals including municipal and local board employees, regarding municipal employees.	
	CARRIED	

Open Session	Motion No.	2022-154
	Moved By:	P. HNATUIK
	Seconded By:	K. BURKE
	BE IT RESOLVED THAT this closed session be adjourned at 7:24 p.m. and the regular meeting resumed.	
	CARRIED	

	Motion No.	2022-155
	Moved By:	D. RIVERS
	Seconded By:	P. HNATUIK
	BE IT RESOLVED THAT the time is 7:30 p.m. and this meeting be adjourned until the next regular meeting or call of the Chair.	
	CARRIED	

DEPUTY MAYOR D. RIVERS
for MAYOR – L. GAMBLE

ACTING-CLERK – A. WHALEN

Subject: Funding of Amortization and Other Estimated Expenses for 2022

Background:

Significant changes as prescribed by the Public Sector Accounting Board (PSAB) led to changes in the overall financial statement format for the 2009 year-end. The valuation and inclusion of tangible capital assets (TCAs) for 2009 introduced an additional expense for amortization that previously has not been included in the Township of Sables-Spanish Rivers year-end financial statements. Amortization expense, along with post-employment benefit expenses and costs for solid-waste landfill closure and post-closure expenses have not historically been included in the annual budget.

This report outlines the budget measures as stated in Ontario Reg. 284/09 and provides reconciliation information for the 2022 budget year. Ontario Reg. 284/09 requires that the Treasurer prepare a report before the budget is passed outlining the impact of not including amortization, post-employment benefits expense and solid-waste landfill closure and post-closure expenses in the budget. Council is required to adopt this report by resolution.

Comments

Ontario Regulation 284/09 made under the Municipal Act 2001 deals with budget matters on certain or specific expenses. This regulation states that in preparing the budget for a year a municipality may exclude from the estimated expenses all or a portion of the following:

1. Amortization expenses
2. Post-employment benefit expenses
3. Solid waste landfill closure and post closure expense.

This regulation states that for 2011 and subsequent years, the municipality or local board shall, before adopting a budget for the year that excludes any of the expenses listed in Section 1,

- a. Prepare a report about the excluded expenses; and
- b. Adopt a report by resolution.

The report shall contain at least the following:

1. An estimate of the change in the accumulated surplus of the municipality or local board to the end of the year resulting from the exclusion of any of the expenses listed above.
2. An analysis of the estimated impact of the exclusion of any of the expenses on the future tangible capital assets funding requirements of the municipality or local board.

2022 Budget Year

The budget for 2022 excludes amortization, post-employment benefits expenses, and solid-waste landfill closure and post-closure expenses. The anticipated financial impact of excluding these three expenses on the anticipated 2021 year-end accumulated surplus is as follows:

- Amortization expense for 2021 is anticipated to be \$890,748. This estimate does not include the estimated impact of amortization on asset additions for 2021 and 2022.
- Post-employment benefits expense for 2022 is anticipated to be \$0.00 based on past trends.
- Solid-waste landfill closure and post-closure expenses for 2022 will be \$20,787.

These amounts are estimates at this time and will be verified as part of the 2022 year-end audit. In total, the above three expenses will reduce the Township's accumulated surplus at the end of 2022 by \$911,535.

Ontario Reg. 284/09 and the Township's Budget Process

Ontario Reg. 284/09 deals with three expenses as listed in this report that previously have not been included in the Township's budget process. The Municipal Act still requires that municipalities pass balanced budgets even though the three expenses, with emphasis on amortization, introduce significant costs. If the Township of Sables-Spanish Rivers included the three expenses in the 2022 budget, an additional \$911,535 of revenue would be required to meet the balanced budget requirement. In lieu of other revenue sources, this amount would need to be included in the general tax levy, which, for 2022, would further increase the tax levy by 20%.

Staff does not recommend any changes with how these expenses are dealt with during the annual budget preparation and deliberation.

