



Township of South Frontenac Council Meeting Agenda



TIME: 6:30 PM,
DATE: Tuesday, August 15, 2023
PLACE: Council Chambers/Virtual Via Zoom .

1. Call to Order
 - a) Resolution
 2. Declaration of pecuniary interest and the general nature thereof
 3. Approval of Agenda
 - a) Resolution
 4. Scheduled Closed Session (6:30 p.m.)
 - a) Resolution - That Council resolve itself into the Committee of the Whole "Closed Meeting" to consider the following item:
 - a) litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board
 - b) Litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board
 - c) Resolution - That Council rise from the Committee of the Whole "Closed Meeting" without reporting.
 5. Recess
 6. Public Meeting
 7. Delegations
 8. Briefings
 - a) Representatives from KPMG LLP will be present to speak to Council regarding the 2022 Audited Financial Statements.
 9. Approval of Minutes
 - a) Resolution 4 - 13
 10. Reports Requiring Action
 - a) **2022 Audited Financial Statements** 14 - 84
- That Council receive the 2022 audited Financial Statements for the Township of South Frontenac, presented as Appendix #1; and*
- That Council authorize the 2022 Audited Financial statements be finalized and published.*
- b) **Noise By-law Exemption Request** 85 - 89

That Randy Ruttan be granted an exemption from Section 4, (Schedule 1, Clause 7.) of By-law Number 2015-41, As Amended, "A By-Law To Prohibit And Regulate Noise

Within The Township Of South Frontenac”, to permit the discharge of consumer fireworks at 1021 / 1024 Hidden Valley Lane, Perth Road (Buck Lake) on September 3, 2023 between 9:30 p.m. and 10:30 p.m.; it being understood that the Noise By-law exemption to discharge consumer fireworks does not permit the discharge of fireworks should the discharge of consumer fireworks be prohibited by other Township of South Frontenac By-laws, Ontario Regulations or Provincial Legislation.

- c) **Noise By-law Exemption Application** 90 - 95

That Ryan Wahab be granted an exemption from Section 3. Clause F. of By-law Number 2015-41, As Amended, “A By-Law To Prohibit And Regulate Noise Within The Township Of South Frontenac”, to permit amplified music during a wedding on August 31, 2023 from 3:00 p.m. to 11:00 p.m. located at 4765 Colebrook Road, Harrowsmith.

- d) **Municipally Significant Event Designation for AGCO SOP** 96 - 98

That Council designate the Open Farm Days Kickoff Event on September 1st, 2023, from 3:00 pm – 7:00 pm at Centennial Park in Harrowsmith as municipally significant in support of the Alcohol & Gaming Commission of Ontario Special Events Permit Application.

11. Advisory Committee Reports or Minutes

12. Reports Requiring Approval of By-laws

- a) **Implementation of Administrative Monetary Penalties – By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools (Pool Fence By-law)** 99 - 115

That Council recommend as follows:

a) That By-law 2023-64 attached as Exhibit A, being “A By-law to Amend By-law 2022-70, A By-Law to Impose Administrative Monetary Penalties on Violations Of Municipal By-Laws”, be given first and second reading.

b) That By-law 2023-64, be given third reading, signed and sealed.

c) That By-law 2023-65 attached as Exhibit B, being “A By-Law to Amend By-Law 2014-33, A By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools”, be given first and second reading.

d) That By-law 2023-65, be given third reading, signed and sealed.

13. Reports for Information

14. Committee of the Whole

15. Information Items

16. Notice of Motions

- a) **Notice of Motion – draft Official Plan – Proposed Provisions related to Extension of Municipal Roads** 116 - 117

17. Rise and Report regarding County Council and External Boards

a) County Council

b) Police Services Board

- c) Cataraqui Region Conservation Authority
- d) Quinte Conservation Authority
- e) Rideau Valley Conservation Authority
- 18. Announcements/Statements by Councillors
- 19. Closed Session (if requested)
 - a) Resolution - That Council resolve itself into the Committee of the Whole "Closed Meeting" to consider the following items:
 - a) A proposed or pending acquisition or disposition of land by the municipality or local board - Road Allowance, Hartington
 - b) Personal matters about an identifiable individual, including municipal or local board employees
 - c) Approval of July 18, 2023 Committee of the Whole "Closed Meeting" Minutes
 - b) A proposed or pending acquisition or disposition of land by the municipality or local board - Road Allowance, Hartington (Report to be distributed August 14, 2023)
 - c) Personal matters about an identifiable individual, including municipal or local board employees
 - d) Approval of July 18, 2023 Committee of the Whole "Closed Meeting" Minutes
 - e) Resolution - That Council rise from the Committee of the Whole "Closed Meeting" without reporting.
- 20. Confirmatory By-law
 - a) Resolution
- 21. Adjournment
 - a) Resolution

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Natural, Vibrant and Growing - A Progressive Rural Leader

Minutes of Council
July, 18, 2023



Township of South Frontenac Council Meeting Minutes



Meeting # 26

Time: 7:00 pm

Location: Council Chambers / Virtual Via Zoom

Present: Charlene Godfrey, Ray Leonard, Doug Morey, Steve Pegrum, Norm Roberts, Randy Ruttan, Ron Sleeth, Scott Trueman, Mayor Ron Vandewal

Staff: Louise Fragnito - Chief Administrative Officer, Michelle Hannah - Deputy Clerk, Shelley Stedall - Director of Corporate Services and Treasurer, Troy Dunlop - Manager of Technical Services & Infrastructure, Tim Laprade - Recreation and Facilities Manager, Christine Woods - Senior Planner (virtually), Brian Robillard - Facilities Technologist

1 Call to Order

a) Resolution

Resolution No. 2023:26:01

Moved by Councillor Morey

Seconded by Councillor Roberts

That the Council meeting of July 18, 2023 be called to order at 7:00 p.m.

Carried

2 Declaration of pecuniary interest and the general nature thereof

a)

There were none.

3 Approval of Agenda

a) Resolution

Resolution No. 2023:26:02

Moved by Councillor Leonard

Seconded by Deputy Mayor Sleeth

That the agenda be amended to include a Letter to the Community as Information Item "15. a)", and as amended, be approved.

Carried

4 Scheduled Closed Session

a)

There was none.

5 Recess

a)

There was none.

6 Public Meeting

a) Resolution - Public Meeting to Order

Resolution No. 2023:26:03

Moved by Councillor Pegrum

Seconded by Councillor Godfrey

That the public meeting regarding PL-RAC-2023-0122 & PL-RAC-2022-0136 be called to order.

Carried

b) Notice of Collection and Public Meeting Introduction

The Deputy Clerk spoke to the Notice of Collection and Public Meeting Introduction.

c) **PL-RAC-2022-0122 (Mancino) – Application to request to stop up, close and transfer a portion of unopened road allowance known as Parts 4 & 5, Plan 13R20005, formerly Westport Road, Bedford**

- Under the Municipal Act a public meeting is required for Council to consider comments from the public on the proposed closure and transfer of portions of road allowances. The report provided Council with information about application PL-RAC-2022-0122 to close and transfer a portion of unopened road allowance known as Parts 4 & 5, Plan 13R20005, formerly Westport Road, Bedford.

Mayor Vandewal provided members of the public with an opportunity to speak.

The agent, Chris Clark spoke to the matter with respect to how the Road Allowance was not historically closed and transferred properly.

Members of Council did not provide any comments.

d) **Public Meeting - PL-RAC-2022-0136 (Carr) – Application to request to stop up, close and transfer a portion of unopened road allowance between Concessions 9 & 10, District of Bedford**

- Under the Municipal Act, a public meeting is required for Council to consider comments from the public on the proposed closure and transfer of portions of road allowances. The report provided Council with information about application PL-RAC-2022-01236 to close and transfer a portion of unopened road allowance between Concessions 9 & 10, District of Bedford.

Mayor Vandewal provided members of the public with an opportunity to speak.

The applicant, Sharon Carr spoke to merging the properties once the purchase has been completed.

Members of council did not provide comments.

e) Resolution - Close Public Meeting

Resolution No. 2023:26:04

Moved by Councillor Pegrum

Seconded by Councillor Ruttan

That the public meeting be closed.

Carried

7 Delegations

Minutes of Council
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- a) Representatives from Watersheds Canada were present to speak to Council regarding The Value of Naturalized Shorelands.

8 Briefings

9 Approval of Minutes

- a) Resolution

Resolution No. 2023:26:05

Moved by Councillor Leonard

Seconded by Councillor Trueman

That the minutes of the June 20, 2023 Council meeting be approved; and

That the minutes of the July 10, 2023 Council meeting be approved.

Carried

10 Reports Requiring Action

- a) **PL-RAC-2022-0168 (Gervais) – Application to request to stop up, close and transfer a portion of unopened road allowance between the former Townships of Loughborough and Bedford, Lying between Labelle Lake and Big Clear Lake, South Frontenac**

In relation to a question from Councillor Ruttan, Michelle Hannah spoke to the mapping related to the application to provide clarification regarding the portion being applied to be closed and purchased.

Councillor Ruttan expressed concern with respect to closing public access to lakes.

Councillor Morey expressed concern with respect to closing the road allowance.

In response to a question from Councillor Pegrum, Michelle Hannah advised that the Public Notice portion of the process would occur as the next step if Council decided to move forward with the process.

Resolution No. 2023:26:06

Moved by Councillor Roberts

Seconded by Councillor Godfrey

That Council direct staff to commence the process of closing and transferring ownership of an unopened road allowance, between the former Townships of Loughborough and Bedford; it being understood that the unopened road allowance has irregular dimensions of approximately 20.12 metres (66 feet) by approximately 150 metres (492 feet).

Lost

- b) **Noise By-law Exemption Application - 86 Palmer Lane**

Resolution No. 2023:26:07

Moved by Councillor Godfrey

Seconded by Councillor Morey

That Janssen Adriano be granted an exemption from Section 4, (Schedule 1, Clause 7.) of By-law Number 2015-41, As Amended, "A By-Law To Prohibit And Regulate Noise Within The Township Of South Frontenac", to permit the discharge of consumer fireworks at 86 Palmer Lane, Tichborne (Burrige Lake)

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on September 2, 2023 between 9:00 p.m. and 10:00 p.m.; it being understood that the Noise By-law exemption to discharge consumer fireworks does not permit the discharge of fireworks should the discharge of consumer fireworks be prohibited by other Township of South Frontenac By-laws, Ontario Regulations or Provincial Legislation.

Carried

c) **Noise By-law Exemption Application - 4625 Wolfe Swamp Road**

Resolution No. 2023:26:08

Moved by Councillor Trueman

Seconded by Councillor Ruttan

That Charlene Lyon be granted an exemption from Section 3. Clause F. of By-law Number 2015-41, As Amended, "A By-Law To Prohibit And Regulate Noise Within The Township Of South Frontenac", to permit amplified music from 9:00 a.m. to 11:00 p.m. on August 4, 5, 6 and 7, 2023 at 4625 Wolfe Swamp Road, Harrowsmith; and

That Charlene Lyon be granted an exemption from Section 3. of By-law Number 2015-41, As Amended, "A By-Law To Prohibit And Regulate Noise Within The Township Of South Frontenac", to permit a motorcycle rally from 8:00 a.m. to 8:00 p.m. on August 4, 5, 6 and 7, 2023 at 4625 Wolfe Swamp Road, Harrowsmith; it being understood that the exemption be granted exclusively for fifteen minutes increments to allow for motorcycles to assemble on site for group rides.

Carried

d) **Noise By-law Exemption Application - 301 Oak Bluffs Road**

Resolution No. 2023:26:09

Moved by Councillor Godfrey

Seconded by Councillor Leonard

That Scott Duckworth be granted an exemption from Section 3. Clause F. of By-law Number 2015-41, As Amended, "A By-Law To Prohibit And Regulate Noise Within The Township Of South Frontenac", to permit amplified music during a wedding on September 30, 2023 from 4:00 p.m. to 11:00 p.m. located at 301 Oak Bluffs Road, Maberly.

Carried

e) **Noise By-law Exemption Application - Sydenham Highschool**

Resolution No. 2023:26:10

Moved by Councillor Trueman

Seconded by Councillor Ruttan

That Sydenham Highschool – 150th Anniversary Reunion (c/o Derek Snider) be granted an exemption from Section 3. Clause F. of By-law Number 2015-41, As Amended, "A By-Law To Prohibit And Regulate Noise Within The Township Of South Frontenac", to permit amplified music during the Sydenham Highschool - 150th Anniversary Reunion on August 25, 2023 from 6:00 p.m. to 10:00 p.m. and August 26, 2023 from 6:00 p.m. to 11:00 p.m., located at 2860 Rutledge Road, Sydenham, (Sydenham Highschool parking lot).

Carried

f) **Tax Sale Proceeds Resolution**

Resolution No. 2023:26:11

Moved by Councillor Morey

Seconded by Councillor Roberts

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Whereas the Treasurer for the Township of South Frontenac estimates that the amount of \$653,000 of tax sale surplus proceeds will be paid into the Courts in 2023;

Now therefore be it resolved that The Council of the Township of South Frontenac support the resolution from the Town of Essex calling for the reinstatement of legislation permitting a municipality to retain surplus proceeds from tax sales,

And further that this resolution be forwarded to the Ministry of Municipal Affairs and Housing, the Ministry of Finance, MPP John Jordan and the Association of Municipal Finance Officers of Ontario and the Association of Municipalities of Ontario.

Carried

g) **Award of Tender # PS-2023-14 – Village of Battersea Sidewalk Construction**

Resolution No. 2023:26:12

Moved by Councillor Roberts

Seconded by Deputy Mayor Sleeth

That Council accept the bid from Dig N Dirt Ltd. In the amount of \$164,223.90 (net of HST credits) and authorize the Public Services Department to enter into an agreement for Contract # PS-2023-04 Village of Battersea Sidewalk Construction;

That Council authorize a project budget increase in the amount of \$25,575.65 be funded from the Asset Investment Reserve.

Carried

h) **Award of RFP PS-P03-2023 Design – Town Hall Expansion**

Resolution No. 2023:26:13

Moved by Councillor Leonard

Seconded by Councillor Pegrum

That Council award RFP PS-P03-2023 Design – Town Hall Expansion to Colbourne and Kembel Architects Inc in the amount of \$203,362.27 (including HST Rebate).

Carried

11 Advisory Committee Reports or Minutes

a)

There were none.

12 Reports Requiring Approval of By-laws

a) **Appointment of Alternate, Community Emergency Management Coordinator**

Resolution No. 2023:26:14

Moved by Councillor Pegrum

Seconded by Councillor Leonard

That By-law 2023-57 being a 'By-law to Appoint Jan Minaker as Alternate, Community Emergency Management Coordinator' be given first and second reading.

Carried

Resolution No. 2023:26:15

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Moved by Councillor Godfrey
Seconded by Councillor Ruttan
That By-law 2023-57 be given third reading, signed and sealed.

Carried

b) **Amendment to Safe Properties By-law**

Resolution No. 2023:26:16

Moved by Councillor Trueman
Seconded by Councillor Pegrum

That By-law 2023-58 attached as Exhibit A, being "A By-Law to Amend By-Law 2007-13, As Amended, 'A By-Law to Provide For The Safety Of Properties In The Township Of South Frontenac'", be given first and second reading.

Carried

Resolution No. 2023:26:17

Moved by Deputy Mayor Sleeth
Seconded by Councillor Roberts

That By-law 2023-58 be given third reading, signed, and sealed.

Carried

Resolution No. 2023:26:18

Moved by Councillor Ruttan
Seconded by Councillor Leonard

That By-law 2023-59 attached as Exhibit B, being "A By-law to Amend By-law 2022-70, As Amended, 'A By-Law to Impose Administrative Monetary Penalties on Violations Of Municipal By-Laws'", be given first and second reading

Carried

Resolution No. 2023:26:19

Moved by Councillor Godfrey
Seconded by Councillor Morey

That By-law 2023-59 be given third reading, signed and sealed.

Carried

c) **EA-2023-002 (Hulse) – Encroachment Agreement Request**

Resolution No. 2023:26:20

Moved by Councillor Roberts
Seconded by Councillor Pegrum

That By-law 2023-60, being a 'By-law to authorize the execution of an Encroachment Agreement between the Township of South Frontenac and Wei Li relating to the existing structure located on the Township owned unopened road allowance, District of Bedford' be given first and second reading.

Carried

Resolution No. 2023:26:21

Moved by Councillor Godfrey
Seconded by Councillor Leonard

That By-law 2023-60 be given third reading, signed and sealed.

Carried

d) **EA-2023-001 (Knight) (Rayner) – Encroachment Agreement Request**

Resolution No. 2023:26:22

Moved by Councillor Pegrum
Seconded by Councillor Morey

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That By-law number 2023-61, being a By-law to allow the Mayor and the Clerk to enter into an Encroachment Agreement with the Applicant for the encroachment of a building at the property municipally known as 3945 Wilton Road, be given first and second reading.

Carried

Resolution No. 2023:26:23

Moved by Councillor Ruttan

Seconded by Councillor Roberts

That By-law number 2023-61 be given third reading, signed and sealed.

Carried

e) **Speed Limit Changes - Various Roads**

Resolution No. 2023:26:24

Moved by Councillor Pegrum

Seconded by Councillor Trueman

That By-law 2023-62, being a "By-law to amend By-law 2000-01, and to amend the speed limits on sections of Lower Round Lake Road, Perth Road, Petworth Road, Carrying Place and Westport Road" be given first and second reading.

Carried

Resolution No. 2023:26:25

Moved by Councillor Pegrum

Seconded by Councillor Godfrey

That By-law 2023-62 be given third reading, signed and sealed

Carried

13 Reports for Information

a) **2022 Draft Financials**

- The report provided a summary of the year-to-date financials to December 31, 2022 with a comparison to the 2022 budget.

14 Committee of the Whole

- a) There was none

15 Information Items

- a) Letter to the Bellrock and Petworth Community Regarding the Mills.

16 Notice of Motions

- a) **Notice of Motion – Accessibility – Township Recreation Facilities and Programing**

Resolution No. 2023:26:26

Moved by Councillor Morey

Seconded by Councillor Leonard

That staff report back to Council regarding opportunities to increase the accessibility of Township of South Frontenac recreational facilities and programs; it being understood that the Frontenac Accessibility Advisory Committee and the Recreation & Leisure Services Advisory Committee be consulted regarding this matter.

Carried

- b) **Notice of Motion – Sydenham Highschool – 150th Reunion**

Resolution No. 2023:26:27

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Moved by Deputy Mayor Sleeth

Seconded by Councillor Morey

That the Township of South Frontenac support the Sydenham Highschool, 150th Reunion by providing \$5,000 in funding allocated from Council Grants to Organizations/Individuals operating budget line.

Carried

c) **Notice of Motion – Open Farm Days**

Resolution No. 2023:26:28

Moved by Deputy Mayor Sleeth

Seconded by Councillor Trueman

That Council waive the rules of By-law 2017-76, being “A By-Law To Provide For Governing The Proceedings Of The Council, The Conduct Of Members And The Calling Of Meetings in order to give consideration to a proclamation regarding Open Farm Days.

