



CORPORATION OF THE CITY OF
CLARENCE-ROCKLAND
REGULAR MEETING

June 1, 2020, 8:00 pm
Teleconference

Pages

1. Opening of the meeting

PLEASE BE ADVISED THAT COUNCIL MEMBERS WILL BE ATTENDING THIS MEETING ELECTRONICALLY VIA TELECONFERENCE DUE TO THE COVID-19 PANDEMIC SITUATION.

This meeting will be made accessible to the public via Facebook Live ONLY on the City of Clarence-Rockland page:

<https://www.facebook.com/clarencerockland/>

This meeting is scheduled for 8:00 p.m. however, the time may defer as it will begin immediately following the conclusion of the Committee of the Whole meeting that is scheduled to start at 7:15 p.m.

2. Adoption of the agenda

3. Disclosure of pecuniary interests

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4. Announcements

5. Council Members' Items

6. Consent Items

Note: All items listed in this section of the agenda will be subject to approval under one non-debatable, non-amendable motion. Should any member of Council wish to hold a discussion or engage in debate on one of these items, he or she is required to ask for the item to be considered separately before a vote is taken.

6.1 Adoption of the minutes of the following meetings:

a. Council Special electronic meeting of May 14, 2020

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b.	Council Regular electronic meeting of May 20, 2020	7
c.	Committee of the Whole electronic meeting of May 20, 2020	21
6.2	The following recommendations from Committee of the Whole of May 20, 2020	
a.	Resolution to approve option no. 3 as described in Report No. INF2020-16 in response to the cost recovery request for Morris Village Stage 5	29
b.	Resolution to approve the Debt Management Policy No. FIN2020-01 as presented in Report No. FIN2020-014	49
7.	Committee/Staff Reports	
7.1	2019 Financial Statements	73
7.2	2019 Year-end report	135
8.	By-laws	
	Note: All items listed in this section of the agenda will be subject to approval under one non-debatable, non-amendable motion. Should any member of Council wish to hold a discussion or engage in debate on one of these By-laws, he or she is required to ask for the item to be considered separately before a vote is taken.	
8.1	2020-43 - amendment of By-Law 2019-105 - Tax levies for the year 2020	163
9.	Confirmatory By-law	165
10.	Closed meeting	
10.1	Attestation from each member participating via teleconference	
10.2	Adoption of the Closed meeting minutes of May 14, 2020 and May 20, 2020	
10.3	Potential Land Acquisition	
10.4	Human Resources matter	
10.5	Human Resources matter	
11.	Resolution to resume open meeting	

12. Closed meeting report

13. Adjournment



CORPORATION DE LA CITÉ DE
CLARENCE-ROCKLAND
RÉUNION RÉGULIÈRE

le 1 juin 2020, 20 h 00
Téléconférence

Pages

1. Ouverture de la réunion

VEUILLEZ ÊTRE AVISÉS QUE LES MEMBRES DU CONSEIL PARTICIPERONT À CETTE RENCONTRE VIA TÉLÉCONFÉRENCE VU LA SITUATION DE PANDÉMIE COVID-19.

Cette réunion sera accessible au public par Facebook Live SEULEMENT à partir de la page de la Cité de Clarence-Rockland:
<https://www.facebook.com/clarencrockland/>

Cette réunion est prévue pour 20h; cependant, l'heure du début pourrait changée puisque celle-ci commencera immédiatement après la conclusion de la réunion du Comité plénier qui est prévue pour 19h15.

2. Adoption de l'ordre du jour

3. Déclarations d'intérêts pécuniaires

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4. Annonces

5. Items des membres du Conseil

6. Items par consentement

Note : Les items énumérés dans cette section de l'ordre du jour seront sujet à être considéré pour approbation sous une résolution qui n'est pas sujette au débat et non-modifiable. Si un membre du conseil désire engager une discussion ou un débat par rapport à un de ces items, il/elle doit demander que l'item soit considéré séparément avant que le vote ait lieu.

6.1 Adoption des procès-verbaux des réunions suivantes:

a. Réunion spéciale électronique du 14 mai 2020

3

b.	Réunion régulière électronique du 20 mai 2020	7
c.	Comité plénier électronique du 20 mai 2020	21
6.2	Les recommandations suivantes du comité plénier du 20 mai 2020	
a.	Résolution pour approuver l'option no. 3 tel qu'énoncé au Rapport No. INF2020-15 suite à une demande de recouvrement des coûts pour le Village Morris Stade 5	29
b.	Résolution pour approuver la politique de gestion de la dette no. FIN2020-01, telle que présentée au Rapport No. FIN2020-014	49
7.	Rapports des Comités/Services	
7.1	États financiers 2019	73
7.2	Rapport de fin d'année 2019	135
8.	Règlements municipaux	
	Les règlements énumérés dans cette section de l'ordre du jour seront sujet à être considéré pour approbation sous une résolution qui n'est pas sujette au débat et non-modifiable. Si un membre du conseil désire engager une discussion ou un débat par rapport à un de ces règlements, il/elle doit demander que l'item soit considéré séparément avant que le vote ait lieu.	
8.1	2020-43 - amendement au règlement 2019-105 - taxes foncières pour l'année 2020	163
9.	Règlement de confirmation	165
10.	Réunion à huis clos	
10.1	Attestation de chaque membre qui participe via téléconférence	
10.2	Adoption des procès-verbaux des réunions à huis clos du 14 mai 2020 et 20 mai 2020	
10.3	Acquisition potentielle de terrain	
10.4	Dossier des ressources humaines	
10.5	Dossier des ressources humaines	
11.	Résolution pour retourner en réunion ouverte	