Future Tangible Capital Asset Funding Requirements

Tangible capital assets are included in the Township's financial statements at their historic or original cost. The Township tracks the current replacement cost of the assets which use a current year value. Historically valued assets would cost significantly more in 2022 to replace than their original construction value.

Amortization is calculated based on the historical cost information. Amortization is not calculated using current replacement cost. Therefore, using amortization as a funding level does not account for increased costs of replacing assets in today's dollars. Amortization in 2022, for the Township's existing assets, is anticipated to be \$890,748. The Township, in 2022, is not anticipating any capital transfers to reserves and reserve fund from operating budgets to be used on asset renewal and rehabilitation. This funding level is below the amortization amount and is significantly below the current replacement cost

of the Township's assets. As well, this current funding level in the 2022 budget does not address the infrastructure deficit that has been previously communicated to Council through our Asset Management Plan. Township staff has been attempting to phase in capital asset funding during the budget process by replacing those assets most in need of replacement or renewal. Capital asset funding must balance with the ability of the community to pay for asset rehabilitation. Increasing costs in other areas of the operating, water and sewer budgets means that the total rehabilitation costs cannot be introduced into the budget in one year. Such a significant change in one year would be unsustainable for the Township's tax, water and sewer customers.

The best method to pay for capital asset renewal and rehabilitation, from a funding standpoint, is based on replacement value. The Township's assets have a current replacement value of approximately \$67,560,246. The amount of the current infrastructure deficit would also be included for immediate funding. However, from an ability-to-pay standpoint for the Township's tax, water and sewer customers, this funding model is not appropriate or possible. The increases to the tax, water and sewer rates would be unaffordable to the ratepayers.

Staff is not recommending any changes from the approach currently being used in the Township's annual budgets.

Prepared by:



Ruth Clare
Treasurer

Reviewed by:



Anne Whalen
Acting-Clerk

THE CORPORATION OF THE TOWNSHIP
OF SABLES-SPANISH RIVERS

BY-LAW NO. 2022-22

BEING A BY-LAW TO ADOPT THE ESTIMATES
OF ALL SUMS REQUIRED DURING THE YEAR AND
TO STRIKE THE RATES OF TAXATION FOR THE YEAR 2022

WHEREAS Section 312 (2) of the Municipal Act, 2001, S.O. 2001, c. 25 provides that the Council of a local municipality shall after the adoption of the estimates of the year, pass a bylaw to levy a separate tax rate on assessment in each property class, and;

WHEREAS Section 312 (6) of the said Act requires tax rates to be established in the same proportion to tax ratios and;

WHEREAS Section 290 of the said Act provides that a local municipality shall, in the year or the immediately preceding year, prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality;

General Purposes	\$4,535,844
Residential Education Purposes	\$ 472,936
Farmlands/Managed Forest Education Purposes	\$ 10,832
Commercial/Landfill Education Purposes	\$ 117,094
Industrial Education Purposes	\$ 2,642

AND WHEREAS the assessment roll was made in 2021 and upon which the 2022 taxes are to be based was revised by the Municipal Property Assessment Corporation as of November 3, 2021;

THEREFORE the Council of the Corporation of the Township of Sables-Spanish Rivers
ENACTS AS FOLLOWS:

1. There shall be levied and collected upon the assessable lands and buildings, within the Corporation of the Township of Sables-Spanish Rivers, the following rates for the year 2022:

	Municipal Rate	Education Rate
Residential	1.35690891%	0.15300000%
Multi-Residential	2.39969341%	0.15300000%
Commercial	1.49259980%	0.88000000%
Commercial Excess/Vacant	1.04481986%	0.88000000%
Commercial Vacant	1.04481986%	0.88000000%
Landfill	1.35690891%	0.88000000%
Industrial	2.28869826%	0.88000000%
Industrial Vacant/Excess	1.48765387%	0.88000000%
Managed Forest	0.33922722%	0.03825000%
Farmlands	0.33922722%	0.03825000%