Carried

Resolution No. 2023:26:29

Moved by Councillor Godfrey

Seconded by Councillor Trueman

Whereas the Township of South Frontenac recognizes the importance of agriculture in the region; and,

Whereas the Township of South Frontenac believes a strong agricultural economy is essential for enduring communities, for the health of our residents, and to establish a strong community in support of food security for our citizens as well as our businesses, and organizations; and,

Whereas the Township of South Frontenac has a vision of a strong agriculture community that is in the character of the Township of South Frontenac and its residents: welcoming, natural, healthy, clean, tranquil, entrepreneurial, and rural by choice and conviction; and

Whereas the Township of South Frontenac is committed to supporting agriculture to grow businesses, attract more visitors and expand the tax base;

Now Therefore Be It Resolved That the Council of the Corporation of the Township of South Frontenac hereby declares September 1 to October 15, 2023, as Open Farm Days in the Township of South Frontenac, and reminds individuals of the importance of this six-week celebration which supports local agriculture and food businesses in our communities

And Further That the Township of South Frontenac encourages all residents to support local farms and food businesses by participating in this series of events.

Carried

17 Rise and Report regarding County Council and External Boards

a) County Council

Councillor Leonard advised there will be a presentation coming soon with respect to the libraries in the Township.

Councillor Leonard also noted that County Council is waiting for more information with respect to opening the K&P trail further to ATV users in the Township.

Mayor Vandewal advised that the challenges related to the expansion of the Frontenac County Administrative building have now been overcome and the renovation is progressing well.

b) Cataraqui Region Conservation Authority

Deputy Mayor Sleeth advised the budget meeting is scheduled for next month.

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- c) Quinte Conservation Authority
- d) Rideau Valley Conservation Authority

Councillor Godfrey provided notice of the upcoming meeting.

18 Announcements/Statements by Councillors

- a) Deputy Mayor Sleeth commended the Public Services Department regarding the line painting project.

Councillor Ruttan advised that the Lake Ecosystem Advisory Committee is holding its first Forum on July 26th from 6:30-8:30pm in the Community Room at the Sydenham Library.

Mayor Vandewal commended the Public Services Department on the completion of the Battersea Road project.

19 Closed Session (if requested)

- a) Resolution - That Council resolve itself into the Committee of the Whole "Closed Meeting" to consider the following items:

Resolution No. 2023:26:30

Moved by Councillor Pegrum

Seconded by Councillor Roberts

That Council resolve itself into the Committee of the Whole "Closed Meeting" to consider the following items:

1. Approval of the May 16, 2023 and May 26, 2023 Committee of the Whole "Closed Meeting" Minutes.
2. A proposed or pending acquisition or disposition of land by the municipality or local board - Hinchinbrooke Road.
3. A proposed or pending acquisition or disposition of land by the municipality or local board - Municipal Recreation Facility.

Carried

- b) Resolution - That Council rise from the Committee of the Whole "Closed Meeting" without reporting.

Resolution No. 2023:26:31

Moved by Councillor Morey

Seconded by Councillor Ruttan

That Council rise from the Committee of the Whole "Closed Meeting" without reporting.

Carried

20 Confirmatory By-law

- a) Resolution

Resolution No. 2023:26:32

Moved by Councillor Ruttan

Seconded by Councillor Roberts

That By-law 2023-63, being a by-law to confirm generally all actions and proceedings of the Council of the Township of South Frontenac, be given first and second reading.

Carried

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Resolution No. 2023:26:33

Moved by Councillor Leonard

Seconded by Councillor Trueman

That By-law 2023-63, being the confirmatory by-law, be given third reading,
signed and sealed.

Carried

21 Adjournment

a) Resolution

Resolution No. 2023:26:34

Moved by Councillor Godfrey

Seconded by Councillor Pegrum

That the Council meeting of July 18, 2023 be adjourned at 8:29 p.m.

Carried

Ron Vandewal, Mayor

James Thompson, Clerk

Township of South Frontenac Staff Report



To: Council

Prepared by: Corporate Services Department

Date of Meeting: August 15, 2023

Subject: 2022 Audited Financial Statements

Summary

Representatives from the Township's appointed external auditor, KPMG LLP, will be in attendance virtually at Council on August 15th, 2023 to give a presentation on the 2022 Financial Statements and will be able to answer questions from Council.

Recommendation

That Council receive the 2022 audited Financial Statements for the Township of South Frontenac, presented as Appendix #1; and

That Council authorize the 2022 Audited Financial statements be finalized and published.

Background

As required under section 294.1 of the Municipal Act, a municipality shall, for each fiscal year, prepare annual financial statements for the municipality in accordance with generally accepted accounting principals (GAAP) for local governments as recommended, from time to time, by the Public Sector Accounting Board of the Chartered Professional Accounting of Canada.

Under Section 296.1 of the Municipal act, the municipality shall appoint an auditor licensed under the Public Accounting Act, 2004 who is responsible for annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies on the audit.

Discussion/Analysis

Presentation of the 2022 Audited Financial Statements is consistent with the CPA Canada Public Sector Handbook, Section 1200 Financial Statement Presentation. Notes to the financial statements form an integral part of the report and should be read in conjunction with the Financial Statements.

In addition to the 2022 Financial Statements included with this report, an Audit Findings Report prepared by KPMG LLP for the year ended December 21, 2022, is attached as Appendix #2. The Audit Finding Report will be presented by Lori Huber, CPA, CA, LPA, Lead Audit Engagement Partner and Carole Fuller, CPA, CGA, Supporting Resource.

At the conclusion of the 2022 audit, KPMG LLP has determined that an unqualified opinion on the statements was appropriate.

One other major financial reporting requirements that Municipalities must file is the Financial Information Return (FIR). The Township of South Frontenac's FIR is currently being completed and will be filed with the Ministry of Municipal Affairs by September 30, 2023.

Financial Implications

None

Relationship to Strategic Plans

- Not applicable to this report.
- This initiative is supported by the following priorities of the 2019-2022 Strategic Plan.
- Priority: Choose an item.

Climate Considerations

Not applicable to this report.

Attachments

Appendix 1 2022-12-31 Township of South Frontenac Draft Financial Statements
 Appendix 2 Audit Findings Report for the year ended December 31, 2022

Approvals

Submitted By:



Shelley Stedall
 Director of Corporate Services & Treasurer

Approved By:



Louise Fragnito, CPA, CGA
 Chief Administrative Officer

Consolidated Financial Statements of

**THE CORPORATION OF
THE TOWNSHIP OF
SOUTH FRONTENAC**

Year ended December 31, 2022

DRAFT

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Consolidated Financial Statements

Year ended December 31, 2022

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Management's Responsibility for the Consolidated Financial Statements

Independent Auditor's Report

Consolidated Financial Statements:

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of The Corporation of the Township of South Frontenac (the "Township") are the responsibility of the Township's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of significant accounting policies are described in note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Township's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of consolidated financial statements. These systems are monitored and evaluated by management.

Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to Council approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Township. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Township's consolidated financial statements.

Louise Fragnito, CPA, CGA
Chief Administrator Officer

Shelley Stedall, Dipl. B.Admin, AMCT
Director of Corporate Services &
Treasurer

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Township of South Frontenac:

Opinion

We have audited the consolidated financial statements of The Corporation of the Township of South Frontenac (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2022
- the consolidated statement of operations and accumulated municipal equity for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements, present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2022, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

August 15, 2023

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Consolidated Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Financial assets:		
Cash	\$ 18,542,168	\$ 19,456,913
Taxes receivable (net of allowance of \$73,682)	1,594,220	1,148,521
Accounts receivable	2,792,365	1,925,819
Long-term investments (note 4)	14,217,761	14,484,781
Sydenham Water Works debenture receivable (note 14)	180,173	204,682
Long-term receivables (note 5)	1,630	4,090
	<u>37,328,317</u>	<u>37,224,806</u>
Financial liabilities:		
Accounts payable and accrued liabilities	7,162,571	5,573,134
Other current liabilities	90,094	134,692
Deferred revenue - obligatory reserve funds (note 7)	7,008,823	5,214,523
Sydenham Water Works debenture payable (note 14)	180,173	204,682
Employee future benefit obligations (note 8)	279,600	244,700
Accrued landfill closure and post-closure (note 10)	4,315,113	3,611,533
	<u>19,036,374</u>	<u>14,983,264</u>
Net financial assets	18,291,943	22,241,542
Non-financial assets:		
Tangible capital assets (note 15)	101,751,365	96,409,720
Inventories	251,222	220,123
Prepaid expenses	118,592	112,157
Total non-financial assets	102,121,179	96,742,000
Contingent liabilities (note 12)		
Commitments (note 13)		
Municipal equity (note 11)	\$ 120,413,122	\$ 118,983,542
Municipal equity consists of (note 11):		
Municipal equity	\$ 120,723,686	\$ 118,656,148
Accumulated rereasurement gains (losses)	(310,564)	327,394
	<u>\$ 120,413,122</u>	<u>\$ 118,983,542</u>

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

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Consolidated Statement of Operations and Accumulated Municipal Equity

Year ended December 31, 2022, with comparative information for 2021

	Budget 2022	Actual 2022	Actual 2021
	(note 17)		
Revenue:			
Property taxation	\$ 21,437,349	\$ 21,401,975	\$ 20,856,102
User charges	1,316,285	1,594,090	1,445,714
Licences, permits and rents	1,524,028	2,029,897	1,479,417
Government grants	3,249,464	3,069,568	3,610,041
Grants from other municipalities	497,050	304,769	445,201
Investment income	354,510	827,201	599,556
Penalties and interest on taxes	370,000	341,791	456,203
Donations	3,000	17,887	92,131
Other	18,711	454,068	403,320
Deferred revenues earned (note 7)	1,615,000	1,055,653	1,165,232
Total revenue	30,385,397	31,096,899	30,552,917
Expenses (note 16):			
General government	3,140,978	3,219,334	2,539,265
Fire	2,041,045	2,182,170	2,000,615
Police	2,931,316	2,921,185	2,982,618
Conservation authority	258,872	275,003	247,621
Protective inspections and control	453,156	1,163,425	974,459
Emergency measures	1,230	520	629
Roadways and winter control	14,134,326	12,818,035	10,390,033
Street lighting	54,727	48,193	42,507
Waterworks	428,164	465,732	498,028
Garbage collection and disposal	3,459,948	3,040,731	2,861,759
Landfill closure and post-closure costs	–	703,580	437,362
Cemeteries	80,378	90,538	82,578
Parks, recreation and cultural services	1,540,885	1,410,975	1,181,941
Planning and development	693,705	689,940	744,850
Total expenses	29,218,730	29,029,361	24,984,265
Annual surplus	1,116,667	2,067,538	5,568,652
Municipal equity, beginning of year	118,656,148	118,656,148	113,087,496
Municipal equity, end of year	\$ 119,822,815	\$ 120,723,686	\$ 118,656,148

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

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2022, with comparative information for 2021

	Budget 2022	Actual 2022	Actual 2021
	(note 17)		
Annual surplus	\$ 1,116,667	\$ 2,067,538	\$ 5,568,652
Amortization of tangible capital assets	8,050,318	6,519,630	6,378,043
Acquisition of tangible capital assets	(8,146,200)	(11,861,275)	(7,643,245)
Proceeds from the disposal of tangible capital assets	—	—	117,206
Gain on disposal of tangible capital assets	—	—	(117,206)
Acquisition of prepaid expenses	—	(6,435)	(54,410)
Acquisition of supplies inventories	—	(31,099)	(53,524)
Change in accumulated remeasurement gains	—	(637,958)	(190,965)
Change in net financial assets	1,020,785	(3,949,599)	4,004,551
Net financial assets, beginning of year	22,241,542	22,241,542	18,236,991
Net financial assets, end of year	\$ 23,262,327	\$ 18,291,943	\$ 22,241,542

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

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Consolidated Statement of Remeasurement Gains and Losses

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Accumulated remeasurement gains, beginning of year	\$ 327,394	\$ 518,359
Unrealized gains (losses) attributable to long-term investments	(637,958)	(190,965)
Change in accumulated remeasurement gains	(637,958)	(190,965)
Accumulated remeasurement gains (losses), end of year	\$ (310,564)	\$ 327,394
Accumulated remeasurement gains (losses) comprised of:		
Long-term investments	\$ (310,564)	\$ 327,394

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

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Consolidated Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Operating activities:		
Annual surplus	\$ 2,067,538	\$ 5,568,652
Item not involving cash:		
Amortization of tangible capital assets	6,519,630	6,378,043
Change in landfill liability	703,580	437,362
Change in future employee benefit obligations	34,900	31,700
Change in non-cash operating working capital:		
Taxes receivable	(445,699)	320,590
Accounts receivable	(866,546)	(933,825)
Accounts payable and accrued liabilities	1,589,437	2,933,435
Other current liabilities	(44,598)	(355,101)
Deferred revenue – obligatory reserve funds	1,794,300	845,506
Prepaid expenses	(6,435)	(54,410)
Inventories	(31,099)	(53,524)
Net change in cash from operations	11,315,008	15,118,428
Capital activities:		
Acquisition of tangible capital assets	(11,861,275)	(7,643,245)
Gain on sale of tangible capital assets	–	(117,206)
Proceeds from disposal of capital assets	–	117,206
Net change in cash from capital activities	(11,861,275)	(7,643,245)
Investing activities:		
Increase (decrease) in long-term investments	(370,938)	275,646
Decrease in long-term receivables	2,460	2,460
Net change in cash from investing activities	(368,478)	278,106
Increase (decrease) in cash	(914,745)	7,753,289
Cash, beginning of year	19,456,913	11,703,624
Cash, end of year	\$ 18,542,168	\$ 19,456,913

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

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements

Year ended December 31, 2022

The Corporation of the Township of South Frontenac (the 'Township') was incorporated January 1, 1998 (being an amalgamation of the former Township of Bedford, Loughborough, Portland and Storrington) and assumed its responsibilities under the authority of the Ministry of Municipal Affairs and the Municipal Act. The Township operates as a lower tier government in the County of Frontenac, in the Province of Ontario, Canada and provides municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations.

1. Significant accounting policies:

The consolidated financial statements of the Township are the representations of management and have been prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Township are as follows:

(a) Reporting entity:

- (i) The consolidated financial statements reflect financial assets, liabilities, operating revenue and expenses, reserves, reserve funds and changes in investment in tangible capital assets of the Township. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Township and which are owned or controlled by the Township. Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated. These consolidated financial statements include:

- Sydenham Cemetery
- Sandhill Cemetery
- Portland Cemetery
- Frontenac Community Arena (proportionately consolidated)

Proportionate consolidation:

The Frontenac Community Arena is accounted for using the proportionate consolidation method of accounting and reporting, whereby the Township's pro-rata share of each of the assets, liabilities, revenue and expenses is combined on a line-by-line basis in the consolidated financial statements.

- (ii) The charges for long-term liabilities assumed by consolidated entities or by individuals in the case of the drainage loans are reflected in the consolidated financial statements.
- (iii) The taxation, other revenue, expenses, assets and liabilities with respect to the operations of the school boards and county are not reflected in the municipal fund balances of these consolidated financial statements.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(b) Basis of consolidation:

- (i) The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.
- (ii) Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net financial assets for the year.
- (iii) Trust funds and their related operations administered by the Township are not included in these consolidated financial statements but are reported separately on the Trust Funds Statement of Financial Activities and Financial Position.

(c) 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 by the Township Council, incorporating amounts to be raised for local services, amounts to be raised on behalf of the County of Frontenac for regional services, and amounts the Township is required to collect on behalf of the Province of Ontario in respect of education taxes. Taxation revenues are recorded at the time tax billings are issued. Adjustments to taxation revenues can occur during the year related to the issuance of supplementary tax billings and/or assessment appeals. These adjustments are recorded when the amount of the adjustments can be quantified. The Township is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period in which the interest and penalties are applied.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(d) Tangible capital assets:

Tangible capital assets are recorded at cost, which include 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 are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Land improvements	15 – 20 years
Buildings and building improvements	20 – 50 years
Vehicles, machinery and equipment	3 – 25 years
Linear Assets:	
Roads	7 – 50 years
Bridges	7 – 50 years
Sidewalks	20 years
Water infrastructure	50 – 70 years

Amortization is charged from the date of acquisition. Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

The Township has a capitalization threshold of \$5,000 for vehicles and equipment and \$10,000 for buildings and \$15,000 for linear assets so that individual capital assets of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operations reasons.

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

When tangible capital assets are disposed of, either by way of a sale, destruction or loss, or abandonment of the asset, the asset's net book value, historical cost less accumulated amortization, is written off. Any resulting gain or loss, equal to the proceeds on disposal less the asset's net book value, is reported on the consolidated statement of operations in the year of disposal. Transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

When conditions indicate that a tangible capital asset no longer contributes to the Township's ability to provide services or the value of the future economic benefits associated with the tangible capital asset are less than its net book value, and the decline is expected to be permanent, the cost and accumulated amortization of the asset are reduced to reflect the revised estimate of the value of the asset's remaining service potential. The resulting net adjustment is reported as an expense on the consolidated statement of operations.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(d) Tangible capital assets (continued):

(i) Natural Resources:

Natural resources that have not been purchased are not recognized as assets in the consolidated financial statements.

(ii) Works of Art and Cultural and Historic Assets:

Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.

(e) Leases:

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.

(f) Inventories and prepaid expenses:

Inventories and prepaid expenses held for consumption are recorded at the lower of cost or replacement cost.

(g) Pension and employee benefits:

The Township accounts for its participation in the Ontario Municipal Employees Retirement System ('OMERS'), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by employees based on length of service and pay rates.

Employee benefits include vacation entitlement and sick leave benefits. Vacation entitlements are accrued as entitlements are earned. Sick leave benefits are accrued in accordance with the Township's policy.

(h) Employee future benefit obligations:

The Township accrues its obligation for employee benefit plans. The cost of post-retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on services and management's best estimate of salary escalation, retirement ages of employees and expected health care costs.

Actuarial gains (losses) which can arise from changes in the actuarial assumptions used to determine the accrued benefit obligation will be amortized over the average remaining service period of active employees.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(i) Government transfers:

Government transfers are recognized in the consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

(j) Deferred revenue – obligatory reserve funds:

The Township defers recognition of user charges and fees which have been collected but for which the related services have yet to be performed. Government transfers of gas taxes, development charges collected under the *Development Charges Act, 1997*, and recreational land collected under the Planning Act are reported as deferred revenues in the Consolidated Statement of Financial Position. These amounts will be recognized as revenue in the fiscal year the services are performed.