12. Rapport de la réunion à huis clos

13. Ajournement



Declaration of pecuniary interest Déclaration d'intérêt pécuniaire

Date of meeting Date de la réunion:	
Item Number Numéro de l'item:	
Subject of the item: Sujet de l'item :	
Name of Council Member Nom du membre du conseil	

I, _____, hereby declare a pecuniary interest in the matter identified above for the following reason :

Je, _____, déclare un intérêt pécuniaire en ce qui concerne l'article ci-haut mentionné, pour la raison suivante :

Name (print)	Signature	Date

This declaration is filed in accordance with the *Municipal Conflict of Interest Act* and will be recorded in the meeting minutes and will be made available in a public registry. / Cette déclaration est soumise sous la *Loi sur les conflits d'intérêt municipaux* et sera enregistrée dans le procès-verbal de la réunion et sera disponible dans un registre public.

Excerpt from the Municipal Conflict of Interest Act, R.S.O. 1990, c. M.50

DUTY OF MEMBER

When present at meeting at which matter considered

5 (1) Where a member, either on his or her own behalf or while acting for, by, with or through another, has any pecuniary interest, direct or indirect, in any matter and is present at a meeting of the council or local board at which the matter is the subject of consideration, the member,

- (a) shall, prior to any consideration of the matter at the meeting, disclose the interest and the general nature thereof;
- (b) shall not take part in the discussion of, or vote on any question in respect of the matter; and
- (c) shall not attempt in any way whether before, during or after the meeting to influence the voting on any such question. R.S.O. 1990, c. M.50, s. 5 (1).

Where member to leave closed meeting

(2) Where the meeting referred to in subsection (1) is not open to the public, in addition to complying with the requirements of that subsection, the member shall forthwith leave the meeting or the part of the meeting during which the matter is under consideration. R.S.O. 1990, c. M.50, s. 5 (2).

Extrait de la Loi sur les conflits d'intérêts municipaux, L.R.O. 1990, chap. M.50

OBLIGATIONS DU MEMBRE

Participation à une réunion où l'affaire est discutée

5 (1) Le membre qui, soit pour son propre compte soit pour le compte d'autrui ou par personne interposée, seul ou avec d'autres, a un intérêt pécuniaire direct ou indirect dans une affaire et participe à une réunion du conseil ou du conseil local où l'affaire est discutée, est tenu aux obligations suivantes :

- a) avant toute discussion de l'affaire, déclarer son intérêt et en préciser la nature en termes généraux;
- b) ne pas prendre part à la discussion ni voter sur une question relative à l'affaire;
- c) ne pas tenter, avant, pendant ni après la réunion, d'influencer de quelque façon le vote sur une question relative à l'affaire. L.R.O. 1990, chap. M.50, par. 5 (1).

Exclusion de la réunion à huis clos

(2) Si la réunion visée au paragraphe (1) se tient à huis clos, outre les obligations que lui impose ce paragraphe, le membre est tenu de quitter immédiatement la réunion ou la partie de la réunion où l'affaire est discutée. L.R.O. 1990, chap. M.50, par. 5 (2).



**CORPORATION OF THE
CITY OF CLARENCE-ROCKLAND
SPECIAL ELECTRONIC CLOSED MEETING MINUTES**

May 14, 2020
Teleconference

PRESENT:

- Guy Desjardins, Mayor
- Samuel Cardarelli, Councillor Ward 1
- Mario Zanth, Councillor Ward 2
- Carl Grimard, Councillor Ward 3
- Don Bouchard, Councillor Ward 4
- André J. Lalonde, Councillor Ward 5
- Christian Simard, Councillor Ward 6
- Michel Levert, Councillor Ward 7
- Diane Choinière, Councillor Ward 8
- Helen Collier, Chief Administrative Officer
- Monique Ouellet, Clerk
- Maryse St-Pierre, Deputy Clerk

1. Opening of the meeting

Mayor Desjardins calls the meeting to order at 3:02 p.m.

2. Adoption of the agenda

RESOLUTION 2020-90

Moved by Mario Zanth

Seconded by Diane Choinière

BE IT RESOLVED THAT the agenda of the special meeting be adopted as presented.

CARRIED

3. Disclosure of pecuniary interests (none)

4. Closed meeting

RESOLUTION 2020-91

Moved by Michel Levert

Seconded by Samuel Cardarelli

BE IT RESOLVED THAT the special meeting be adjourned in order to discuss the following items, as stipulated in Section 239 of the Municipal Act, 2001, as amended:

4.2. Human Resources matter

4.3. Human Resources matter - Hiring Protective Services Director / Fire Chief

CARRIED

RESOLUTION 2020-92

Moved by Samuel Cardarelli

Seconded by Michel Levert

BE IT RESOLVED THAT the closed session be adjourned to resume the special meeting.

CARRIED

5. Adjournment

The Mayor adjourns the meeting at 4:16 p.m.