2. The realty and property taxes for all properties shall become due and payable on the 30th day of September, 2022.
3. There shall be imposed a penalty for the non-payment of taxes on due dates of any installment thereof, the amount of 1.25 percent shall be added on the first day of each calendar month thereafter on the balance remaining unpaid up to and including December 31, 2022.
4. On all taxes in default on January 1, 2023, interest shall be added at the rate of 1.25% per month for each month or fraction thereof in which the default continues.
5. The collector is hereby authorized to mail or cause to be mailed the notice of taxes due to the address of the residence or place of business of the person to whom such notice is required to be given.
6. All monies raised or collected under the authority of this bylaw shall be paid into the hands of the Treasurer/Tax Collector of the Corporation of the Township of Sables-Spanish Rivers, to be applied and paid to such persons and in such manner as the laws of Ontario and bylaws

or resolutions of the Council direct.

7. The Treasurer/Tax Collector is hereby empowered to collect part payments from time to time on account of any taxes due.
8. The Treasurer/Tax Collector may from time to time designate other staff members to receipt taxes.
9. This by-law shall come into effect upon the date of the final reading thereof.

READ A FIRST AND SECOND TIME THIS 27th DAY OF APRIL, 2022.

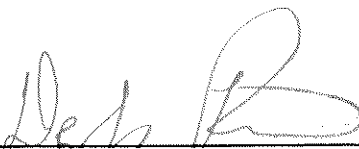


DEPUTY MAYOR D. RIVERS
FOR MAYOR L. GAMBLE




ACTING-CLERK – A. WHALEN

**READ A THIRD AND FINAL TIME AND PASSED IN OPEN COUNCIL THIS
27th DAY OF APRIL, 2022.**



DEPUTY MAYOR D. RIVERS
FOR MAYOR L. GAMBLE



ACTING-CLERK – A. WHALEN

THE CORPORATION OF THE TOWNSHIP OF SABLES-SPANISH RIVERS

BY-LAW NUMBER 2022-23

Being a Bylaw to Establish a Policy on
Use of Corporate Resources for Election Purposes

WHEREAS Section 88.18 of the Municipal Elections Act, 1996 (MEA) requires municipalities and local boards, before May 1 of an election year, to establish rules and procedures with respect to the use of municipal or board resources during the election Campaign Period;

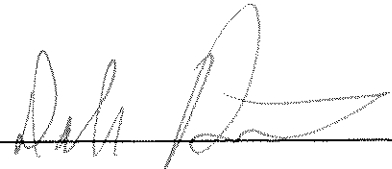
AND WHEREAS Sub-section 88.15(1) of the Act states that money, goods and services given to and accepted by a person for his or her election campaign, or given to and accepted by another person who is acting under the person's direction are contributions;

AND WHEREAS Section 88.8(4)5 of the Act states that a municipality or local board shall not make a contribution to the election campaign of a candidate;

NOW THEREFORE the Council of the Corporation of the Township of Sables-Spanish Rivers hereby enacts as follows that:

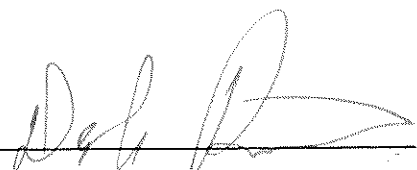
1. THAT the Use of Corporate Resources Policy is hereby adopted and attached hereto as Schedule 'A'.
2. THAT this bylaw shall come into force and take effect upon the third and final reading.


READ A FIRST & SECOND TIME THIS 27TH DAY OF APRIL 2022.


DEPUTY MAYOR D. RIVERS FOR
MAYOR – L. GAMBLE


ACTING-CLERK – A. WHALEN

READ A THIRD AND FINAL TIME THIS 27TH DAY OF APRIL 2022.


DEPUTY MAYOR D. RIVERS FOR
MAYOR – L. GAMBLE


ACTING-CLERK – A. WHALEN