The Township receives restricted contributions under the authority of provincial legislation and Township bylaws. These funds by their nature are restricted in their use and until applied to applicable costs are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

The Township receives restricted contributions under the authority of Federal and Provincial legislation and Township by-laws. These funds by their nature are restricted in their use and until applied to applicable costs are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(k) Investments:

The Township's financial assets and liabilities are measured as follows:

- (i) Cash at fair value:
- (ii) Portfolio investments at fair value
- (iii) Accounts receivable at amortized cost
- (iv) Accounts payable and accrued liabilities at amortized cost
- (v) Debt at amortized cost

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the consolidated statement of remeasurement gains and losses. When the restricted nature of a financial instrument and any related changes in fair value create a liability, unrealized gains and losses are recognized as deferred revenue.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the consolidated statement of operations.

For financial instruments measure using amortized cost, the effective interest rate method is used to determine interest revenue or expenses. Transaction costs are a component of cost for financial instruments measured using cost or amortized costs. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash equivalents and portfolio investments are accounted for using trade-date accounting. The Township does not use foreign currency contracts or any other type of derivative financial instruments of trading or speculative purposes.

(l) Landfill closure and post-closure liabilities:

The Township accrues landfill closure and post-closure care requirements that have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions derived from selected years, on 2022 monitoring and reporting costs and assuming a 25-year contaminating life period commencing after site closure, using the best information available to management.

Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

1. Significant accounting policies (continued):

(m) Liability for contaminated sites:

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- (a) an environmental standard exists;
- (b) contamination exceeds the environmental standard;
- (c) the Township:
 - (i) is directly responsible; or
 - (ii) accepts responsibility
- (d) it is expected that future economic benefit will be given up; and
- (e) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

(n) Use of estimates:

The preparation of consolidated financial statements 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 consolidated financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

2. Operations of the school boards and County of Frontenac:

During the year, the Township collected and made property tax transfers including payments in lieu of property taxes, to the County of Frontenac and School Boards as follows:

	2022	2022	2021	2021
	School Boards	County	School Boards	County
Amounts requisitioned and paid	\$ 5,617,565	\$ 6,571,256	\$ 5,546,779	\$ 6,494,732

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

3. Contributions to consolidated joint board:

The following contributions were made by the Township to the joint board:

	2022	2021
Frontenac Community Arena	\$ 111,934	\$ 327,546

The Township is contingently liable for its share, which is approximately 59% of any accumulated deficits as at the end of the year for the Frontenac Community Arena. The Township's share of the accumulated surpluses (or deficits) of this joint board are as follows:

	2022	2021
Frontenac Community Arena	\$ 1,462,842	\$ 1,502,316

4. Long-term investments:

	2022 Cost	2022 Market Value	2021 Cost	2021 Market Value
For Township purposes:				
CIBC Wood Gundy	\$ 12,387,453	\$ 11,807,035	\$ 12,016,556	\$ 11,936,412
One Investments – equity portfolio	836,780	1,106,635	794,521	1,202,059
	13,224,233	12,913,670	12,811,077	13,138,471
For obligatory reserve funds:				
CIBC Wood Gundy	1,017,315	995,264	983,497	1,010,852
One Investment – equity portfolio	233,520	308,827	221,727	335,458
	1,250,835	1,304,091	1,205,224	1,346,310
	\$ 14,475,068	\$ 14,217,761	\$ 14,016,301	\$ 14,484,781

All of the above investments are valued as Level 2 investments. The investments are valued based on the degree to which the fair value is observable, as follows:

- (i) Level 1 Unadjusted quoted market prices in active markets for identical assets or liabilities;
- (ii) Level 2 Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- (iii) Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

5. Long-term receivables:

Long-term receivables are comprised of:

	2022	2021
Community improvement loans	\$ 1,630	\$ 4,090

The Community improvement loans are repayable over 5 years. Any unpaid loan payments are added to the taxpayer's property taxes.

6. Trust funds:

Trust funds administered by the Township amounting to \$781,702 (2021 - \$757,048) are presented in a separate financial statement of trust fund balances and operations. As such balances are held in trust by the Township for the benefit of others, they are not presented as part of the Township's financial position or financial activities.

7. Deferred revenue – obligatory reserve funds:

A requirement of the public sector accounting standards of the Chartered Professional Accountants of Canada is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded.

	2022	2021
Balance, beginning of year	\$ 5,214,523	\$ 4,369,016
Development contributions	1,053,438	760,555
Subdivider contributions	92,476	3,750
Investment income	60,341	81,374
Canada Community Building Fund	847,171	1,159,854
Cannabis legalization funding	–	5,206
Ontario Community Infrastructure Fund	796,527	–
Utilization	(1,055,653)	(1,165,232)
Balance, end of year	\$ 7,008,823	\$ 5,214,523

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

7. Deferred revenues (continued):

Analyzed as follows:

	2022	2021
Canada Community Building Fund	\$ 2,630,894	\$ 1,828,086
Cannabis legalization funding	42,740	42,740
Development charges	3,180,461	2,907,788
Cash-in-lieu of parkland	170,112	247,820
Subdivider contributions	188,089	188,089
Ontario Community Infrastructure Fund	796,527	-
	<u>\$ 7,008,823</u>	<u>\$ 5,214,523</u>

8. Employee post-employment benefit liability:

Employee non-pension retirement benefits (extended health care for early retirees):

Effective January 1, 2008, the Township began to provide extended health care to its employees. Extended health care continues to be available to early retirees up to the age of 65, with the retiree generally being responsible for paying 50% of the benefit premiums.

An independent actuarial study of the employee non-pension retirement benefit has been undertaken. The most recent valuation of the employee future benefits was completed in 2021 and was effective January 1, 2021.

The accrued benefit obligation relating to the employee non-pension retirement benefits has been actuarially determined using the projected benefit method pro-rated on services. At December 31, 2022, based on an actuarial update in 2022, the accrued benefit obligation is \$343,500 (2021 - \$318,200).

The significant actuarial assumptions adopted in estimating the Township's accrued benefit obligation are as follows:

Discount Rate - 2.60% per annum (2021 - 2.60%)

Salary Rate - 3.00% (2021 - 3.00%)

Health Benefits Escalation - 7.66% per annum (2021 - 7.84%), scaling down over 15 years to 4.00% thereafter

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

8. Employee post-employment benefit liability (continued):

Information with respect to the Township's non-pension retirement obligations are as follows:

	2022	2021
Accrued benefit liability, beginning of year	\$ 244,700	\$ 213,000
Expense recognized for the year	42,300	35,600
Interest cost	8,900	9,900
Benefits paid for the year	(16,300)	(13,800)
Accrued benefit liability, end of year	\$ 279,600	\$ 244,700

The accrued benefit liability at December 31, includes the following components:

	2022	2021
Accrued benefit obligation	\$ 343,500	\$ 318,200
Unamortized actuarial loss	(63,900)	(73,500)
Accrued benefit liability	\$ 279,600	\$ 244,700

9. Pension contributions:

The Township makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all permanent members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employers and employees contribute to the plan. Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the Township does not recognize any share of the OMERS pension surplus or deficit in these consolidated financial statements.

The last available report was at December 31, 2022 and at that time, the plan reported a \$6.7 billion actuarial deficit (2021 - \$3.1 billion actuarial deficit).

The amount contributed to OMERS is \$472,544 (2021 - \$419,938) for current services and is included as an expense on the Consolidated Statement of Operations classified under the appropriate functional expenditure.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

10. Landfill closure and post-closure liability:

The Environmental Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Closure and post-closure cost requirements are to be provided over the estimated remaining life of the landfill sites based on usage.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liabilities are based on estimates and assumptions with respect to events extending over a period of up to sixty years using the best information available to management. Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The Township currently has five active and five inactive landfill sites. The estimated remaining capacity of the active landfill sites ranges from 3.32% to 40.47% of the total estimated capacity and the estimated remaining life of the active landfill sites ranges from 3 years to 43 years. The period for post-closure care for all sites is estimated to be 25 years, depending on the site.

Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities using an estimated inflation rate of 3.27% (2021 - 2.69%) and discounted at the Township's average long term borrowing rate of 2.17% (2021 - 2.31%). The estimated total landfill closure and post-closure care expense is calculated at approximately \$5,580,980 (2021 - \$4,676,290). For sites that are still active, the estimated liability for these expenses is recognized as the landfill site's capacity is used. For sites that are inactive, the estimated liability for these expenses is recognized immediately. Included in liabilities at December 31, 2022 is an amount of \$4,315,113 (2021 - \$3,611,533) with respect to landfill closure and post-closure liabilities recognized to date.

11. Municipal equity:

	2022	2021
Investment in tangible capital assets:		
Tangible capital assets	\$ 101,751,365	\$ 96,409,720
Unfunded capital projects	(350,563)	(350,563)
	101,400,802	96,059,157
Unrestricted surplus:		
Frontenac Community Arena	35,100	20,348
Land closure and post-closure to be recovered	(4,315,113)	(3,611,533)
Reserves (Schedule 1)	23,292,333	26,515,570
Municipal equity	\$ 120,413,122	\$ 118,983,542

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

12. Contingent liabilities:

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. With respect to claims as at December 31, 2022, management believes that the Township has valid defenses and appropriate insurance coverages in place.

In the event any claims are successful, management believes that such claims are not expected to have a material effect on the Township's financial position. As a result, no provision has been made in these consolidated financial statements for any settlement which may arise as a result of these claims.

13. Commitments:

- (a) The Township has entered into an agreement with the Ontario Provincial Police for the provision of police services. The term of the agreement is six years, commencing December 2020 at an annual cost of approximately \$3.1 million.
- (b) In 2021 the Township committed to the construction of a new fire hall in the amount of \$3,360,896 to be funded by reserves. Construction of the firehall commenced in 2022 and \$2.523 million of costs were incurred. The project is ongoing and scheduled to be completed in 2023.
- (c) In 2021 the Township committed funding to the Grace Centre in the amount of \$750,000 for an addition to the building. Construction on the project has commenced with the Township contributing \$500,000 in 2022.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

14. Sydenham water works debenture receivable and payable:

- (a) The balance of Sydenham Water Works Debenture Receivable and Payable reported on the Consolidated Statement of Financial Position is made up of the following:

	2022	2021
Amortizing debenture with Infrastructure Ontario. The debenture was issued on December 1, 2008, bears annual interest at 5.75% and is repayable in forty equal bi-annual instalments of blended principal and interest at \$17,966 commencing June 1, 2009. The loan is used towards the cost of the Sydenham Water Works. The responsibility for payment of principal and interest charges for the loan has been assumed by individuals and therefore has been shown in the consolidated financial statements as both a loan receivable and payable.	\$ 180,173	\$ 204,682
Long-term liabilities at the end of the year	\$ 180,173	\$ 204,682

- (b) Principal due on long-term liabilities from individuals for the next five years and thereafter are summarized as follows:

	Individuals
2023	\$ 25,939
2024	27,452
2025	29,053
2026	30,748
2027	32,541
Thereafter	34,440
	\$ 180,173

- (c) Interest expense on long-term liabilities amounted to \$11,422 (2021 - \$12,773).
- (d) These payments are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

15. Tangible capital assets:

Cost	Balance at December 31, 2021	Additions	Disposals	Balance at December 31, 2022
Land	\$ 3,624,729	\$ 36,567	\$ –	\$ 3,661,296
Land improvements	2,672,460	123,855	–	2,796,315
Buildings and building improvements	16,575,190	443,383	–	17,018,573
Vehicles, machinery and equipment	16,860,056	1,467,741	(177,068)	18,150,729
Linear assets:				
Roads	158,005,527	8,546,920	–	166,552,447
Bridges	13,548,084	772,163	(13,542)	14,306,705
Sidewalks	248,500	–	–	248,500
Water infrastructure	9,448,043	–	–	9,448,043
Construction in progress	5,892,830	444,341	–	6,337,171
Frontenac Community Arena	1,941,188	26,305	–	1,967,493
Total	\$ 228,816,607	\$ 11,861,275	\$ (190,610)	\$ 240,487,272

Accumulated amortization	Balance at December 31, 2021	Amortization	Disposals	Balance at December 31, 2022
Land	\$ –	\$ –	\$ –	\$ –
Land improvements	1,129,950	154,561	–	1,284,511
Buildings and building improvements	4,984,850	484,352	–	5,469,202
Vehicles, machinery and equipment	10,155,998	918,286	(177,068)	10,897,216
Linear assets:				
Roads	107,203,180	4,445,888	–	111,649,068
Bridges	6,038,476	247,850	(13,542)	6,272,784
Sidewalks	101,670	3,628	–	105,298
Water infrastructure	2,333,543	184,535	–	2,518,078
Construction in progress	–	–	–	–
Frontenac Community Arena	459,220	80,530	–	539,750
Total	\$ 132,406,887	\$ 6,519,630	\$ (190,610)	\$ 138,735,907

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

15. Tangible capital assets (continued):

	Net book value 2021	Net book value 2022
Land	\$ 3,624,729	\$ 3,661,296
Land improvements	1,542,510	1,511,804
Buildings and building improvements	11,590,340	11,549,371
Vehicles, machinery and equipment	6,704,058	7,253,513
Linear assets:		
Roads	50,802,347	54,903,379
Bridges	7,509,608	8,033,921
Sidewalks	146,830	143,202
Water infrastructure	7,114,500	6,929,965
Construction in progress	5,892,830	6,337,171
Frontenac Community Arena	1,481,968	1,427,743
Total	\$ 96,409,720	\$ 101,751,365

Assets under construction having a value of \$6,337,171 (2021 - \$5,892,830) have not been amortized. Amortization of these assets will commence when the asset is put into service.

16. Segmented information:

The Township is a diversified municipal government that provides a wide range of services to its citizens, including police, fire, transportation, recreational and environmental. For management reporting purposes the Township's operations and activities are organized and reported by department. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

Municipal services are provided by departments and their activities are reported in these funds.

Certain departments that have been separately disclosed in the segmented information, along with the services they provide are as follows:

(a) Administration:

Includes corporate services and governance of the Township. Administration as a segment includes human resource management, support to Council for policy development, by-law development in compliance with the Municipal Act, tax billing and collection responsibilities, financial management reporting, monitoring and overall budget status as well as frontline reception and customer service.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

16. Segmented information (continued):

(b) Protection Services:

Includes policing, fire protection, conservation authority, protective inspection and control and emergency measures. The mandate of the police services contract is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. Fire protection includes inspection, extinguishing and suppression services; emergency medical first response; and prevention education and training programs. Inspection and control includes building inspection, by-law enforcement and dog control services.

(c) Transportation Services:

This department provides the winter and summer maintenance, the repair and the construction of the municipal roads system including bridges and culverts.

(d) Environmental Services:

Includes the management and maintenance of water treatment and distribution and solid waste management.

(e) Cemetery Boards:

Includes the management and maintenance of municipal cemeteries.

(f) Parks, Recreation and Culture:

Provides services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure programs and facilities including community halls, libraries, parks, recreation fields and the proportionate share of Frontenac Community Arena.

(g) Planning and Development:

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

For each segment separately reported, the segment revenue and expense 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. These municipal services are funded primarily by property tax revenue. Taxation is apportioned to these services based on the funding requirement. Certain government transfers, transfer from other funds, and other revenue have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

16. Segmented information (continued):

	Administration	Protective Services	Transportation Services	Environmental Services	Health Services	Parks, Recreation and Culture	Planning and Development	2022 Total
Revenue:								
Property taxation	\$ 21,401,975	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,401,975
User charges	38,342	73,288	16,516	999,336	59,407	245,842	161,359	1,594,090
Licenses, permits and rents	184,776	1,721,566	106,201	2,400	-	14,954	-	2,029,897
Government grants	1,580,400	165,636	451,019	372,912	-	499,601	-	3,069,568
Grants from other municipalities	7,860	-	247,302	-	-	49,607	-	304,769
Investment income	756,735	17,653	17,135	23,953	11,725	-	-	827,201
Penalties and interest on taxes	341,791	-	-	-	-	-	-	341,791
Donations	2,824	-	-	-	-	15,063	-	17,887
Other	133,092	85,473	124,224	7,257	-	104,022	-	454,068
Deferred revenues earned	10,302	399,647	399,111	9,695	-	182,838	54,060	1,055,653
Total revenue	24,458,097	2,463,263	1,361,508	1,415,553	71,132	1,111,927	215,419	31,096,899
Expenses:								
Salaries, wages and employee benefits	1,717,048	1,737,152	3,020,500	604,494	3,561	406,900	482,926	7,972,581
Interest on long-term debt	-	-	-	11,422	-	-	-	11,422
Materials	455,158	818,625	2,675,471	273,536	10,035	285,545	46,213	4,564,583
Contracted services	267,709	3,257,976	1,779,480	3,101,643	76,942	350,318	160,801	8,994,869
Rents and financial expenses	10,736	-	-	-	-	-	-	10,736
External transfers	677,161	278,379	-	-	-	-	-	955,540
Amortization of tangible capital assets	91,522	450,171	5,390,777	218,948	-	368,212	-	6,519,630
Total expenses	3,219,334	6,542,303	12,866,228	4,210,043	90,538	1,410,975	689,940	29,029,361
Annual surplus (deficit)	\$ 21,238,763	\$ (4,079,040)	\$ (11,504,720)	\$ (2,794,490)	\$ (19,406)	\$ (299,048)	\$ (474,521)	\$ 2,067,538

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

16. Segmented information (continued):

	Administration	Protective Services	Transportation Services	Environmental Services	Health Services	Parks, Recreation and Culture	Planning and Development	2021 Total
Revenue:								
Taxation	\$ 20,856,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,856,102
Penalties and interest	456,203	-	-	-	-	-	-	456,203
Government grants:								
Unconditional	1,573,100	-	-	236,165	-	-	-	1,809,265
Conditional	675,757	35,238	508,412	-	-	581,369	-	1,800,776
Other municipalities	-	-	494,808	-	-	(49,607)	-	445,201
Licenses, permits and rent	193,817	1,123,944	91,296	2,400	-	67,963	-	1,479,420
User fees and service charges	44,668	94,878	7,668	974,862	60,541	41,271	221,826	1,445,714
Other	459,331	190,304	1,121,199	62,575	9,636	335,468	81,723	2,260,236
Total revenue	24,258,978	1,444,364	2,223,383	1,276,002	70,177	976,464	303,549	30,552,917
Expenses:								
Salaries, wages and employee benefit	1,379,741	1,465,383	2,429,353	568,996	559	278,284	533,389	6,655,705
Interest on long-term debt	-	-	-	12,773	-	-	-	12,773
Materials	623,436	920,793	1,221,359	255,556	10,071	198,838	36,322	3,266,375
Contracted services	84,610	3,135,672	1,454,734	2,740,877	71,948	419,153	175,138	8,082,132
Rents and financial expenses	8,083	-	-	-	-	-	-	8,083
External transfers	347,285	252,317	-	-	-	-	-	599,602
Amortization of tangible capital assets	96,109	431,777	5,327,095	218,948	-	285,666	-	6,359,595
Total expenses	2,539,264	6,205,942	10,432,541	3,797,150	82,578	1,181,941	744,849	24,984,265
Annual surplus (deficit)	\$ 21,719,714	\$(4,761,578)	\$(8,209,158)	\$(2,521,148)	\$(12,401)	\$(205,477)	\$(441,300)	\$ 5,568,652

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2022

17. Budget figures:

The 2022 budget amounts that were approved were not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Board Standards). The budget included capital items such as infrastructure replacements and estimated costs for constructed assets, as program expenses, but the actual expenses have been removed in the Statement of Operations and Accumulated Municipal Equity. The revenues attributable to these items continue to be included in the Statement of Operations and Accumulated Municipal Equity, resulting in a significant variance.