Guy Desjardins, Mayor

Maryse St-Pierre, Deputy Clerk



**CORPORATION DE LA
CITÉ DE CLARENCE-ROCKLAND**

PROCÈS-VERBAL RÉUNION SPÉCIALE ÉLECTRONIQUE

À HUIS CLOS

le 14 mai 2020
Téléconférence

PRÉSENT:

Guy Desjardins, maire
 Samuel Cardarelli, conseiller quartier 1
 Mario Zanth, conseiller du quartier 2
 Carl Grimard, conseiller du quartier 3
 Don Bouchard, conseiller quartier 4
 André J. Lalonde, conseiller du quartier 5
 Christian Simard, conseiller quartier 6
 Michel Levert, conseiller du quartier 7
 Diane Choinière, conseillère du quartier 8
 Helen Collier, directrice générale
 Monique Ouellet, greffière
 Maryse St-Pierre, greffière adjointe

1. Ouverture de la réunion

Le Maire Desjardins ouvre la réunion à 15h02.

2. Adoption de l'ordre du jour

RÉSOLUTION 2020-90

Proposé par Mario Zanth

Appuyé par Diane Choinière

QU'IL SOIT RÉSOLU QUE l'ordre du jour de la réunion spéciale soit adopté tel que présenté.

ADOPTÉE

3. Déclarations d'intérêts pécuniaires (aucun)

4. Réunion à huis clos

RÉSOLUTION 2020-91

Proposé par Michel Levert

Appuyé par Samuel Cardarelli

QU'IL SOIT RÉSOLU QUE la réunion spéciale du conseil municipal soit ajournée afin de tenir une session à huis clos pour discuter des sujets suivants, tel que stipulé à la section 239 de la Loi sur les municipalités 2001, tel que modifiée :

4.2. Dossier des ressources humaines

4.3. Dossier des ressources humaines - embauche Directeur des services de protection / Chef pompier

ADOPTÉE

RÉSOLUTION 2020-92

Proposé par Samuel Cardarelli

Appuyé par Michel Levert

QU'IL SOIT RÉSOLU QUE la réunion à huis clos soit ajournée afin de retourner en réunion spéciale.

ADOPTÉE

5. Ajournement

Le maire lève l'assemblée à 16h16.

Guy Desjardins, Maire

Maryse St-Pierre, Greffière adjointe



**CORPORATION OF THE
CITY OF CLARENCE-ROCKLAND
REGULAR MEETING MINUTES**

May 20, 2020
Teleconference

PRESENT:

- Guy Desjardins, Mayor
- Samuel Cardarelli, Councillor Ward 1
- Mario Zanth, Councillor Ward 2
- Carl Grimard, Councillor Ward 3
- Don Bouchard, Councillor Ward 4
- André J. Lalonde, Councillor Ward 5
- Christian Simard, Councillor Ward 6
- Michel Levert, Councillor Ward 7
- Diane Choinière, Councillor Ward 8
- Helen Collier, Chief Administrative Officer
- Monique Ouellet, Clerk
- Maryse St-Pierre, Deputy Clerk

1. Opening of the meeting

Mayor Desjardins calls the meeting to order at 7:59 p.m.

2. Adoption of the agenda

RESOLUTION 2020-93

Moved by Mario Zanth

Seconded by Carl Grimard

BE IT RESOLVED THAT the agenda be adopted with the following additions:

5.2. Member's resolution presented by Councillor Mario Zanth regarding the deferral of municipal taxes payment

7.3. UCPR - County Municipal Roads Transfer Funds Agreement

9.5. Human Resources matter

CARRIED

3. Disclosure of pecuniary interests (none)

4. Announcements (none)

5. Council Members' Items

5.1 Member's resolution presented by Councillor Christian Simard and seconded by Councillor Mario Zanth in regards to an invoice for emergency intervention sent to a resident with special needs

RESOLUTION 2020-94

Moved by Christian Simard

Seconded by Mario Zanth

WHEREAS a resident has received an invoice from the City further to an intervention when his vehicle left the road into the ditch on January 27, 2020; and

WHEREAS the intervention of the emergency services was not required for this incident; and

WHEREAS this resident has autism, and therefore he was taught to call the emergency services in these types of situations; and

WHEREAS residents with special needs such as this resident shouldn't be discouraged to call for help when such situations happen;

BE IT RESOLVED THAT an exception be made to the By-law 2019-114 so that the invoice number 10067245 in the amount of \$1,455 be cancelled.

CARRIED

5.2 Member's resolution presented by Councillor Mario Zanth regarding the deferral of municipal taxes payment

RESOLUTION 2020-95

Moved by Mario Zanth

Seconded by Don Bouchard

BE IT RESOLVED THAT Council approves changing the 2020 second interim levy instalment dates from May 31, 2020 to June 30, 2020 and postponing interest charges to July 1, 2020 for the second instalment; and

BE IT RESOLVED THAT arrears notices and tax sales procedures be suspended until July 2020 and

BE IT RESOLVED THAT Council approves changing the billing of water and sewer due date from May 31, 2020 to June 30, 2020, and postponing interest charges to July 1, 2020 for that billing; and

BE IT RESOLVED THAT arrears notices be suspended until July 2020.

CARRIED

6. Consent Items

RESOLUTION 2020-96

Moved by Michel Levert

Seconded by Samuel Cardarelli

BE IT RESOLVED THAT the following items, as identified under the consent items category on the regular meeting agenda of May 20, 2020, be adopted:

6.1. Adoption of the minutes of the following meetings:

- a. Council Regular electronic meeting of May 4, 2020
- b. Electronic Committee of the Whole of May 4, 2020

6.2. The following recommendations from Committee of the Whole of May 4, 2020

- a. Modifications to the Clients account policy - daycare services

6.3. The following recommendations from Council Special Electronic Closed Meeting of May 14, 2020

- a. Resolution to hire a Protective Services Director / Fire Chief
- b. Resolution regarding the proposed new structure for the Human Resources Department

6.4. Resolution to adopt the salaries paid from April 5, 2020, to May 2, 2020, in the gross amount of \$745,695.49 and net amount of \$489,423.60

CARRIED

Text of the resolutions as adopted by consent under Resolution 2020-96

6.2a. BE IT RESOLVED THAT Council adopts the Client Accounts Policy No. GAR15-01, with the amendments proposed in Report No. LOI2020-03-02; and

BE IT RESOLVED THAT the Service be mandated to assess the proposed fees in the Fall of 2020.