The following analysis is provided to assist readers in their understanding of differences between the approved budget and the audited financial statements:

	Budget	Actual
Total revenue	\$ 30,385,397	\$ 31,096,899
Total expenses	29,218,730	29,029,361
Net revenues	1,166,667	2,067,538
Amortization	8,050,318	6,519,630
Funds available	9,216,985	8,587,168
Capital expenses	(8,146,200)	(11,861,275)
Unfunded landfill liability	–	703,580
Remeasurement loss	–	(637,958)
Increase (decrease) in operating surplus	\$ 1,070,785	\$ (3,208,485)
Allocated as follows:		
Net transfers from (to) reserves	\$ 1,029,156	\$ (3,223,237)
Change in Frontenac Community Arena	41,629	14,752
	\$ 1,070,785	\$ (3,208,485)

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Schedule 1 – Continuity of Reserves and Reserve Funds

Year ended December 31, 2022, with comparative information for 2021

	Budget 2022 (note 17)	Actual 2022	Actual 2021
Net transfer from (to) other funds:			
Transfers from operations	\$ 4,847,085	\$ 6,012,831	\$ 8,525,730
Transfer to capital acquisitions	(3,817,929)	(9,236,068)	(3,996,867)
Reserves and reserve fund balances, change in year	1,029,156	(3,223,237)	4,528,863
Reserves and reserve fund balances, beginning of year	26,515,570	26,515,570	21,986,707
Reserves and reserve fund balances, end of year	\$ 27,544,726	\$ 23,292,333	\$ 26,515,570

Composition of Reserves and Reserve Funds:

	2022	2021
Reserves and reserve funds set aside for specific purposes by Council:		
Fiscal:		
Working capital	\$ 4,971,366	\$ 6,640,066
COVID-19	219,515	351,592
Election	30,429	82,841
Climate	100,000	–
Building inspection rate stabilization	1,747,071	1,142,269
	7,068,381	8,216,768
Equipment and infrastructure:		
Global	5,264,774	7,582,536
Vertical	1,426,565	1,370,114
Roadways	927,391	927,391
Linear	1,693,538	1,143,538
Rolling stock	2,733,687	2,958,379
Future landfill closing	562,267	564,797
Water infrastructure	1,442,731	1,301,496
Stabilization	2,172,999	2,450,551
	16,223,952	18,298,802
Total reserves and reserve funds	\$ 23,292,333	\$ 26,515,570

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Township of South Frontenac:

Opinion

We have audited the financial statements of the Trust Funds of The Corporation of the Township of South Frontenac (the "Entity"), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of financial activities and changes in fund balances for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and its results of operations for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

August 15, 2023

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Trust Funds Statement of Financial Position

December 31, 2022, with comparative information for 2021

	Fire Trust	Portland Historical Trust	Cemetery Perpetual Care	Monument Perpetual Care	Muriel Burns	OHRP	Grant Family Memorial Endowment	Total 2022	Total 2021
ASSETS									
Cash	\$ 22,029	\$ 21,295	\$ 226,157	\$ 54,727	\$ 25,000	\$ -	\$ 27,526	\$ 376,734	\$ 353,271
Investments	-	-	339,514	54,573	-	-	-	394,087	392,954
Term deposits	-	6,706	-	-	-	-	-	6,706	6,648
Long-term notes receivable	-	-	-	-	-	4,175	-	4,175	4,175
	\$ 22,029	\$ 28,001	\$ 565,671	\$ 109,300	\$ 25,000	\$ 4,175	\$ 27,526	\$ 781,702	\$ 757,048
LIABILITIES AND FUND BALANCE									
Fund balance	\$ 22,029	\$ 28,001	\$ 565,671	\$ 109,300	\$ 25,000	\$ 4,175	\$ 27,526	\$ 781,702	\$ 757,048

See accompanying notes to financial statements.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Trust Funds

Statement of Financial Activities and Changes in Fund Balance

December 31, 2022, with comparative information for 2021

	Fire Trust	Portland Historical Trust	Cemetery Perpetual Care	Monument Perpetual Care	Muriel Burns	OHRP	Grant Family Memorial Endowment	Total 2022	Total 2021
Revenue:									
Sales of perpetual care	\$ —	\$ —	\$ 15,000	\$ 4,700	\$ —	\$ —	\$ —	\$ 19,700	\$ 19,500
Transfer from reserve	—	—	—	—	—	—	—	—	15,682
Donations	175	—	—	—	—	—	—	175	2,208
Interest earned	468	454	11,094	2,305	—	—	586	14,907	10,979
	643	454	26,094	7,005	—	—	586	34,782	48,369
Expenses:									
Transfer to operating fund	—	—	10,128	—	—	—	—	10,128	9,586
Net earnings for the year	643	454	15,966	7,005	—	—	586	24,654	38,783
Fund balance, beginning of year	21,386	27,547	549,705	102,295	25,000	4,175	26,940	757,048	718,265
Fund balance, end of year	\$ 22,029	\$ 28,001	\$ 565,671	\$ 109,300	\$ 25,000	\$ 4,175	\$ 27,527	\$ 781,702	\$ 757,048

See accompanying notes to financial statements.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Trust Funds
Notes to Financial Statements

Year ended December 31, 2022

1. Significant accounting policies:

The financial statements of The Corporation of the Township of South Frontenac Trust Funds ("Trusts") are prepared by management in accordance with Canadian Public Sector Accounting Standards.

(a) Basis of accounting:

These statements reflect the assets, liabilities, revenue and expenses of the Trusts.

(b) Revenue recognition:

Revenue and expenses are recorded on an accrual basis. The accrual basis recognizes revenue as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

(c) 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 period. Actual results could differ from those estimates.

2. Ontario Home Renewal Program (O.H.R.P.)

The Ontario Home Renewal Program was established by the Ontario Ministry of Housing in 1973 to provide grants for municipalities to make loans to assist owner occupants to repair, rehabilitate and improve their homes to local property standards. Individual loans are limited to \$7,500 of which the maximum forgivable portion is \$4,000.

Ontario Home Renewal Program loans receivable at December 31, 2022 are comprised of repayable loans of \$4,175 (2021 - \$4,175). In the event of the sale or lease of the home or in the event of the homeowner ceasing to occupy the home, the balances of the repayable loan immediately become due and payable by the homeowner.

The OHRP program was discontinued by the Ontario Ministry of Housing in July 1993. At that time the Ministry requested the repayment of all trust funds held by the Township. The cash accumulated in the trust fund is being repaid to the Ministry on an annual basis.

THE CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC

Trust Funds
Notes to Financial Statements

Year ended December 31, 2022

3. Monument perpetual care:

Perpetual care receipts are reported on the cash basis of accounting and interest income is reported on the accrual basis of accounting. The capital balance of monument perpetual care includes the original capital contributions received as well as accumulated unspent income on the capital contributions received. The unspent income of \$31,542 (2021 - \$29,237) is available for future expenses related to monument perpetual care.

DRAFT



Corporation of the Township of South Frontenac

**Audit Findings Report for the year ended
December 31, 2022**

KPMG LLP

Prepared on August 1, 2023 for the Council Meeting August 15, 2023

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement



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Digital use information

This Audit Findings Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.

4	Audit highlights	5	Status of the audit	6	Financial statement highlights	13	Audit misstatements
15	Control deficiencies	16	Additional matters	19	Appendices		

The purpose of this report is to assist you, as a member of Council, in your review of the results of our audit of the consolidated financial statements as at and for the period ended December 31, 2022. This report is intended solely for the information and use of Management and Council and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



Audit highlights

Status of the audit

We have completed the audit of the consolidated financial statements ("financial statements") of the Corporation of the Township of South Frontenac (the "Township"), with the exception of certain remaining outstanding procedures, which are highlighted on page 5 of this report.



Significant changes to our audit plan

There were no significant changes to our audit plan.

Audit risks and results – significant risks

We did not identify any significant financial reporting risks other than the presumed risk of management override of controls.



Audit risks and results – going concern assessment

We performed an assessment to support the appropriateness of the going concern assumption. We have no findings to report.

Audit misstatements

During our audit, we identified differences which remain uncorrected and are not considered to be significant. These differences do not impact our audit report on the consolidated financial statements.



The management representation letter includes all misstatements identified as a result of the audit, communicated to management, and subsequently corrected in the audited financial statements.

Newly effective auditing standards

A new auditing standard, CAS 315 *Identifying and Assessing the Risks of Material Misstatements*, was effective for the fiscal 2022 audit. We performed the required procedures to comply with this new auditing standard and have no findings to report.

Significant unusual transactions

We did not identify any significant unusual transactions to bring to your attention.

Control deficiencies

We did not identify any control deficiencies that we determined to be significant deficiencies in internal control over financial reporting.



Accounting policies and practices

There have been no changes to, or initial selections of, significant accounting policies and practices to bring to your attention.



Other financial reporting matters

The financial statement presentation complies with the financial reporting framework.





Status of the audit

As of the date of this report, we have completed the audit of the consolidated financial statements, with the exception of certain remaining procedures, which include amongst others:

- Obtaining evidence of Council's approval of the financial statements;
- Receipt of the signed management representation letter;
- Completion of our subsequent event review procedures; and

We will update Council, and not solely the Mayor, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures.

Our auditor's report, a draft of which is provided in Appendix 1a: Draft Auditor's Report, will be dated upon the completion of any remaining procedures.





Financial statement highlights

	2022	2021
Financial assets:		
Cash	\$ 18,542,168	\$ 19,456,913
Taxes receivable (net of allowance of \$73,682)	1,594,220	1,148,521
Accounts receivable	2,792,365	1,925,819
Long-term investments (note 4)	14,217,761	14,484,781
Sydenham Water Works debenture receivable (note 14)	180,173	204,682
Long-term receivables (note 5)	1,630	4,090
	37,328,317	37,224,806
Financial liabilities:		
Accounts payable and accrued liabilities	7,162,571	5,573,134
Other current liabilities	90,094	134,692
Deferred revenue - obligatory reserve funds (note 7)	7,008,823	5,214,523
Sydenham Water Works debenture payable (note 14)	180,173	204,682
Employee future benefit obligations (note 8)	279,600	244,700
Accrued landfill closure and post-closure (note 10)	4,315,113	3,611,533
	19,036,374	14,983,264
Net financial assets	18,291,943	22,241,542
Non-financial assets:		
Tangible capital assets (note 15)	101,751,365	96,409,720
Inventories	251,222	220,123
Prepaid expenses	118,592	112,157
Total non-financial assets	102,121,179	96,742,000
Contingent liabilities (note 12)		
Commitments (note 13)		
Municipal equity (note 11)	\$ 120,413,122	\$ 118,983,542
Municipal equity consists of (note 11):		
Municipal equity	\$ 120,723,686	\$ 118,656,148
Accumulated rereasurement gains (losses)	(310,564)	327,394
	\$ 120,413,122	\$ 118,983,542

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



Financial Assets:

- Strong cash position
- Increase in taxes receivable as a result of the delayed tax sales in the fall of 2022
- Increase in accounts receivable due to government grants received in FY2023 (\$503k) and increase in HST receivable due to purchases related to tangible capital assets (\$376k)
- Decrease in long term investments due to the market value adjustment of the investments

Financial Liabilities:

- Increase in payables related to timing of payments and ongoing significant capital projects
- Increase in deferred revenue related to the CCFB allocation of \$591k plus County of Frontenac transfer of \$503k
- Increase in landfill closure and post closure due to the change in discount and inflation rates during the year and updates from management's expert

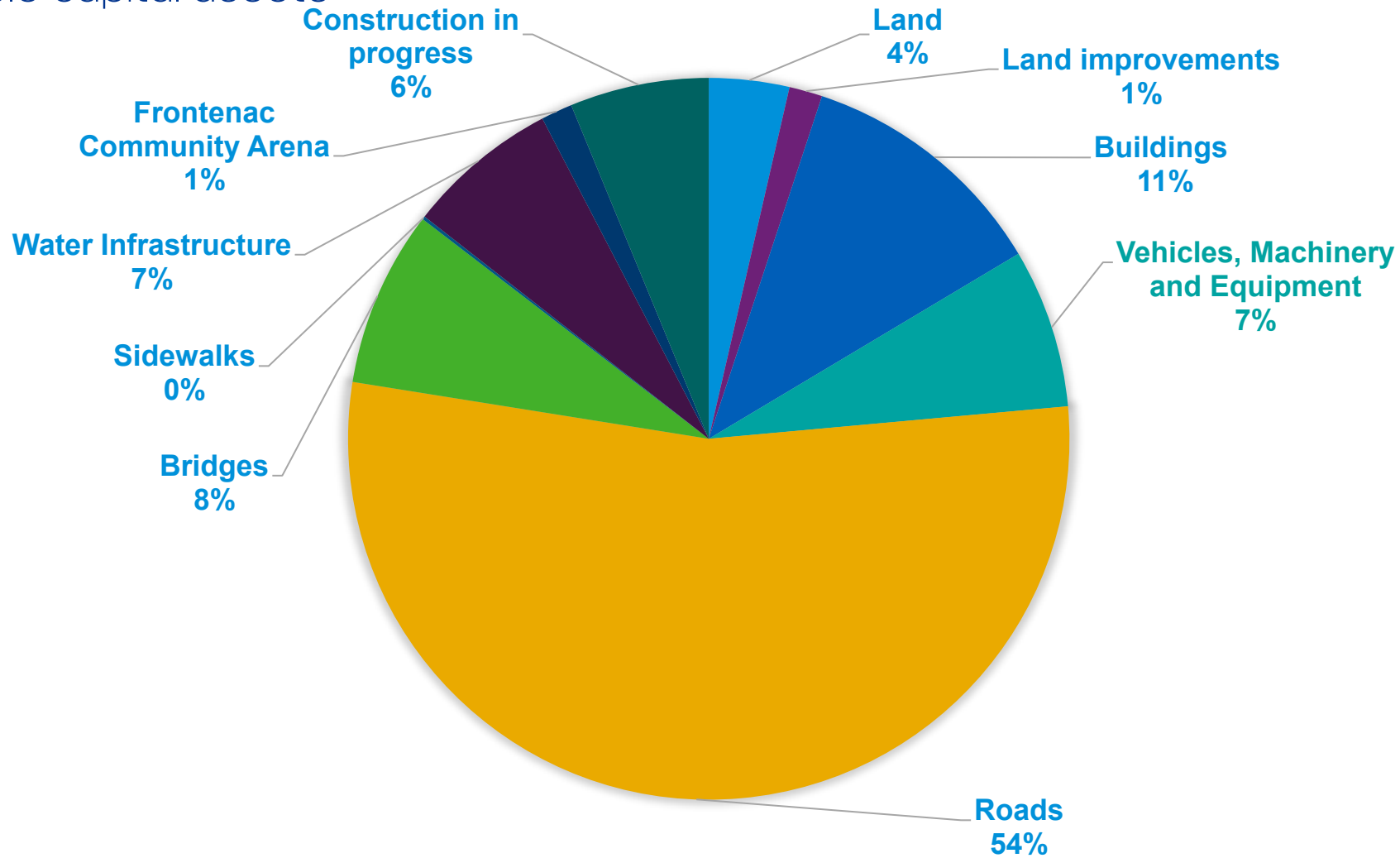
Non-Financial Assets:

- Increase in tangible capital assets driven by additions of \$11.9M, offset by amortization of \$6.5M
- Key additions:
 - Fire station #8
 - Road Construction
 - Storrington Centre Upgrades



Financial statement highlights (continued)

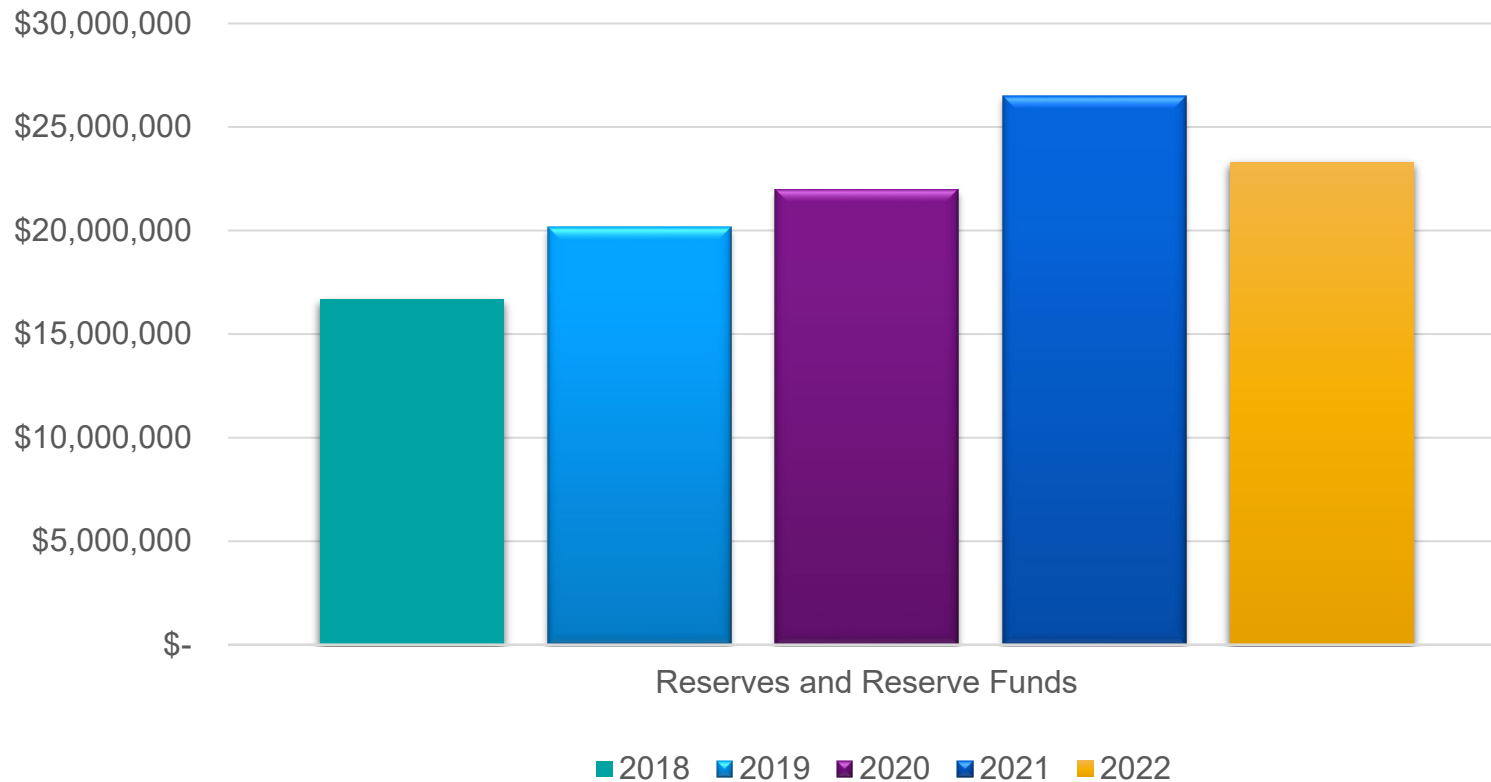
Tangible capital assets





Financial statement highlights (continued)