6.3a. BE IT RESOLVED that Municipal Council hereby accepts the hiring of Pierre Voisine as the Director of Protective Services/Fire Chief on a full-time basis, effective June 22, 2020 respectively, and that he be subject to a probationary period of six (6) months; and

BE IT RESOLVED that Pierre Voisine's salary be established as Class 9, at 98% of the base salary of the non-unionized employee's salary grid; and

BE IT RESOLVED that Pierre Voisine would be entitled to five (5) weeks' vacation and one (1) week of management leave; and

BE IT FURTHER RESOLVED THAT should the City of Clarence-Rockland decide to terminate the position, Pierre Voisine would be entitled to a one (1) year severance package.

6.3b. WHEREAS the municipality needs to establish permanent Human Resources staff

BE IT RESOLVED THAT Council eliminate the Human resources Administrative position: and

BE IT RESOLVED THAT Council creates a senior Human resources Generalist – Labour relations Class 6

BE IT RESOLVED THAT Council creates a senior Human resources Generalist – Human Resources Class 6

BE IT FURTHER RESOLVED THAT for the period of 1 year the Chief Information Officer be tasked with managing and stabilizing the human resources staff; and

BE IT RESOLVED THAT the CIO bring back an interim resourcing plan on June 1st, 2020

6.4 BE IT RESOLVED THAT the salaries paid from April 5, 2020, to May 2, 2020, in the gross amount of \$745,695.49 and net amount of \$489,423.60 be adopted as recommended.

7. Committee/Staff Reports

7.1 Accounts paid

RESOLUTION 2020-97

Moved by Samuel Cardarelli

Seconded by André J. Lalonde

BE IT RESOLVED THAT the accounts paid from April 14, 2020, to May 11, 2020, in the amount of \$1,129,125.61 be adopted as recommended.

CARRIED

7.2 Fire Department Radio System

Further to questions, Brian Wilson explains that the existing system is still functional but requires updates to some of its components.

Further to questions, Brian Wilson explains that the OnStar system provides better access to data in the vehicles.

Further to questions, Brian Wilson explains that at the time of writing the report, no estimates had been received. He adds that he has since received one quote from a provider who is familiar with the systems used by the municipality.

RESOLUTION 2020-98

Moved by Carl Grimard

Seconded by Diane Choinière

BE IT RESOLVED THAT Council authorize the Fire Chief to spend money from the capital budget radio project, not to exceed the approved budget of \$200,000, to replace worn or aged system components to ensure adequate reliability in the fire department radio system.

CARRIED

7.3 UCPR - County Municipal Roads Transfer Funds Agreement

RESOLUTION 2020-99

Moved by Diane Choinière

Seconded by Michel Levert

BE IT RESOLVED THAT By-Law 2020-42, being a by-law to authorize the signature of an agreement with UCPR for the County Municipal Road Transfer Fund, be adopted.

CARRIED

8. Confirmatory By-law

RESOLUTION 2020-100

Moved by Mario Zanth

Seconded by Carl Grimard

BE IT RESOLVED THAT By-law no. 2020-40, being a confirmatory by-law for the regular meeting of May 20, 2020, be adopted.

CARRIED

9. Closed meeting

RESOLUTION 2020-101

Moved by Diane Choinière

Seconded by Don Bouchard

BE IT RESOLVED THAT the regular meeting be adjourned in order to discuss the following items, as stipulated in Section 239 of the Municipal Act, 2001, as amended:

9.2. Closed meeting minutes of May 4, 2020

9.3. Potential Land Acquisition

9.4. Human Resources matter

9.5. Human Resources matter

CARRIED

10. Resolution to resume open meeting

RESOLUTION 2020-102

Moved by Diane Choinière

Seconded by Mario Zanth

BE IT RESOLVED THAT the closed session be adjourned to resume the regular meeting.

CARRIED

11. Closed meeting report (none)

12. Adjournment

Mayor Desjardins adjourns the meeting at 10:03 p.m.

Guy Desjardins, Mayor

Maryse St-Pierre, Deputy Clerk



**CORPORATION DE LA
CITÉ DE CLARENCE-ROCKLAND
RÉUNION RÉGULIÈRE - PROCÈS-VERBAL**

le 20 mai 2020
Téléconférence

PRÉSENT:

- Guy Desjardins, maire
- Samuel Cardarelli, conseiller quartier 1
- Mario Zanth, conseiller du quartier 2
- Carl Grimard, conseiller du quartier 3
- Don Bouchard, conseiller quartier 4
- André J. Lalonde, conseiller du quartier 5
- Christian Simard, conseiller quartier 6
- Michel Levert, conseiller du quartier 7
- Diane Choinière, conseillère du quartier 8
- Helen Collier, directrice générale
- Monique Ouellet, greffière
- Maryse St-Pierre, greffière adjointe

1. Ouverture de la réunion

Le maire Desjardins ouvre la réunion à 19h59.

2. Adoption de l'ordre du jour

RÉSOLUTION 2020-93

Proposée par Mario Zanth

Appuyée par Carl Grimard

QU'IL SOIT RÉSOLU QUE l'ordre du jour soit adopté avec les ajouts suivants:

5.2. Résolution de membre du conseiller Mario Zanth concernant le report de paiement des taxes municipales

7.3. CUPR - Entente sur les fonds de transfert des routes municipales du comté

9.5. Dossier de ressources humaines

ADOPTÉE

3. Déclarations d'intérêts pécuniaires (aucun)

4. Annonces (aucune)

5. Items des membres du Conseil

5.1 Résolution de membre présentée par le conseiller Christian Simard et appuyée par le conseiller Mario Zanth concernant une facture pour services d'urgence envoyé à un résident à besoins spéciaux

RÉSOLUTION 2020-94

Proposée par Christian Simard

Appuyée par Mario Zanth

ATTENDU QU'un résident a reçu une facture de la Cité suivant une intervention lorsque son véhicule a fait une sortie de route dans le fossé le 27 janvier 2020; et

ATTENDU QUE l'intervention des services d'urgence n'était pas requise lors de cet incident; et

ATTENDU QUE ce résident est autiste, et par conséquent il a été informé d'appeler les services d'urgence dans ce type de situations; et

ATTENDU QUE les résidents ayant des besoins spéciaux comme ce résident ne devraient pas être découragés d'appeler à l'aide lorsque de telles situations surviennent;

QU'IL SOIT RÉSOLU QU'une exception soit faite au règlement 2019-114 afin que la facture numéro 10067245, au montant de 1 455\$ soit annulée.

ADOPTÉE

5.2 Résolution de membre présentée par le conseiller Mario Zanth concernant le report de paiement des taxes municipales

RÉSOLUTION 2020-95

Proposée par Mario Zanth

Appuyée par Don Bouchard

QU'IL SOIT RÉSOLU QUE le Conseil approuve le changement des dates du deuxième versement du prélèvement intermédiaire de 2020 du 31 mai 2020 au 30 juin 2020, et le report des frais d'intérêt au 1er juillet 2020 et

QU'IL SOIT RÉSOLU QUE les avis d'arrérages et les procédures de vente de taxes soient suspendus jusqu'en juillet 2020 et

QU'IL SOIT RÉSOLU QUE le Conseil approuve le changement de la date d'échéance de la facturation des services d'eau et d'égout du 31 mai 2020 au 30 juin 2020, et le report des frais d'intérêt au 1er juillet 2020 ; et

QU'IL SOIT RÉSOLU QUE les avis d'arrérages soient suspendus jusqu'en juillet 2020.

ADOPTÉE

6. Items par consentement

RÉSOLUTION 2020-96

Proposée par Michel Levert

Appuyée par Samuel Cardarelli

QU'IL SOIT RÉSOLU QUE les items suivants, tels qu'identifiés sous la rubrique «items par consentement» à l'ordre du jour de la réunion régulière du 20 mai 2020, soient adoptés :

6.1. Adoption des procès-verbaux des réunions suivantes:

- a. Réunion régulière électronique du 4 mai 2020
- b. Comité plénier électronique du 4 mai 2020

6.2. Les recommandations suivantes du comité plénier du 4 mai 2020

- a. Modifications à la Politique Comptes clients - service des garderies

6.3. Les recommandations suivantes de la réunion spéciale électronique du conseil à huis clos du 14 mai 2020

- a. Résolution pour embaucher un Directeur des services de protection / Chef pompier
- b. Résolution relativement à la nouvelle structure proposée pour le service des ressources humaines

6.4. Résolution pour adopter les salaires payés pour la période du 5 avril 2020 au 2 mai 2020, au montant brut de 745 695,49\$ et montant net de 489 423,60\$

ADOPTÉE

Texte des résolutions adoptées par consentement telles qu'identifiées dans la résolution 2020-96

6.2a. QU'IL SOIT RÉSOLU QUE le conseil municipal adopte la politique de comptes clients GAR15-01, avec les modifications proposées au rapport LOI2020-03-02; et

QU'IL SOIT RÉSOLU QUE le Service soit mandaté à faire une évaluation des taux proposé à l'automne 2020.

6.3a. QU'IL SOIT RÉSOLU que le conseil municipal accepte l'embauche de Pierre Voisine à titre de Directeur des services de protection/Chef du service d'incendie à temps plein, effectif le 22 juin 2020 respectivement et que celui-ci soit sujet à une période probatoire de six (6) mois; et

QU'IL SOIT RÉSOLU que le salaire de Pierre Voisine soit établi à la Classe 9, à 98% de la base de la grille salariale en vigueur des employés non- syndiqués ; et

QU'IL SOIT RÉSOLU que Pierre Voisine aura droit à cinq (5) semaines de vacances et une (1) semaine de congé de gestion ; et

QU'IL SOIT ÉGALEMENT RÉSOLU QUE si la Cité de Clarence-Rockland décidait de mettre fin au poste, Pierre Voisine aurait droit à une indemnité de départ d'un (1) an.