Reserves and reserve funds



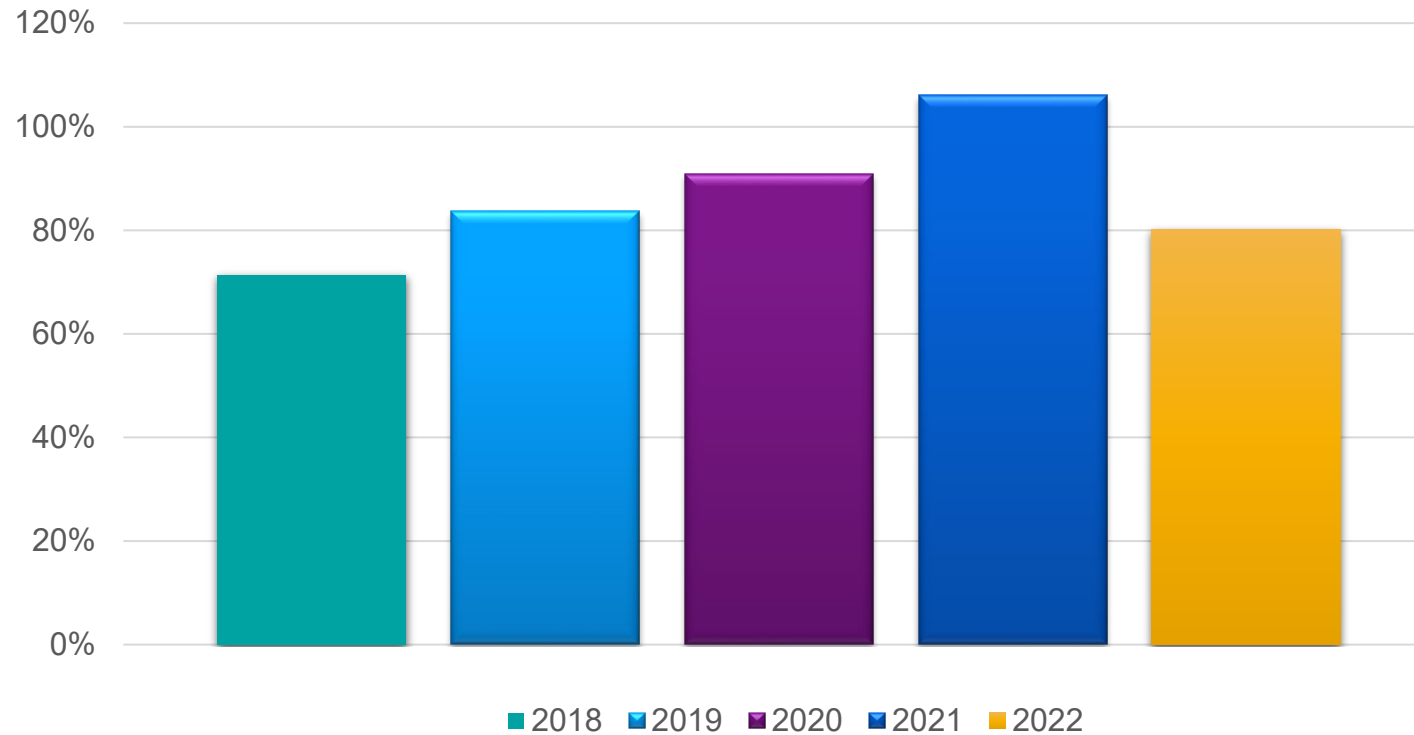
Reserves were used during the year to fund the following capital projects:

- Public Works Road Construction
- Fire Station #8
- Storrington Centre



Financial statement highlights (continued)

Reserves and reserve fund as a percentage of operating expenses

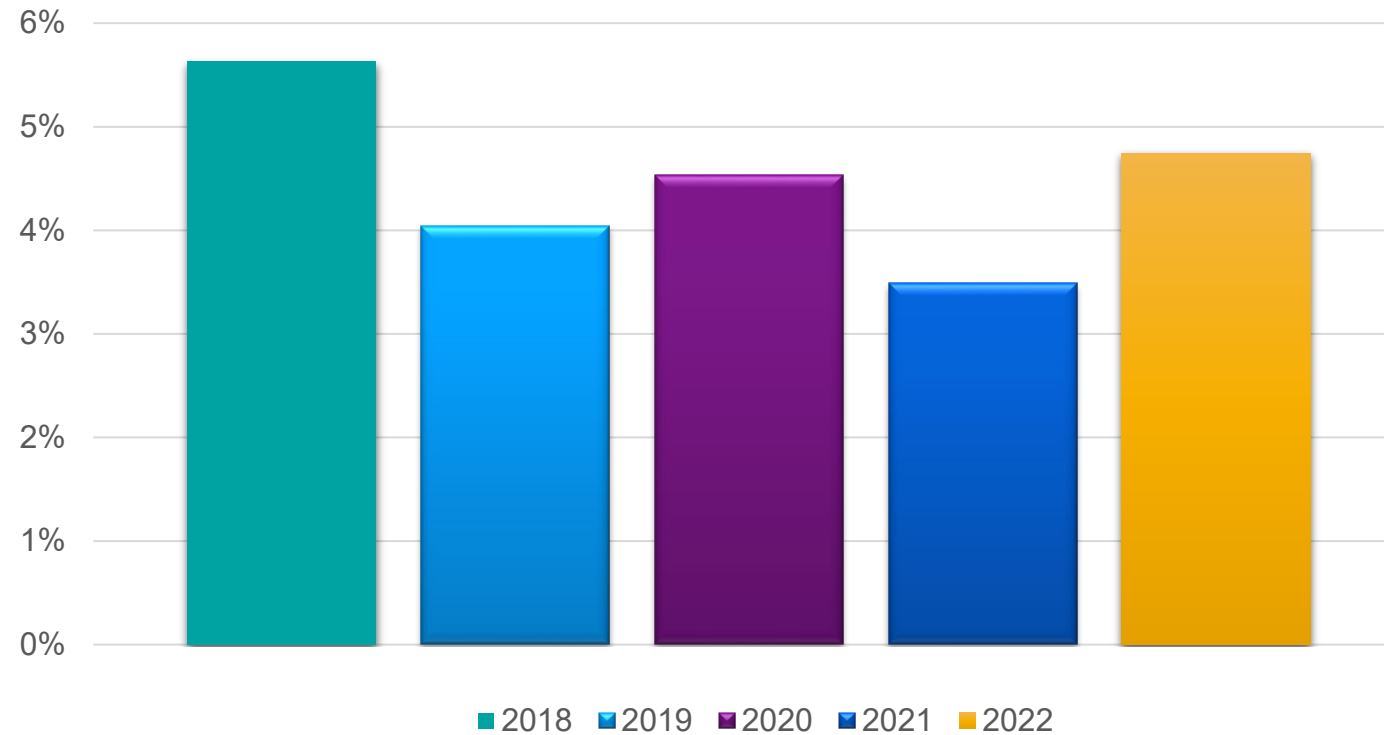


Benchmark: greater than 20%



Financial statement highlights (continued)

Tax arrears as a percentage of current levy



Benchmark: less than 10%



Financial statement highlights (continued)

	Budget 2022	Actual 2022	Actual 2021
	(note 17)		
Revenue:			
Property taxation	\$ 21,437,349	\$ 21,401,975	\$ 20,856,102
User charges	1,316,285	1,594,090	1,445,714
Licences, permits and rents	1,524,028	2,029,897	1,479,417
Government grants	3,249,464	3,069,568	3,610,041
Grants from other municipalities	497,050	304,769	445,201
Investment income	354,510	827,201	599,556
Penalties and interest on taxes	370,000	341,791	456,203
Donations	3,000	17,887	92,131
Other	18,711	454,068	403,320
Deferred revenues earned (note 7)	1,615,000	1,055,653	1,165,232
Total revenue	30,385,397	31,096,899	30,552,917
Expenses (note 16):			
General government	3,140,978	3,219,334	2,539,265
Fire	2,041,045	2,182,170	2,000,615
Police	2,931,316	2,921,185	2,982,618
Conservation authority	258,872	275,003	247,621
Protective inspections and control	453,156	1,163,425	974,459
Emergency measures	1,230	520	629
Roadways and winter control	14,134,326	12,818,035	10,390,033
Street lighting	54,727	48,193	42,507
Waterworks	428,164	465,732	498,028
Garbage collection and disposal	3,459,948	3,040,731	2,861,759
Landfill closure and post-closure costs	-	703,580	437,362
Cemeteries	80,378	90,538	82,578
Parks, recreation and cultural services	1,540,885	1,410,975	1,181,941
Planning and development	693,705	689,940	744,850
Total expenses	29,218,730	29,029,361	24,984,265
Annual surplus	1,116,667	2,067,538	5,568,652
Municipal equity, beginning of year	118,656,148	118,656,148	113,087,496
Municipal equity, end of year	\$ 119,822,815	\$ 120,723,686	\$ 118,656,148

Revenue:

- Increase in taxation levy increase of 2% and growth in tax base
- Increase in building permit revenue reflective of new residential housing
- Government grants in PY included \$581K for Frontenac Community Arena ICIP funding that was non-recurring
- Investment income increase due to the increase in market rate interest on bank balances

Expenses:

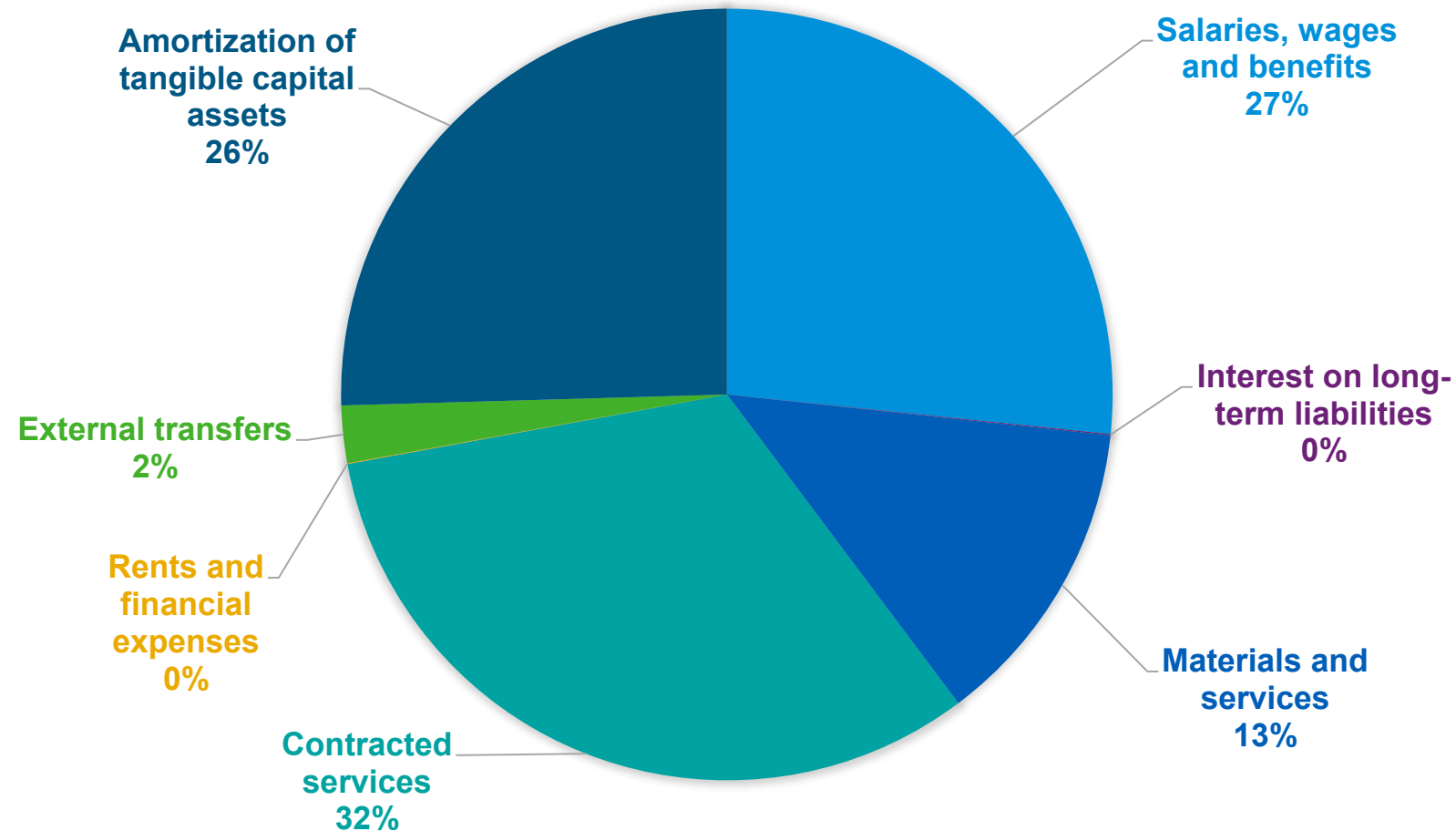
- Increase in salaries wages and benefits related to increased head count and annual increases
- Roadways and winter control increased costs of fuel and road materials, including gravel, sand/salt, dust layer
- Increase in the landfill closure and post-closure costs resulting from the increase in inflation and discount rate for the current year.

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



Financial statement highlights (continued)

Operating expenses





Audit misstatements

Materiality for fiscal 2022 was set at \$740,000, which translated into an audit misstatement posting threshold of \$37,000. As such, all misstatements identified during the audit greater than \$37,000 have been recorded on our summary of adjustments and differences.

Adjustments and differences identified during the audit have been categorized as “Corrected adjustments” or “Uncorrected differences”. These include disclosure adjustments and differences.

Professional standards require that we request of management and Council that all identified adjustments or differences be corrected, if any.

Uncorrected differences

Based on both qualitative and quantitative considerations, management have decided not to correct certain misstatements and represented to us that the misstatements — individually and in the aggregate—are, in their judgment, not material to the financial statements. This management representation is included in the management representation letter.

We concur with management’s representation that the uncorrected misstatements are not material to the financial statements. Accordingly, the uncorrected misstatements have no effect on our auditors’ report.

Corrected adjustments

We identified certain misstatements which were communicated to management and subsequently corrected in the financial statements.



Individually significant uncorrected audit misstatements

Uncorrected audit misstatements greater than \$37,000 individually:

Description of individually significant misstatements	Income effect	Financial position		
	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Accumulated Municipal Equity (Decrease) Increase
To record the long-term investments at cost	310,564	310,564	-	310,564
To record the building permit excess revenue in the obligatory reserve	(338,000)	-	338,000	(338,000)
Total uncorrected misstatements	(27,436)	310,564	338,000	(27,436)



Control deficiencies

Consideration of internal control over financial reporting (ICFR)



In planning and performing our audit, we considered ICFR relevant to the Township's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting



A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Significant deficiencies in internal control over financial reporting



A significant deficiency in internal control over financial reporting is a deficiency, or combination of deficiencies, in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

We did not identify any significant deficiencies in internal control over financial reporting.

Other observations





We identified certain other observations related to processes in place at the Township. These have been provided separately to management.



Significant risks and results

We highlight our significant findings in respect of **significant risks**, as well as any additional significant risks identified.

 Management Override of Controls	RISK OF FRAUD 	
Significant risk	Estimate?	Key audit matter?
Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.	No	No

Our response

As this presumed risk of material misstatement due to fraud is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include:

- Assessed the design and implementation of controls surrounding the journal entry process;
- Determined the criteria to identify high-risk journal entries and other adjustments; and
- Tested high-risk journal entries and other adjustments.

Findings

We did not uncover any issues during the performance of the procedures described above.



Significant accounting policies and practices



Initial selections of significant accounting policies and practices

There were no new significant accounting policies and practices that were selected and applied during the period.



Description of new or revised significant accounting policies and practices

There were no changes to significant accounting policies and practices. As a result, there was no impact on the financial statements.




Significant qualitative aspects of the Township's accounting policies and practices

There are no items to report.



Other financial reporting matters


We also highlight the following:



Financial statement presentation - form, arrangement, and content



No matters to report.



Concerns regarding application of new accounting pronouncements



The most significant pronouncement in the near term relates to Asset Retirement Obligations (“AROs”) that will be applicable for fiscal 2023. We will be available to provide Township the assistance they may require to properly implement this new accounting standard.



Significant qualitative aspects of financial statement presentation and disclosure



No matters to report.

Appendices

1

Other required communications

2

Audit quality

3

Future accounting pronouncements

4

Audit and assurance insights

Appendix 1: Other required communications



CPAB communication protocol

The reports available through the following links were published by the Canadian Public Accountability Board to inform Audit Committees and other stakeholders about the results of quality inspections conducted over the past year:

- [CPAB Audit Quality Insights Report: 2022 Interim Inspection Results](#)
- [CPAB Audit Quality Insights Report: 2021 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2020 Annual Audit Quality Assessments](#)



Matters pertaining to independence and confidentiality

We are independent of the Township and we have a robust and consistent system of quality control.

Confidentiality of our clients' information is an on-going professional and business requirement of both KPMG and our overall profession. In addition to our internal confirmation of independence of team members, we request confirmation and acknowledgement of our policies regarding confidentiality of Township's information.



Auditors' Report

The conclusion of our audit is set out in our draft auditors' report as attached.



Representations of management

In accordance with professional standards, we will obtain certain representations from management upon approval of the financial statements.



Appendix 1a: Draft auditor's report

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Township of South Frontenac:

Opinion

We have audited the consolidated financial statements of The Corporation of the Township of South Frontenac (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2022
- the consolidated statement of operations and accumulated municipal equity for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of remeasurement gains and losses for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements, present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2022, and its consolidated results of operations, its consolidated remeasurement gains and losses, its consolidated changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

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

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



Appendix 1a: Draft auditor's report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants
Kingston, Canada
August 15, 2023





Appendix 2: Audit quality - How do we deliver audit quality?

Quality essentially means doing the right thing and remains our highest priority. Our **Global Quality Framework** outlines how we deliver quality and how every partner and staff member contributes to its delivery.