6.3b. ATTENDU QUE la municipalité doit mettre en place du personnel permanent aux Ressources Humaines

QU'IL SOIT RÉSOLU QUE le Conseil abolit le poste d'adjoint administratif des ressources humaines : et

QU'IL SOIT RÉSOLU QUE le Conseil crée un poste de généraliste senior en ressources humaines - relations de travail, classe 6; et

QU'IL SOIT RÉSOLU QUE le Conseil crée un poste de généraliste senior en ressources humaines - ressources humaines, classe 6; et

QU'IL SOIT ÉGALEMENT RÉSOLU QUE, pour une période d'un an, l'Agent en chef des systèmes d'information soit responsable de la gestion et de la stabilisation du personnel des ressources humaines ; et

QU'IL SOIT RÉSOLU QUE l'Agent en chef des systèmes d'information présente un plan de ressources intérimaire le 1^{er} juin 2020

6.4 QU'IL SOIT RÉSOLU QUE les salaires payés pour la période du 5 avril 2020 au 2 mai 2020, au montant brut de 745 695,49 \$ et montant net de 489 423,60 \$, soient adoptés tel que recommandé.

7. Rapports des Comités/Services

7.1 Comptes payés

RÉSOLUTION 2020-97

Proposée par Samuel Cardarelli

Appuyée par André J. Lalonde

QU'IL SOIT RÉSOLU QUE les comptes payés pour la période du 14 avril 2020 au 11 mai 2020, au montant de 1 129 125,61 \$ soient adoptés tel que recommandé.

ADOPTÉE

7.2 Système radio du service incendie

Suite aux questions, Brian Wilson explique que le système en place est encore fonctionnel, mais nécessite des mises à jour quant à certaines de ses composantes.

Suite aux questions, Brian Wilson explique que le système OnStar permet d'avoir un meilleur accès aux données dans les véhicules.

Suite aux questions, Brian Wilson explique qu'au moment de la rédaction du rapport, aucune estimation n'avait été reçue. Il ajoute qu'il en a reçu une d'un fournisseur qui a l'habitude avec les systèmes utilisés par la municipalité..

RÉSOLUTION 2020-98

Proposée par Carl Grimard

Appuyée par Diane Choinière

QU'IL SOIT RÉSOLU QUE le conseil autorise le chef des pompiers à dépenser de l'argent provenant du projet de radio du budget capital, sans dépasser le budget approuvé de 200 000 \$ pour ce projet, afin de remplacer les composants usés ou désuets du système afin d'assurer une fiabilité adéquate du système radio du service d'incendie.

ADOPTÉE

7.3 CUPR - Entente sur les fonds de transfert des routes municipales du comté

RÉSOLUTION 2020-99

Proposée par Diane Choinière

Appuyée par Michel Levert

QU'IL SOIT RÉSOLU QUE le règlement 2020-42, étant un règlement pour autoriser la signature d'une entente avec les CUPR pour le fonds de transfert des routes municipales du comté, soit adopté.

ADOPTÉE

8. Règlement de confirmation

RÉSOLUTION 2020-100

Proposée par Mario Zanth

Appuyée par Carl Grimard

QU'IL SOIT RÉSOLU QUE le règlement no. 2020-40, étant un règlement de confirmation pour la réunion régulière du 20 mai 2020, soit adopté.

ADOPTÉE

9. Réunion à huis clos

RÉSOLUTION 2020-101

Proposée par Diane Choinière

Appuyée par Don Bouchard

QU'IL SOIT RÉSOLU QUE la réunion régulière du conseil municipal soit ajournée afin de tenir une session à huis clos pour discuter des sujets suivants, tel que stipulé à la section 239 de la Loi sur les municipalités 2001, tel que modifiée :

9.2. Procès-verbal de la réunion à huis clos du 4 mai 2020

9.3. Acquisition potentielle de terrain

9.4. Dossier des ressources humaines

9.5. Dossier des ressources humaines

ADOPTÉE

10. Résolution pour retourner en réunion ouverte

RÉSOLUTION 2020-102

Proposée par Diane Choinière

Appuyée par Mario Zanth

QU'IL SOIT RÉSOLU QUE la réunion à huis clos soit ajournée afin de retourner en réunion régulière.

ADOPTÉE

11. Rapport de la réunion à huis clos (aucun)

12. Ajournement

Le maire Desjardins lève l'assemblée à 22h03.

Guy Desjardins, Maire

Maryse St-Pierre, Greffière adjointe



**CORPORATION OF THE
CITY OF CLARENCE-ROCKLAND
COMMITTEE OF THE WHOLE MINUTES**

May 20, 2020
Teleconference

PRESENT:

- Guy Desjardins, Mayor
- Samuel Cardarelli, Councillor Ward 1
- Mario Zanth, Councillor Ward 2
- Carl Grimard, Councillor Ward 3
- Don Bouchard, Councillor Ward 4
- André J. Lalonde, Councillor Ward 5
- Christian Simard, Councillor Ward 6
- Michel Levert, Councillor Ward 7
- Diane Choinière, Councillor Ward 8
- Helen Collier, Chief Administrative Officer
- Monique Ouellet, Clerk
- Maryse St-Pierre, Deputy Clerk

1. Opening of the meeting

Mayor Desjardins calls the meeting to order at 7:19 p.m.

2. Prayer

Councillor Carl Grimard recites the prayer.

3. Adoption of the agenda

RECOMMENDATION COW2020-34

Moved by Mario Zanth

Seconded by Carl Grimard

THAT the agenda be adopted as presented.