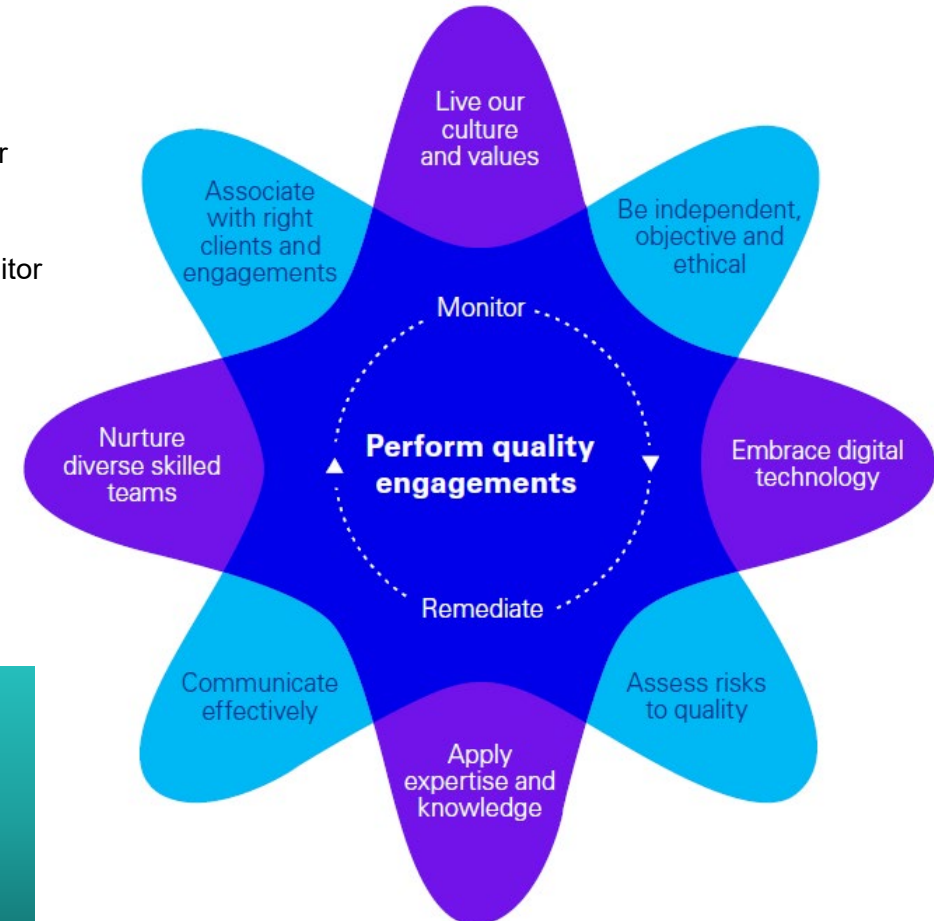
Perform quality engagement sits at the core along with our commitment to continually monitor and remediate to fulfil on our quality drivers.

Our **quality value drivers** are the cornerstones to our approach underpinned by the **supporting drivers** and give clear direction to encourage the right behaviours in delivering audit quality.

 [KPMG 2022 Audit Quality and Transparency Report](#)

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality controls**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.





Appendix 3: Future accounting pronouncements

Asset retirement obligations (“AROs”)

Effective date

December 31, 2023

Summary and implications

- The new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. Retirement costs will be recognized as an integral cost of owning and operating tangible capital assets.
- The ARO standard will require the public sector entity to record a liability related to future costs of any legal obligations to be incurred upon retirement of any controlled tangible capital assets (“TCA”). As a result of the new standard, the public sector entity will:
 - Consider how the additional liability will impact net financial assets.
 - Carefully review legal agreements, senior government directives and legislation in relation to all controlled TCA to determine if any legal obligations exist with respect to asset retirements.

Financial instruments & foreign currency translation

Effective date

December 31, 2023

Summary and implications

- Equity instruments quoted in an active market and free-standing derivatives are to be carried at fair value. All other financial instruments, including bonds, can be carried at cost or fair value depending on the public sector entity’s choice and this choice must be made on initial recognition of the financial instrument and is irrevocable.
- Hedge accounting is not permitted.
- A new statement, the Statement of Remeasurement Gains and Losses, will be included in the financial statements. Unrealized gains and losses incurred on fair value accounted financial instruments will be presented in this statement. Realized gains and losses will continue to be presented in the statement of operations.
- PS 3450 *Financial Instruments* was amended subsequent to its initial release to include various federal government narrow-scope amendments.



Appendix 3: Future accounting pronouncements (continued)

Revenue

Effective date

December 31, 2024

Summary and implications

- The new standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement.
- The standard notes that in the case of revenues arising from an exchange transaction, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations.
- The standard notes that unilateral revenue arises when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.

Public Private Partnerships (“P3s”)

Effective date

December 31, 2024

Summary and implications

- PSAB has introduced Section PS3160, which includes new requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership. The standard may be applied retroactively or prospectively.
- The standard notes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the P3 ends.
- The public sector entity recognizes a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure.

Purchased intangibles

Effective date

December 31, 2024

Summary and implications

- The guideline allows public sector entities to recognize intangibles purchased through an exchange transaction. The definition of an asset, the general recognition criteria and GAAP hierarchy are used to account for purchased intangibles.
- Narrow scope amendments were made to *PS 1000 Financial statement concepts* to remove the prohibition to recognize purchased intangibles and to *PS 1201 Financial statement presentation* to remove the requirement to disclose purchased intangibles not recognized.
- The guideline can be applied retroactively or prospectively.



Appendix 3: Future accounting pronouncements (continued)

Asset Retirement Obligations (ARO's): key audit risks

1

Do you have **completeness** of ARO's on your financial statements, particularly in terms of assets identified as in-scope?

2

Have you determined **measurement** of ARO's based on reliable data and costing models?

3

Have you correctly applied an appropriate **transition method**?

4

Do you have adequate **documentation** of your process and audit working papers enabling auditability?



Appendix 3: Future accounting pronouncements (continued)

Asset retirement obligations: implementation project

Project planning

- Project team is cross-functional and includes Finance and non-Finance personnel.
- Sufficient personnel resources are available for the implementation project.
- Where required, external experts have been engaged.
- The project plan identifies who is responsible for each project task.
- Project timelines are reasonable.
- Auditor involvement has been scheduled at each significant project milestone.
- Asset retirement obligations policy has been drafted.
- Recurring project updates are provided to the Audit Committee or other governance body to engage them in the implementation process.

Scoping

- The tangible capital assets listing reconciles to the audited financial statements.
- Agreements (e.g. leases, statutory rights of way, etc.) have been reviewed for potential legal obligations.
- Productive and non-productive assets have been included in the scoping analysis.
- Assets with similar characteristics and risks have been grouped together in the scoping analysis.
- All relevant legal acts, regulations, guidelines, etc. have been identified.
- Relevant internal stakeholders have been interviewed to obtain information about potential retirement obligations.

Measurement

- Cost information is relevant and reliable.
- Only costs directly attributable to legally required retirement activities have been included in the liability.
- If applicable, the discount rate is consistent with the risks and timelines inherent in the cash flows.
- If discounting is applied, it is based on reliable information to inform the timing of future cash flows.
- Asset retirement obligations have been linked to specific tangible capital assets.
- The useful life of the tangible capital asset remain appropriate and are consistent with estimated asset retirement date.
- The transition method selected is appropriate based on the measurement information available.
- Calculations are mathematically accurate.

Financial reporting

- Financial statements have been mocked up to include asset retirement obligations.
- Note disclosures, including significant accounting policies, have been drafted.
- Documentation prepared during the project has been reviewed to ensure it is accurate and complete.
- Plans have been implemented for the annual post-implementation review and update of the asset retirement obligation liability.



Appendix 3: Future accounting pronouncements (continued)

Asset retirement obligations: implementation milestones

PHASE 1

Step 1:

Development of a PS3280 compliant policy. Include a definition for in-scope assets, productive and non-productive assets, and document known sources of legal obligations (such as regulations and contracts) as well as key roles and responsibilities for retirement obligation identification, measurement and reporting.

Step 2:

Identification of TCA/sites inventory. Develop an inventory of potential in-scope assets or sites based on existing TCA listings, and inventories used for PS3260 contaminated sites. Reconcile the listing of TCA items to the audited financial statements. Assess in-scope assets against PS3280 recognition criteria.

Milestone – KPMG Audit Team review of PS3280 policy, asset listings, and in-scope assets

PHASE 2

Step 3:

Measure the estimated liability. Assess available information, and consider the need for additional environmental assessment of any sites. Document key assumptions and variables, and selection of transition method. Determine if discounting will be applied for any assets. Consider impacts on useful life assumptions for in-scope assets. Document measurement methodology and range of estimate for in-scope assets.

Milestone – KPMG Audit Team review of measurement methodology and range of estimates

Step 4:

Reporting. Prepare a library of documentation and assumptions supporting each retirement obligation for audit purposes, and comprehensive documentation of the process followed for implementation. Prepare template financial statements and related note disclosure for 2023 year end.

Milestone – KPMG Audit Team review of working papers and template financial statements



Appendix 4: Audit and assurance insights

Our latest thinking on the issues that matter most to Audit Committees, Councils, Boards of Directors and Management.

Accelerate

The key issues driving the audit committee agenda in 2023.

KPMG Audit & Assurance Insights

Curated research and insights for Audit Committees and boards.

Board Leadership Centre

Leading insights to help board members maximize boardroom opportunities.

KPMG Climate Change Financial Reporting Resource Centre

Our climate change resource centre provides insights to help you identify the potential financial statement impacts to your business.

Current Developments

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Securities & Auditing Matters and US Outlook reports.

Momentum

A quarterly newsletter providing curated insights for management, boards and Audit Committees.

Audit Committee Guide – Canadian Edition

A practical guide providing insight into current challenges and leading practices shaping Audit Committee effectiveness in Canada

Uncertain Times Financial Reporting Resource Centre

Uncertain times resource center provides insights to support clients facing challenges relating to COVID-19, natural disasters and geopolitical events.

KPMG Learning Academy

Technical accounting and finance courses designed to arm you with leading-edge skills needed in today's disruptive environment.

Environmental, social and governance (ESG)

Building a sustainable, resilient and purpose-led organization

IFRS Breaking News

A monthly Canadian newsletter that provides the latest insights on international financial reporting standards and IASB activities.

Other Insights





kpmg.ca

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KPMG member firms around the world have 227,000 professionals, in 145 countries.



Township of South Frontenac Staff Report



To: Council

Prepared by: Office of the Clerk

Date of Meeting: August 15, 2023

Subject: **Noise By-law Exemption Request**

Summary

The purpose of the Report is to provide Council with background information necessary for consideration of a [Noise By-law](#) exemption request related to 1021 / 1024 Hidden Valley Lane, Perth Road.

Recommendation

That Randy Ruttan be granted an exemption from Section 4, (Schedule 1, Clause 7.) of By-law Number 2015-41, As Amended, “A By-Law To Prohibit And Regulate Noise Within The Township Of South Frontenac”, to permit the discharge of consumer fireworks at 1021 / 1024 Hidden Valley Lane, Perth Road (Buck Lake) on September 3, 2023 between 9:30 p.m. and 10:30 p.m.; it being understood that the Noise By-law exemption to discharge consumer fireworks does not permit the discharge of fireworks should the discharge of consumer fireworks be prohibited by other Township of South Frontenac By-laws, Ontario Regulations or Provincial Legislation.

Background

On April 11, 2023, Council approved By-law 2023-29 which amended the Noise By-law to permit any person to submit a Noise By-law Exemption Request Application up to four weeks in advance of the event to the Clerk’s Department requesting an exemption from any of the prohibitions described in the General Prohibitions Section of the By-law. Furthermore, By-law 2023-29 outlines that a Council approved exemption will be in effect for the dates and times specified, and Council may impose any conditions that it considers appropriate. A Council approved exemption shall be invalid if these conditions are contravened.

Discussion/Analysis

Staff received a Noise By-law exemption application from Randy Ruttan, 1021 / 1024 Hidden Valley Lane, Perth Road, Buck Lake on July 26, 2023. The application is seeking exemption from Section 4, and more specifically Schedule 1, Clause 7 of the Noise By-law to permit the discharge of fireworks on September 3, 2023, from 9:30 p.m. to 10:30 p.m.

Although the Township of South Frontenac may grant an exemption to By-law 2015-41 to permit the discharge of fireworks as they relate to sound, all other laws, by-laws and Acts, must be adhered to, including but not limited to; the [Township of South Frontenac Open Air](#)

[Burning By-Law 2012-68](#), the [Forest Fires Prevention Act](#) and [O. Reg 207/96: Outdoor Fires](#).

The following provides as summary of Section 4., Schedule 1, Clause 7 of By-Law 2015-41:

“Section 4:

No person shall emit, cause or permit the emission of noise resulting from any act listed in Schedule 1 – Prohibitions by Time and Place if clearly audible at a point of reception located in an area of the Municipality specified in Schedule 1 within a prohibited time show for such an area.”

“Schedule 1, Clause 7:

The discharge of fireworks (except as permitted by the Municipality) in Residential Areas and other Areas as defined by the Prohibited Periods of Time “G” in By-Law 2015-41:

Prohibited Periods of Time as defined by Schedule 1 “G”:

Any time from January 1st to the Friday of the Victoria Day weekend, and from the Tuesday following the Victoria Day holiday to June 30 and from July 5 to December 31.”

Relationship to Strategic Plans

- Not applicable to this report.
- This initiative is supported by the following priorities of the 2019-2022 Strategic Plan.
 - Choose an item.

Climate Considerations

- Not applicable to this report.

Notice/Consultation

- Alex Bennett, Interim Director of Emergency Services & Fire Chief
- Frontenac Municipal Law Enforcement

Attachments

- a) Exhibit A – Noise By-law Exemption Request

Approvals

Prepared By:



Michelle Hannah
Deputy Clerk

Submitted By:



James Thompson
Clerk

Approved By:



Louise Fragnito, CPA, CGA
Chief Administrative Officer



SOUTH FRONTENAC

Noise By-Law Exemption Request

Applicant Information

All fields marked with * are required and must be filled, failure to do so may delay the process or may cause the requested to be denied.

Name*

Randy

Ruttan

First Name

Last Name

Organization

Campground owner

Address*

Street Address

1143 Shadow Lane

Perth Road

Ontario

Town

Province

K0H 2L0

Postal Code

Telephone Number*



(000)-000-0000

Email*



example@example.com



**SOUTH
FRONTENAC**

Noise By-Law Exemption Request

Event Details

Event Name*

Fireworks

Example: Smith Wedding

Event Address*

Street Address

Street Address 2

K0H 2L0

Town

Postal Code

Event Date*

September	03	2023
Month	Day	Year

Event Start/End Time*

<i>9:30</i>	pm	until	<i>10:30</i>	pm
Hour : Minutes	AM/PM		Hour : Minutes	AM/PM

Describe your event and why a noise exemption is required. You may include additional event dates and times and any information you believe is important.*

Fireworks celebrating Labour Day

Township of South Frontenac

Staff Report



To: Council

Prepared by: Office of the Clerk

Date of Meeting: August 15, 2023

Subject: Noise By-law Exemption Application

Summary

The purpose of the Report is to provide Council with background information necessary for consideration of a [Noise By-law](#) exemption request related to 4765 Colebrook Road, Harrowsmith.

Recommendation

That Ryan Wahab be granted an exemption from Section 3. Clause F. of By-law Number 2015-41, As Amended, "A By-Law To Prohibit And Regulate Noise Within The Township Of South Frontenac", to permit amplified music during a wedding on August 31, 2023 from 3:00 p.m. to 11:00 p.m. located at 4765 Colebrook Road, Harrowsmith.

Background

On April 11, 2023, Council approved By-law 2023-29 which amended the Noise By-law to permit any person to submit a Noise By-law Exemption Request Application up to four weeks in advance of the event to the Clerk's Department requesting an exemption from any of the prohibitions described in the General Prohibitions Section of the By-law. Furthermore, By-law 2023-29 outlines that a Council approved exemption will be in effect for the dates and times specified, and Council may impose any conditions that it considers appropriate. A Council approved exemption shall be invalid if these conditions are contravened.

Discussion/Analysis

Staff received a Noise By-law exemption application from Ryan Wahab on July 12, 2023. A copy of the application is attached to the Report as Exhibit A.

The application is seeking exemption from Section 3. Clause F. of the Noise By-law which states as follows:

"GENERAL PROHIBITIONS

3. No person shall emit, cause or permit the emission of noise resulting from an act listed herein, and which noise is clearly audible at a point of reception;

- f) The operation of any electronic device or group of connected electronic devices incorporating one or more loudspeakers or other electromechanical transducers, and intended for the production, reproduction or amplification of sound in such a manner as to disturb the peace and comfort of a person or persons at the point of reception;”

The Application is seeking an exemption from Section 3. Clause F. of the Noise By-law on August 31, 2023 from 3:00 p.m. to 11:30 p.m. to permit amplified music during a wedding hosted on the property.

Staff are recommending that an exemption be granted to 11:00 p.m. on August 31, 2023 rather than 11:30 p.m. to ensure consistency with previous Council decisions.

Financial Implications

Not applicable.

Relationship to Strategic Plans

- Not applicable to this report.
- This initiative is supported by the following priorities of the 2019-2022 Strategic Plan.
- Choose an item.

Climate Considerations

- Not applicable to this report.

Notice/Consultation

- Frontenac Municipal Law Enforcement

Attachments

- a) *Exhibit A – Noise By-law Exemption Request*

Approvals

Prepared By:



Michelle Hannah
 Deputy Clerk

Township of South Frontenac
Staff Report - Noise By-law Exemption Application

Submitted By:



James Thompson
Clerk

Approved By:



Louise Fragnito, CPA, CGA
Chief Administrative Officer



**SOUTH
FRONTENAC**

Noise By-Law Exemption Request

Applicant Information

All fields marked with * are required and must be filled, failure to do so may delay the process or may cause the requested to be denied.

Name*

Ryan

First Name

Wahab

Last Name

Organization

N/A

Address*

Street Address

4765 Colebrook Road

4765 Colebrook Road

Harrowsmith

Town

Ontario

Province

K0H 1V0

Postal Code

Telephone Number*

[REDACTED]

(000)-000-0000

Email*

[REDACTED]

example@example.com



**SOUTH
FRONTENAC**

Noise By-Law Exemption Request

Event Details

Event Name*

Wahab/Houston Wedding

Example: Smith Wedding

Event Address*

4765 Colebrook Road

Street Address

Street Address 2

Harrowsmith

K0H 1V0

Town

Postal Code

Event Date*

August

31

2023

Month

Day

Year

Event Start/End Time*

12:30

AM

until

12:30

AM

Hour : Minutes

AM/PM

Hour : Minutes

AM/PM

Describe your event and why a noise exemption is required. You may include additional event dates and times and any information you believe is important.*

The wedding will have approximately 40 people in attendance, and take place i



**SOUTH
FRONTENAC**

Noise By-Law Exemption Request

Notice of Collection

Personal information, as defined in the *Municipal Freedom of Information and Protection of Privacy Act*, is collected under the authority of the *Municipal Act, 2001*, and in accordance with *MFIPPA*. Personal information collected on the application may form part of the publicly available Council meeting agendas and minutes. Questions regarding the collection, use, and disclosure of this personal information may be directed to James Thompson, Clerk at 613-376-3027 extension 2239 or jthompson@southfrontenac.net

Township of South Frontenac Staff Report



To: Council

Prepared by: Public Services Department

Date of Meeting: August 15, 2023

Subject: Municipally Significant Event Designation for AGCO SOP

Summary

This report recommends that Council move to designate the Open Farm Days Kickoff Event as municipally significant as required by the Alcohol & Gaming Commission of Ontario (AGCO) Special Occasion Permit (SOP).