CARRIED

4. Disclosure of pecuniary interests (none)

5. Notice of Motion (none)

6. Report from the United Counties of Prescott and Russell (none)

7. Committee/Staff Reports

7.1 Cost Recovery Request for Morris Village Stage 5

RECOMMENDATION COW2020-35

Moved by Christian Simard

Seconded by André J. Lalonde

WHEREAS Council considered a staff report on September 16, 2019, that addressed capital infrastructure cost recovery strategies with Space Builders for Morris Village, Phase 5; and

WHEREAS Council deferred the recommendations contained in this report pending the initiation of a communication process with benefiting landowners on the west side of Caron Street and, additionally, staff investigating the feasibility of other cost-sharing strategies; and

WHEREAS a communication package detailing servicing expectations and conditions of subdivision approval for future development will be forwarded to several major landowners on the west side of Caron Street for review and comment prior to May 31, 2020; and

WHEREAS on March 17, 2020, staff met with representatives from Space Builders to discuss Council's direction; and

WHEREAS Space Builders has requested staff to investigate the feasibility of the City advancing \$2 million to Space Builders for a two-year period after which time, the developer would commence repayment of these monies in year 3 over a four-year period;

THAT the Committee of the Whole recommends that Council rejects the proposal to advance \$2 million to Space Builders for a two-year period after which time, the developer would commence repayment of these monies in year 3 over a four-year period for the reasons cited in Report No. INF2020-16; and

THAT the Committee of the Whole recommends that Council supports Option 3- No City Front-End Financing as detailed in the September 16, 2019, staff report INF 2019-006.

CARRIED

7.2 Debt Management Policy & Annual Repayment limit

Further to questions, Frédéric Desnoyers explains that the provincial debt limit is 25% and confirms that several Ontario municipalities exceed this limit.

Further to questions, Frédéric Desnoyers explains that Clarence-Rockland's debt per capita is lower than the provincial average and that the balance of reserves is also lower. He adds that this causes a higher debt ratio than the average of Ontario municipalities.

RECOMMENDATION COW2020-36

Moved by Samuel Cardarelli

Seconded by Don Bouchard

THAT Report no. FIN2020-014 be received as information; and

THAT the Committee of The Whole recommends to Council the adoption of the proposed municipal debt management policy no. FIN20-01.

CARRIED

7.3 COVID-19 update

RECOMMENDATION COW2020-37

Moved by Samuel Cardarelli

Seconded by Michel Levert

THAT Report No. ADMIN 2020-13 be received as information.

CARRIED

7.4 Update - Sewage Treatment Plant Upgrade Project

RECOMMENDATION COW2020-38

Moved by Christian Simard

Seconded by Diane Choinière

THAT Report No. INF2020-15 be received as information.

CARRIED

7.5 Protective Services – Monthly Report (February-April 2020)

RECOMMENDATION COW2020-39

Moved by Carl Grimard

Seconded by Samuel Cardarelli

THAT Report No. PRO2020-007 in regards to monthly statistics, be received as information.

CARRIED

8. Other items

Further to questions, Frédéric Desnoyers explains that approximately 6% of the taxpayers, including residential and commercial, took advantage of the extension of the tax payment period. He adds that the businesses have benefited the most.

Further to questions, Julian Lenhart explains that he will need to follow up with his staff in order to inform Council as to when the traffic calming measures will be implemented for the summer.

Further to questions, Helen Collier confirms that staff will follow-up with the incident where the ribbons that were removed from the play structures at Deschamps Park.

Further to questions, Julian Lenhart confirms that the dust control will be completed in early June, in about two weeks.

9. Adjournment

The Mayor adjourns the meeting at 7:58 p.m.

Guy Desjardins, Mayor

Maryse St-Pierre, Deputy Clerk



**CORPORATION DE LA
CITÉ DE CLARENCE-ROCKLAND
PROCÈS-VERBAL DU COMITÉ PLÉNIER**

le 20 mai 2020
Téléconférence

PRÉSENT:

- Guy Desjardins, maire
- Samuel Cardarelli, conseiller quartier 1
- Mario Zanth, conseiller du quartier 2
- Carl Grimard, conseiller du quartier 3
- Don Bouchard, conseiller quartier 4
- André J. Lalonde, conseiller du quartier 5
- Christian Simard, conseiller quartier 6
- Michel Levert, conseiller du quartier 7
- Diane Choinière, conseillère du quartier 8
- Helen Collier, directrice générale
- Monique Ouellet, greffière
- Maryse St-Pierre, greffière adjointe

1. Ouverture de la réunion

Le Maire Desjardins ouvre la réunion à 19h19.

2. Prière

Le conseiller Carl Grimard fait la lecture de la prière.

3. Adoption de l'ordre du jour

RECOMMANDATION COW2020-34

Proposée par Mario Zanth

Appuyée par Carl Grimard

QUE l'ordre du jour soit adopté tel que présenté.

ADOPTÉE

4. Déclarations d'intérêts pécuniaires (aucune)

5. Avis de motion (aucun)

6. Rapport des Comtés unis de Prescott et Russell (aucun)

7. Rapports des Comités/Services

7.1 Demande de recouvrement des coûts pour le Village Morris Stade 5

RECOMMANDATION COW2020-35

Proposée par Christian Simard

Appuyée par André J. Lalonde

ATTENDU QUE le Conseil a examiné un rapport du personnel le 16 septembre 2019, qui traitait des stratégies de recouvrement des coûts d'infrastructure avec Space Builders pour Morris Village, phase 5; et

ATTENDU QUE le Conseil a reporté les recommandations contenues dans ce rapport en attendant le lancement d'un processus de communication avec les propriétaires fonciers bénéficiaires du côté ouest de la rue Caron et, en outre, le personnel étudie la faisabilité d'autres stratégies de partage des coûts; et