Recommendation

That designate the Open Farm Days Kickoff Event on September 1st, 2023, from 3:00 pm – 7:00 pm at Centennial Park in Harrowsmith as municipally significant in support of the Alcohol & Gaming Commission of Ontario Special Events Permit Application.

Background

At the July 18th, 2023, Council meeting, Council moved to declare September 1st, 2023 – October 15th, 2023, as Open Farm Days in the Township of South Frontenac. Frontenac County and South Frontenac Township have partnered with the Frontenac Farmers Market to kickoff the 6-week long celebration of local food and farming. This kickoff event has been scheduled for September 1st, 2023, from 3:00 pm – 7:00 pm in Centennial Park, Harrowsmith. The event will feature a local craft beer garden and as per the AGCO SOP application processes, public events must be designated as municipally significant to grant the permit.

Discussion/Analysis

A feature at the event will be the craft beer and liquor garden. Staff are working towards contracting Frontenac County and Kingston based breweries to join in the celebration. The event must be designated as a municipally significant event by the Township to secure the proper permits and approvals.

Autumn is harvesting time, and to celebrate this, farms in Frontenac County and Kingston area are participating in Open Farm Days. A collaborative partnership with the County of Frontenac, South Frontenac, City of Kingston and Tourism Kingston, this wonderful

initiative features different farms and businesses in these areas. Visitors can participate in an experience or tour on the farms or business involved. The events go from September 1 to October 15, with opportunities for farms, markets, restaurants and more to educate consumers about small scale agriculture.

The Recreation and Events Coordinator has indicated the following measures to mitigate potential risks for the beer garden:

- At least one designated security person on shift during the event.
- A menu of local, craft beer will be served. No hard liquor will be permitted.
- No outside alcohol will be permitted on-site.

To secure the proper permits and approvals for a public event, it must be designated as municipally significant by the Township. As a part of the AGCO SOP permitting process, the event host must notify all local emergency services of the event. They must also have security (paid or volunteer) at the event to mitigate risks associated with alcohol consumption. All vendors serving alcohol must have their Ontario Smart Serve License and follow the provincial and federal regulations. All other conditions set by the AGCO will also be followed by the event host and vendors.

Financial Implications

None.

Relationship to Strategic Plans

- Not applicable to this report.
- This initiative is supported by the following priorities of the 2019-2022 Strategic Plan.
- Priority: 4. Be a catalyst for the creation of vibrant, complete communities.
 - RPLMP: Program and Events Recommendations 3 and 8.

Climate Considerations

- Not applicable to this report.
- This initiative supports climate change mitigation/adaption efforts in South Frontenac; and/or impacts the Township's resilience to climate change.

Notice/Consultation

- Clerks Department
- Chief Building Official
- South Frontenac Fire and Rescue Service

- Frontenac Paramedic Services
- Ontario Provincial Police – Frontenac Detachment
- KFL&A Public Health
- Frontenac County Economic Development Team
- Frontenac Farmers Market

Attachments

None.

Approvals

Written By:

Amanda Pantrey
Recreation & Events Coordinator

Submitted By:



Kyle Bolton
Director of Public Services

Approved By:



Louise Fragnito, CPA, CGA
Chief Administrative Officer

Township of South Frontenac Staff Report



To: Council

Prepared by: Office of the Clerk

Date of Meeting: August 15, 2023

Subject: **Implementation of Administrative Monetary Penalties – By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools (Pool Fence By-law)**

Summary

The purpose of the Report is to provide Council with information regarding the proposed expansion of the Administrative Monetary Penalties (AMPs) By-law to deter actions prohibited under [By-law 2014-33](#), the Pool Fence By-law (Exhibit C).

Recommendation

That Council recommend as follows:

- a) That By-law 2023-64 attached as Exhibit A, being “A By-law to Amend By-law 2022-70, A By-Law to Impose Administrative Monetary Penalties on Violations Of Municipal By-Laws”, be given first and second reading.
- b) That By-law 2023-64, be given third reading, signed and sealed.
- c) That By-law 2023-65 attached as Exhibit B, being “A By-Law to Amend By-Law 2014-33, A By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools”, be given first and second reading.
- d) That By-law 2023-65, be given third reading, signed and sealed.

Background

On August 9, 2022, Council enacted [By-law 2022-70](#), A By-law to Impose Administrative Monetary Penalties on Violations of Municipal By-laws (Administrative Monetary Penalties By-law). The implementation of the Administrative Monetary Penalties By-law enables the Township of South Frontenac to apply AMPs to address violations under the Dog Control By-law, Noise By-law, Safe Properties By-law, Trailer Licensing By-law and Waste Management By-law.

Discussion/Analysis

The Pool Fence By-law regulates enclosures around privately owned outdoor swimming pools.

Currently, the only recourse in which the Township of South Frontenac can address a violation of the Pool Fence By-law is under the *Provincial Offences Act*. Prosecution under the *Provincial Offences Act* involves an often lengthy and costly process. Administrative monetary penalties represent a more cost effective and efficient recourse to a by-law violation than seeking prosecution under the *Provincial Offences Act*. Furthermore, unpaid AMPs can be assigned to the property tax roll. It is in this light that it is recommended that the Administrative Monetary Penalties By-law be expanded to permit the application of AMPs to the Pool Fence By-law, By-law 2014-33.

To facilitate the application of AMPs under the Pool Fence By-law several administrative amendments are required to the Administrative Monetary Penalties By-law (Exhibit A) and the Pool Fence By-law (Exhibit B). Additional amendments to the Pool Fence By-law are not proposed at this time.

It is inherent to note that the amendments outlined in the Report will not alter the by-law enforcement strategy within the Township of South Frontenac. By-law violations will continue to be investigated only on a complaint basis.

The following provides a detail summary of the proposed amendments.

Summary of Administrative Amendments to the Administrative Monetary Penalties By-law (Exhibit A):

a) By-law 2022-70

No amendments are proposed to the By-law at this time with the exception of the following amendments to Schedule A and Schedule B.

b) By-law 2022-70, Schedule A

In order for a Township of South Frontenac by-law to be subject to administrative monetary penalties it must form part of Schedule A of the Administrative Monetary Penalties By-law. As such, it is recommended that Schedule A of By-law 2022-70 be amended to include the following:

“7. Township of South Frontenac, By-law 2014-33, A By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools (Pool Fence By-law)”

c) By-law 2022-70, Schedule B

It is recommended that Schedule B of By-law 2022-70 be amended to permit the following administrative monetary penalties be implemented to discourage violation of the Pool Fence By-law.

Township of South Frontenac

Staff Report - Implementation of Administrative Monetary Penalties – By-law to Regulate Enclosures
Around Privately Owned Outdoor Swimming Pools (Pool Fence By-law)

The proposed range of AMPs is between \$100.00 and \$250.00.

By-law 2014-33, A By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools (Pool Fence By-law)		
By-Law Section	Short Wording	Penalty Amount
2.1.1.	Failure to Comply with the following: Excavate or cause or permit excavation for the erection of a privately-owned outdoor swimming pool without a Pool Enclosure Permit first being obtained from the Township.	\$100.00
2.1.2.	Failure to Comply with the following: Place water in or allow water to remain in a privately-owned outdoor swimming pool unless the Township has inspected the enclosure and confirmed compliance with this By-law.	\$250.00
2.3.	Failure to Comply with the following: Every owner of a privately-owned outdoor swimming pool shall ensure that every gate and door required by paragraphs 3.8 and 3.9 is equipped with a locking device/ and shall be kept locked at all times if there is more than eighteen inches (18”) of water in the swimming pool and a responsible person is not present and supervising the swimming pool.	\$250.00
3.1.	Failure to Comply with the following: Every owner of a privately-owned outdoor swimming pool shall erect and maintain around it a fence and a gate or gates in accordance with the following requirements. This applies to all owners of all pools, including those constructed prior to the passage of this By-law.	\$250.00

Summary of Administrative Amendments to the Pool Fence By-law (Exhibit B):

By-law 2023-65 attached to the Report as Exhibit B outlines amendments to the Pool Fence By-law which are required for the administration of administrative monetary penalties.

To address obstruction of Provincial Offences Officers while undertaking their duties, it is recommended that By-law 2014-33 be amended by deleting Clause 8.1. in its entirety and inserting the following clause:

- “8.1. No person shall obstruct or hinder or attempt to obstruct or hinder a Provincial Offences Officer or other authorized employee or agent of the Township in the exercise of a power or the performance of a duty under this By-law. Without limiting the generality of the foregoing, for purposes of this By-law, any person who fails to provide proof of identification satisfactory to the Provincial Offences Officer when requested to do so by the Provincial Offences Officer is deemed to obstruct an Officer under this By-Law.”

Township of South Frontenac

Staff Report - Implementation of Administrative Monetary Penalties – By-law to Regulate Enclosures
Around Privately Owned Outdoor Swimming Pools (Pool Fence By-law)

To permit administrative monetary penalties to be applied to violations under the Pool Fence By-law, it is recommended that By-law 2014-33 be further amended to include the following:

- “9.2. Every Person who contravenes any provision of this By-Law shall, upon issuance of a Penalty Notice in accordance with the By-Law to Impose Administrative Monetary Penalties On Violations Of Municipal By-Laws 2022-70, be liable to pay to the Township an Administrative Monetary Penalty in accordance with By-Law Number 2022-70.”
- 9.3. If a Person is required to pay an Administrative Penalty under Section 3. In respect of a contravention of this By-law, the Person shall not be charged with an offence in respect of the same contravention.”

Conclusion:

Due to the continued need to effectively address municipal by-law offences, staff are recommending that Council approve the expansion of the application of administrative monetary penalties to the Pool Fence By-law. As demonstrated, AMPs have proven to be effective in improving compliance in an efficient fashion.

Financial Implications

Revenue stemming from administrative monetary penalties and estimated revenues in future years will be included as part of the by-law enforcement section of the budget.

Relationship to Strategic Plans

- Not applicable to this report.
- This initiative is supported by the following priorities of the 2019-2022 Strategic Plan.
- Priority: 3. Ensure the organizational capacity to deliver cost-effective services in a changing world.

Climate Considerations

- Not applicable to this report.

Notice/Consultation

- Brad Wright, Director, Development Services

Attachments

Exhibit A – By-law 2023-64 - A By-law to Amend By-law 2022-70, As Amended ‘A By-Law to Impose Administrative Monetary Penalties on Violations Of Municipal By-Laws’

Township of South Frontenac
Staff Report - Implementation of Administrative Monetary Penalties – By-law to Regulate Enclosures
Around Privately Owned Outdoor Swimming Pools (Pool Fence By-law)

Exhibit B – By-law 2023-65 - A By-Law to Amend By-Law 2014-33, 'A By-Law to Amend By-Law 2014-33, A By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools'

Exhibit C – By-law 2014-33 - 'A By-Law to Regulate Enclosures around Privately Owned Outdoor Swimming Pools'

Approvals

Submitted By:



James Thompson
Clerk

Approved By:



Louise Fragnito, CPA, CGA
Chief Administrative Officer

**TOWNSHIP OF SOUTH FRONTENAC
BY-LAW 2023-64**

A BY-LAW TO AMEND BY-LAW 2022-70, AS AMENDED, “A BY-LAW TO IMPOSE ADMINISTRATIVE MONETARY PENALTIES ON VIOLATIONS OF MUNICIPAL BY-LAWS”

WHEREAS Council desires to update By-law 2022-70, As Amended;

NOW THEREFORE the Corporation of the Township of South Frontenac enacts as follows:

1. By-law 2022-70, As Amended, “A By-Law to Impose Administrative Monetary Penalties on Violations Of Municipal By-Laws”, is hereby amended as follows:

Schedule A is amended by adding Clause 7. to read as follows:

- “7. Township of South Frontenac, By-law 2014-33, A By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools (Pool Fence By-law)”

Schedule B is amended to include following Administrative Monetary Penalties related to By-law 2014-33:

By-law 2014-33, A By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools (Pool Fence By-law)		
By-Law Section	Short Wording	Penalty Amount
2.1.1.	Failure to Comply with the following: Excavate or cause or permit excavation for the erection of a privately-owned outdoor swimming pool without a Pool Enclosure Permit first being obtained from the Township.	\$100.00
2.1.2.	Failure to Comply with the following: Place water in or allow water to remain in a privately-owned outdoor swimming pool unless the Township has inspected the enclosure and confirmed compliance with this By-law.	\$250.00
2.3.	Failure to Comply with the following: Every owner of a privately-owned outdoor swimming pool shall ensure that every gate and door required by paragraphs 3.8 and 3.9 is equipped with a locking device/ and shall be kept locked at all times if there is more than eighteen inches (18”) of water in the swimming pool and a responsible person is not present and supervising the swimming pool.	\$250.00
3.1.	Failure to Comply with the following: Every owner of a privately-owned outdoor swimming pool shall erect and maintain around it a fence and a gate or gates in accordance with the following requirements. This applies to all owners of all pools, including those constructed prior to the passage of this By-law.	\$250.00
8.1	Obstruct an Officer	\$500.00
	Continued contravention of By-law 2014-33. (AMP may be issued once in every seven-day period when compliance is not achieved by prescribed date)	\$500.00
	Administrative Penalty Fee – Failing to pay the AMP by the date on which it is due.	\$50.00
	Administrative Penalty Fee – Failing to appear for a hearing before the Hearings Officer.	\$100.00
	Screening Officer Appeal Fee	\$50.00
	Hearing Officer Appeal Fee	\$200.00

2. This By-law will come into force and take effect on the date of its passing.

Given First and Second Readings: August 15, 2023

Given Third Reading signed and sealed August 15, 2023

**THE CORPORATION OF THE
TOWNSHIP OF SOUTH FRONTENAC**

Ron Vandewal, Mayor

James Thompson, Clerk

**TOWNSHIP OF SOUTH FRONTENAC
BY-LAW 2023-65**

A By-Law to Amend By-Law 2014-33, 'A By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools'

WHEREAS Council desires to update By-law 2014-33;

NOW THEREFORE the Corporation of the Township of South Frontenac enacts as follows:

1. By-law 2014-33, 'A By-law to Regulate Enclosures Around Privately Owned Outdoor Swimming Pools' is hereby amended as follows:

That Clause 8.1 be deleted in its entirety and replaced with the following clause to read as follows:

“8.1. No person shall obstruct or hinder or attempt to obstruct or hinder a Provincial Offences Officer or other authorized employee or agent of the Township in the exercise of a power or the performance of a duty under this By-law. Without limiting the generality of the foregoing, for purposes of this By-law, any person who fails to provide proof of identification satisfactory to the Provincial Offences Officer when requested to do so by the Provincial Offences Officer is deemed to obstruct an Officer under this By-Law.”

That Section 9. be amended by adding Clause 9.2. and 9.3. to read as follows:

“9.2. Every Person who contravenes any provision of this By-Law shall, upon issuance of a Penalty Notice in accordance with the By-Law to Impose Administrative Monetary Penalties On Violations Of Municipal By-Laws 2022-70, be liable to pay to the Township an Administrative Monetary Penalty in accordance with By-Law Number 2022-70.

9.3. If a Person is required to pay an Administrative Penalty under Section 3. In respect of a contravention of this By-law, the Person shall not be charged with an offence in respect of the same contravention.”

2. This By-law will come into force and take effect on the date of its passing.

Given First and Second Readings: August 15, 2023

Given Third Reading signed and sealed August 15, 2023

**THE CORPORATION OF THE
TOWNSHIP OF SOUTH FRONTENAC**

Ron Vandewal, Mayor

James Thompson, Clerk

**THE CORPORATION OF THE TOWNSHIP OF
SOUTH FRONTENAC**

BY-LAW 2014-33

**BEING A BY-LAW TO REGULATE ENCLOSURES AROUND
PRIVATELY OWNED OUTDOOR SWIMMING POOLS
(POOL FENCE BY-LAW).**

WHEREAS pursuant to section 9 of the Municipal Act, 2001 S.O. 2001, chapter 25, (the Act) as amended, a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS pursuant to section 8. (1) of the Act, as amended, sections 9 and 11 shall be interpreted broadly so as to confer broad authority on municipalities (a) to enable them to govern their affairs as they consider appropriate; and (b) to enhance their ability to respond to municipal issues;

AND WHEREAS pursuant to section 11. (2) of the Act as amended, a lower-tier municipality has the authority to pass by-laws respecting the health, safety and well-being of persons;

AND WHEREAS pursuant to section 11. (3) of the Act, as amended, a lower-tier municipality has the authority to pass by-laws respecting structures, including fences and signs;

AND WHEREAS pursuant to section 436 of the Act, as amended, a municipality has the power to pass by-laws providing that the municipality may enter on land at any reasonable time for the purpose of carrying out an inspection to determine compliance of a by-law of the municipality passed under this Act.

AND WHEREAS pursuant to section 438 of the Act, as amended, a municipality has the power to pass by-laws providing that the municipality may, in the circumstances set out in the by-laws, undertake inspections pursuant to orders under section 438 of the Act.

NOW THEREFORE THE COUNCIL OF CORPORATION OF THE TOWNSHIP OF SOUTH FRONTENAC ENACTS AS FOLLOWS:

1. DEFINITIONS

1.1 Non-defined terms

Definitions of words and phrases used in this By-law that are not included in the list of definitions shall have the meanings which are commonly assigned to them in the context in which they are used in this By-law taking into account the specialized use of terms with the various trades and professions to which the terminology applies.

1.2 Defined Terms

In this By-law,

- 1.2.1 Enclosure: Means a fence, wall, or other structure, including doors and gates, surrounding a privately owned outdoor swimming pool to restrict access thereto.
- 1.2.2 Fence: Means a barrier constructed of chain link metal, wood, stone, metal, or material having an equivalent degree of strength.
- 1.2.3 Gate: Means a swinging or sliding barrier used to fill or close an access and includes a door.

- 1.2.4 **Officer:** Means a Municipal Law Enforcement Officer, and includes the Chief Building Official or designate.
- 1.2.5 **Permit or Pool Enclosure Permit:** means written permission or written authorization from the Chief Building Official to perform work regulated by this By-law.
- 1.2.6 **Person:** includes, but is not limited to, an individual, association, firm, partnership corporation, trust, incorporated company, organization, trustee or agent.
- 1.2.7 **Privately Owned Outdoor Swimming Pool:** Means any privately-owned body of water located outdoors contained by artificial means in which the depth of the water at any point can exceed eighteen inches (18") and used or capable of being used for swimming, wading, diving, and bathing. *Excluding; any naturally formed depressions in the ground, a natural body of water, a farm pond or irrigation pond used to water livestock or for irrigation operations, any garden or fish or decorative pond used as landscaping features, or any storm water management facility.*
- 1.2.8 **Service Entrance:** Means that entrance into a building which is normally used by persons entering such building for the purpose of delivering goods or rendering maintenance services as opposed to the main or principal entrance.

2. GENERAL PROVISIONS

- 2.1 **No person shall:**
- 2.1.1 excavate or cause or permit excavation for the erection of a privately-owned outdoor swimming pool without a Pool Enclosure Permit first being obtained from the Township;
- 2.1.2 place water in or allow water to remain in a privately-owned outdoor swimming pool unless the Township has inspected the enclosure and confirmed compliance with this By-law.
- 2.2 Every Owner of a privately-owned outdoor swimming pool shall ensure that all enclosure requirements specified in this By-law are complied with.
- 2.3 Every owner of a privately-owned outdoor swimming pool shall, ensure that every gate and door required by paragraphs 3.8 and 3.9 is equipped with a locking device, and shall be kept locked at all times if there is more than eighteen inches (18") of water in the swimming pool and a responsible person is not present and supervising the swimming pool.

3. ENCLOSURES

- 3.1 Every owner of a privately-owned outdoor swimming pool shall erect and maintain around it a fence and a gate or gates in accordance with the following requirements. This applies to all owners of all pools, including those constructed prior to the passage of this By-law.
- 3.2 No person shall fill a privately-owned outdoor swimming pool with water or maintain such pool filled with water until an enclosure complying with the requirements of this section has been erected around the swimming pool.
- 3.3 Such enclosure, including gates therein, shall;
- 3.3.1 Be a minimum height of five feet (5') above the ground, measured on the non-pool side of the enclosure, or;

- 3.3.2 Where an above-ground pool is a minimum height of five feet (5') above ground that shall be level for a distance of at least four feet (4') beyond the pool wall, with no climbable features contained thereon. An enclosure will not be required, provided the sides of the pool are smooth-faced and non-climbable and that the step/ladder shall:
- a) be manufactured to be easily removable without the use of tools when the pool is unattended; or
 - b) be manufactured to be swung upwards and locked in the upright position; or
 - c) be enclosed by a fence and gate in accordance with subsection 3.7 of this By-law.
- 3.4 Notwithstanding the provisions of Section 3.3 a pool installation is deemed to comply if the installation was legally installed before January 1, 2003, provided that:
- 3.4.1 In the case of an above ground swimming pool, the pool wall is a full four feet from the ground or,
- 3.4.2 A pool is protected by a perimeter fence a full four feet high and meets the requirement of section 3.7 and,
- 3.4.3 Gates and openings are a full four feet high and meet the other provisions of section 3.8.
- 3.4.4 The owner completes additional safety features at the discretion of the Chief Building Official.
- 3.5 When a wall of a building forms part of such enclosure, no main or service entrance to the building shall be located within the swimming pool area enclosure, except that this requirement shall not apply when the main entrance and all exterior service meters and intakes are located outside the enclosure.
- 3.6 Except as provided in 3.7.6, such enclosure shall have no rails or other horizontal or diagonal bracing or attachments on the outside that would facilitate climbing.
- 3.7 A fence forming part of such enclosure shall be of a vertically boarded wood construction, chain link construction, or of other materials and construction as provided in clause 3.7.6.
- 3.7.1 Shall include no part consisting of barbed wire or having similar dangerous characteristics and no device for projecting an electric current through the fence or gate(s).
- 3.7.2 Fence location may occur on the property line but in no case be closer than four feet (4') to the pool or any climbable structure.
- 3.7.3 If constructed on the property line, shall be finished in such manner as to present the most attractive side thereof toward neighbouring property.
- 3.7.4 If of chain link construction, shall;
- (a) Be of not greater than one and one half inch (1½") diamond mesh.
 - (b) Be constructed of galvanized steel wire not less than No.12 gauge or of minimum No.14 gauge steel wire covered with a vinyl or other approved coating forming a total thickness equivalent to No.13 gauge galvanized wire.

- (c) Be supported by at least one and one half inch (1½") diameter galvanized steel posts, each covered by a minimum of two inches (2") of concrete from grade to a minimum of two feet (2') below grade, such posts to be spaced not more than ten feet (10') apart. Top and bottom rails shall be provided of one and one quarter inch (1¼) minimum diameter galvanized steel, except that a one quarter inch (1/4") minimum diameter galvanized steel tension rod may be substituted for the bottom horizontal steel rail. A vinyl or other approved coating may be substituted for the galvanized coating;

3.7.5 If of wood construction, shall;

- (a) Have the vertical boarding attached to supporting members, all of which are arranged in such a manner so as not to facilitate climbing from the outside. Such vertical boards shall be not less than one inch by four inch (1"x 4") nominal dimensions, spaced not more than one and one half inches (1½") apart.
- (b) Be supported by a minimum of four inch (4") square or four inch (4") diameter posts, nominal dimensions, spaced not more than eight feet (8') on centers securely embedded to a minimum of two feet (2') below grade. That portion of the wood post below grade shall be treated with a wood preservative. Top and bottom horizontal rails shall be provided of wood two inches by four inches (2" x 4") minimum nominal dimensions, spaced four feet (4') minimum apart.

3.7.6 An enclosure may be of construction other than that specified, provided an equivalent degree of safety is maintained and shall;

- (a) Be constructed so that the rigidity is equal to that specified for those fences described in clauses 3.7.4 and 3.7.5.
- (b) Be permitted to have exposed structural or other members that may facilitate climbing the outside of the enclosure, provided the minimum clear vertical distance between the upper and the lower two (2) members or part thereof, is four feet (4') and regardless of the location of such members, where this minimum (4') four feet vertical dimensions is maintained, the least dimension of any opening through such fence/gate may be increased to not more than that required to prevent the passage of a spherical object having a diameter of four inches (4").

3.8 Gates forming part of such enclosure shall;

3.8.1 Be of construction and height equivalent to that required for the fence, and;

- (a) Be supported on substantial hinges, and;
- (b) Be equipped with self-closing device, and also equipped with a self-latching and locking device placed at the top and on the inside of the gate, and;
- (c) Shall not abut township owned property except with written approval by Council

3.9 Doors subject to the provisions of paragraph 3.5 that provide access from building directly to the enclosed swimming area, other than doors located in a dwelling unit or a rooming unit (i.e. main door from garage, etc.) shall each be self-

closing and self-latching and shall be equipped with a locking device located not less than five feet (5') above the bottom of the door.

- 3.10 No perimeter fencing is required for hot tubs, whirlpools, and spas provided they are equipped with a rigid top that is specifically designed and manufactured for use on the model of hot tub, whirlpool, or spa that is installed and is capable of being locked.

4. ADMINISTRATIVE PROCEDURES RELATING TO PERMITS

4.1 Application Requirements

4.1.1 Every person applying for a Pool Enclosure Permit shall provide and ensure that an application is completed in its entirety and be accompanied by;

- (a) The plans, specifications, documents, forms and other information prescribed in Schedule "A" of this By-law.
- (b) All required permit fees are paid as provided in Schedule "B" of this By-law as may be amended from time to time.

4.2 Posting of Permits

Every Owner shall post conspicuously on the work site, the Pool Enclosure Permit placard that is issued with the permit and shall be responsible for the maintaining of the placard in a legible condition until the work allowed by the permit is complete.

4.3 Revision to Permit

After the issuance of a Pool Enclosure Permit, notice of any material change to a plan, specification, document or other information on the basis of which the permit was issued, must be given in writing, to the Chief Building Official together with the details of such change, which is not to be made without the Chief Building Official's written authorization.

4.4 Revocation of Applications and Permits

4.4.1 The Township has the authority to revoke an application or a Pool Enclosure Permit issued under this By-law where:

- (a) the application is incomplete and remains incomplete three (3) months after it was submitted;
- (b) the application is complete, a permit is available to be issued, and three (3) months has elapsed from the date upon which the Owner was notified that the permit was available;
- (c) after three months (3) after its issuance, the construction in respect of which it was issued has not, in the opinion of the Chief Building Official, been seriously commenced.

4.4.2 Where an application or Pool Enclosure Permit is revoked, any monies deposited towards the payment of permit fees are not subject to the refund and all plans and documents may be destroyed in accordance with the Record Retention By-law.

5. SEVERABILITY AND RESTRICTIVE PROVISIONS

- 5.1 If a court of competent jurisdiction should declare any section or part of a section of this By-law to be invalid such section or part of a section shall not be

construed as having persuaded or influenced Council to pass the remainder of this By-law and it is hereby declared that the remainder of this By-law shall be valid and shall remain in force.

- 5.2 Where the provisions of this By-law conflict with the provisions of any other by-law or Act, the more restrictive provisions shall apply.

6. POWERS OF ENTRY

- 6.1 An Officer may enter on a lot at any reasonable time for the purpose of carrying out an inspection to determine whether or not the following are being complied with:

- 6.1.1 the provisions of this By-law;
- 6.1.2 a direction or order issued under this By-law;
- 6.1.3 an order made under Section 431 of the Act.

7. NOTICE OF NON-COMPLIANCE

- 7.1 An Officer may issue a notice of non-compliance to any person who has contravened a provision of this By-law.

8. OBSTRUCTION

- 8.1 No person shall hinder or obstruct, or attempt to hinder or obstruct, an Officer who is exercising a power or performing a duty under the Act or under a by-law passed under the Act.
- 8.2 Any person who has been alleged to have contravened any of the provisions of a By-law passed under the Act, shall identify themselves to the Officer upon request. Failure to do so shall be deemed to have obstructed or hindered the Officer in the execution of the Officer's duties,

9. PENALTY PROVISIONS

- 9.1 Any person who contravenes any provisions of this By-law is guilty of an offence and upon conviction is liable to a fine as provided in the Provincial Offences Act R.S.O. 1990, c. P.33, as may be amended from time to time.

10. SHORT TITLE

- 10.1 This By-law may be cited as "the "Pool Fence By-law".

11. SCHEDULES

- 11.1 That Schedule "A", being the Required Supporting Documents & Drawings to an Application for a Pool Enclosure Permit, is attached hereto and forms part of this By-law.

12. REPEAL

- 12.1 That By-law 2002-97 is hereby deemed repealed.

13. FORCE AND EFFECT

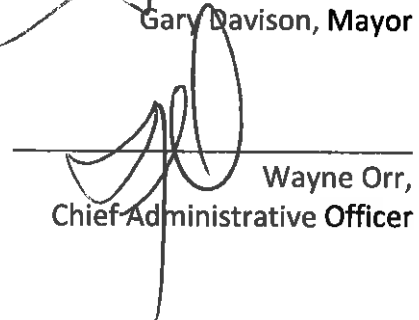
13.1 That this By-law shall come into force and effect on June 1, 2014.

Read a first and second time this 20th day of May 2014.

Read a third time, signed and sealed this 20th day of May, 2014.



Gary Davison, Mayor



Wayne Orr,
Chief Administrative Officer

SCHEDULE "A" OF BY-LAW 2014-33

**BEING A BY-LAW TO REGULATE BEING A BY-LAW TO REGULATE ENCLOSURES AROUND
PRIVATELY OWNED OUTDOOR SWIMMING POOLS WITHIN THE TOWNSHIP OF SOUTH
FRONTENAC**

PLANS, SPECIFICATIONS AND DOCUMENTATION REQUIREMENTS

The Owner shall provide with a completed application form, the following supporting documents and drawings:

1. Site Plan:

- a) showing the location of all existing structures (including septic system) on the property in relation to the lot line;
- b) showing the location of all existing easements, right-of-ways and swales;
- c) showing the location of the adjoining street(s);
- d) showing the location of the proposed Pool and Enclosure including setbacks to all the lot lines;
- e) showing the location and size of proposed structures (sheds, decks, retaining walls, etc..) including setbacks to all the lot lines;
- f) showing the location of all gates, labelled as "self-closing" and "self-latching";
- g) showing the location of all of doors within walls of building or structure proposed to form part of the Pool Enclosure.
- h) construction specifications and/or drawings of all permanent Enclosure fences and walls;
 - (i) showing all materials proposed to be used and their orientation
 - (ii) showing all proposed openings, with dimension
 - (iii) indicating overall height(s) of Enclosure fences or walls
 - (iv) If applicable, specification documents of protective covers proposed for use on hot tubs, whirlpools, and spas.

2. Other Documentation

- a) Copies of authorizations/permits from other approving agencies (Applicable Law approvals)
- b) Copy of deed or recent municipal Tax Bill (proof of ownership)
- c) Copy of survey

In addition to the foregoing items, other information may be required to enable the Chief Building Official to determine whether the proposed work conforms this By-law.

SCHEDULE "B" OF BY-LAW 2014-33

**BEING A BY-LAW TO REGULATE BEING A BY-LAW TO REGULATE ENCLOSURES AROUND
PRIVATELY OWNED OUTDOOR SWIMMING POOLS WITHIN THE TOWNSHIP OF SOUTH
FRONTENAC**

PERMIT FEES AND SECURITY DEPOSIT

1. Defined Terms.

The following words and terms in this Schedule have the following meaning for the purposes of this Schedule.

Project Value means the total estimate value of construction cost, which includes the cost of construction, professional designer compensation, and other similar charges.

2. Deposits

A non-interest bearing refundable deposit of \$500.00 shall be posted by the applicant to be refunded once the conditions of By-law 2014-33 have been complied with.

3. Fees

Pool enclosure permit fee is \$14.00 per thousand dollars of project value, minimum \$60.00, and subject to the following provisions;

- a) The Chief Building Official shall not issue a permit until fees required by this By-law have been paid in full by the applicant.
- b) The Chief Building Official may place a valuation on the cost of the proposed project as contained in this Schedule and where disputed by the applicant, the applicant shall pay the required fee under protest and, within six months of completion of the project, shall submit an audited statement of the actual costs. Where the Chief Building Official, in his sole discretion, agrees that the audited costs are less than the valuation, the Chief Building Official may issue a partial refund that reflects the difference between the two amounts.
- c) The Fees set out in this Schedule shall be adjusted annually on and effective the 1st of February based upon the 3rd quarter Statistics Canada Non-Residential Cost Index: Ottawa; where such index indicates negative growth, the fees shall remain at the level established for the prior year. The Chief Building Official shall update this Schedule as of February 1st each year, rounding the fees up to the next dollar, however no amendment to the by-law shall be required to give effect to the fee changes.
- d) Where any Fees set out in this Schedule remain unpaid after the due date, the amount unpaid shall be added to the tax roll and collected as taxes.

Township of South Frontenac

Staff Report



To: Council

Prepared by: Office of the Clerk

Date of Meeting: August 15, 2023

Subject: **Notice of Motion – draft Official Plan – Proposed Provisions related to Extension of Municipal Roads**

Summary

At the July 18, 2023, Council meeting, Mayor Vandewal submitted a Notice of Motion requesting that staff report back to Council regarding opportunities to add provisions to the draft Official Plan to allow for the extension of Municipal Roads in certain situations to facilitate development.

Recommendation

That staff be directed to include language in the draft Official Plan to allow for a property owner to extend a municipal road provided that said road is constructed to municipal standards to provide sufficient road frontage to facilitate development of a parcel of land; it being understood that the applicant would be responsible for all costs associated with the extension of the municipal road.

Background

At the July 18, 2023, Council meeting, Mayor Vandewal submitted a Notice of Motion requesting that staff report back to Council regarding opportunities to add provisions to the draft South Frontenac Official Plan. Mayor Vandewal has asked that staff review the document to incorporate provisions to allow municipal road extensions in certain situations to facilitate development.

Discussion/Analysis

Council's Procedural By-law 2017-76 establishes the process for Notice of Motion.

A notice of motion requires a seconder at the next regular Council meeting. If seconded, the motion is debated and voted on.

Financial Implications

None.

Relationship to Strategic Plans

- Not applicable to this report.
- This initiative is supported by the following priorities of the 2019-2022 Strategic Plan.

Priority: 2. Promote and support growth than meets the community's needs while maintaining the integrity of our natural environment.

Attachments

None.

Approvals

Submitted By:



Michelle Hannah

Deputy Clerk

Reviewed By:



James Thompson

Clerk

Approved By:



Louise Fragnito, CPA, CGA

Chief Administrative Officer

**TOWNSHIP OF SOUTH FRONTENAC
BY-LAW 2023-66**

**A BY-LAW TO CONFIRM GENERALLY ALL ACTIONS AND PROCEEDINGS OF
THE SPECIAL COUNCIL MEETING OF THE CORPORATION OF THE TOWNSHIP
OF SOUTH FRONTENAC ON August 15, 2023**

Whereas Section 8 of the *Municipal Act*, S.O. 2001 c. 25 and amendments thereto provides that a municipality has the capacity, rights powers and privileges of a natural person for the purpose of exercising its authority under the *Municipal Act* of any other *Act*; and;

Whereas Subsection 2 of Section 11 of the *Municipal Act* S.O. 2001, c. 25 and amendments thereto provides that a lower-tier municipality and an upper-tier municipality may pass by-laws respecting matters within the spheres of the jurisdiction described in the Table to Subsection 2, subject to certain provisions, and;

Whereas Section 5 of the *Municipal Act*, S.O 2001 c. 25 and amendments thereto provides that a municipal power, including a municipality's capacity, rights, powers and privileges under Section 8 shall be exercised by its council and by by-law unless the municipality is specifically authorized to do otherwise, and

Whereas the Council of the Township of South Frontenac deems it expedient to confirm its actions and proceedings;

**NOW THEREFORE BE IT RESOLVED THAT THE COUNCIL CORPORATION OF
THE TOWNSHIP OF SOUTH FRONTENAC, HEREBY ENACTS AS FOLLOWS:**

1. The all actions and proceedings of the Council of the Corporation of the Township of South Frontenac taken at its regular meeting held on August 15, 2023 be confirmed as actions for which the municipality has the capacity, rights, powers and privileges of a natural person.
2. That all actions and proceedings of the Council of the Corporation of the Township of South Frontenac held August 15, 2023 be confirmed as being matters within the spheres of jurisdiction described in Subsection 2 of Section 11 of the *Municipal Act*, S.O. 2001, c.25 and amendments thereto.
3. That all actions and proceedings of the Council of the Corporation of the Township of South Frontenac taken at its regular meeting held on August 15, 2023 except those taken by by-law and those required by bylaw to be done by resolution are hereby sanctioned, ratified and confirmed as though set out within and forming part of this by-law.
4. Execution by the Mayor and the Clerk of all Deeds, Instruments and other Documents necessary to give effect to any such Resolution, Motion or other action and the affixing of the Corporate Seal to any such Deed, Instruments or other Documents is hereby authorized and confirmed.
5. This By-law shall come into force and take effect on the date of its passage.

Read a first and second time this 15 day of August 2023.

Read a third time and finally passed this 15 day of August, 2023.

**THE CORPORATION OF THE
TOWNSHIP OF SOUTH FRONTENAC**

Ron Vandewal, Mayor

James Thompson, Clerk