ATTENDU QU'une trousse de communication détaillant les attentes d'entretien et les conditions d'approbation de lotissement pour le développement futur sera transmis à plusieurs grands propriétaires fonciers du côté ouest de la rue Caron pour examen et commentaires avant le 31 mai 2020; et

ATTENDU QUE le 17 Mars, 2020, le personnel a rencontré des représentants de Space Builders pour discuter de la direction du Conseil; et

ATTENDU QUE Space Builders a demandé au personnel d'étudier la faisabilité pour la Ville d'avancer 2 millions de dollars à Space Builders pour une période de deux ans, après quoi le développeur commencerait à rembourser ces sommes au cours de la troisième année sur une période de quatre ans;

QUE le Comité plénier recommande que le Conseil rejette la proposition d'avancer 2 millions de dollars à Space Builders pour une période de deux ans, après quoi le développeur commencerait à rembourser ces sommes au cours de la troisième année sur une période de quatre ans, pour les raisons citées dans le rapport INF2020-16; et

QUE le Comité plénier recommande que le Conseil appuie l'option 3 - Pas de financement initial de la ville, tel que détaillé dans le rapport du personnel INF 2019-006, du 16 septembre 2019.

ADOPTÉE

7.2 Politique de gestion de la dette et limite annuelle de remboursement

Suite aux questions, Frédéric Desnoyers explique que la limite est provinciale d'endettement est de 25% et confirme que plusieurs municipalités ontariennes dépassent cette limite.

Suite aux questions, Frédéric Desnoyers explique que la dette de Clarence-Rockland est moins élevée par habitant que la moyenne provinciale et que le solde des réserves est également moins élevé. Il ajoute que ceci cause un ratio de dette plus élevé que la moyenne des municipalités ontariennes.

RECOMMANDATION COW2020-36

Proposée par Samuel Cardarelli

Appuyée par Don Bouchard

QUE le Rapport no. FIN2020-014, soit reçu à titre d'information; et

QUE le comité plénier recommande au conseil d'adopter la politique proposée FIN20-01 sur la gestion de la dette municipale.

ADOPTÉE

7.3 Mise à jour COVID-19

RECOMMANDATION COW2020-37

Proposée par Samuel Cardarelli

Appuyée par Michel Levert

QUE le Rapport No. ADMIN 2020-13 soit reçu à titre d'information.

ADOPTÉE

7.4 Mise à jour - Projet d'amélioration de la station de traitement des eaux usées

RECOMMANDATION COW2020-38

Proposée par Christian Simard

Appuyée par Diane Choinière

QUE le rapport numéro INF2020-15 soit reçu à titre d'information.

ADOPTÉE

7.5 Protective Services – Rapport du mois (février-avril 2020)

RECOMMANDATION COW2020-39

Proposée par Carl Grimard

Appuyée par Samuel Cardarelli

QUE le rapport No. PRO2020-007 au sujet des statistiques mensuelles, soit reçu à titre d'information.

ADOPTÉE

8. Autres items

Suite aux questions, Frédéric Desnoyers explique qu'environ 6% des contribuables, incluant le résidentiel et le commercial, ont profité de la prolongation de la période de paiement des taxes. Il ajoute que ce sont les commerces qui en ont plus profité.

Suite aux questions, Julian Lenhart explique qu'il aura besoin de faire un suivi avec son personnel pour informer le conseil quant au moment où les mesures de modération de la circulation seront implantées pour l'été.

Suite aux questions, Helen Collier confirme que le personnel fera un suivi sur l'incident des rubans qui ont été retirés sur les structures de jeux au parc Deschamps.

Suite aux questions, Julian Lenhart confirme que l'abat poussière sera installé en début juin, dans environ deux semaines.

9. Ajournement

Le maire lève l'assemblée à 19h58.

Guy Desjardins, Maire

Maryse St-Pierre, Greffière adjointe



REPORT N° INF2020-16

Date	11/05/2020
Submitted by	Julian Lenhart
Subject	Cost Recovery Request for Morris Village Stage 5
File N°	

1) **NATURE/GOAL :**

The purpose of this report is to (a) secure Council's approval of the principles for a cost recovery strategy for the construction of infrastructure being installed in Morris Village, Phase 5 and (b) provide an update on the consultation process for future land developments on the west side of Caron Street.

2) **DIRECTIVE/PREVIOUS POLICY :**

At its September 16, 2019, meeting, Council deferred a staff report recommendation related to the financing of infrastructure for Morris Village, Phase 5. Council wished staff to (a) initiate consultation with the landowners on the west side of Caron Street that derive future benefit from infrastructure being emplaced by Space Builders in Morris Village, Phase 5 and (b) investigate, through discussions with Space Builders, the feasibility of other cost recovery options with respect to infrastructure being installed by Space Builders that is being sized to accommodate future land developments.

3) **DEPARTMENT'S RECOMMENDATION :**

WHEREAS Council considered a staff report on September 16, 2019, that addressed capital infrastructure cost recovery strategies with Space Builders for Morris Village, Phase 5; and

WHEREAS Council deferred the recommendations contained in this report pending the initiation of a communication process with benefiting landowners on the west side of Caron Street and, additionally, staff investigating the feasibility of other cost-sharing strategies; and

WHEREAS a communication package detailing servicing expectations and conditions of subdivision approval for future development will be forwarded to several major landowners on the west side of Caron Street for review and comment prior to May 31, 2020; and

WHEREAS on March 17, 2020, staff met with representatives from Space Builders to discuss Council's direction; and

WHEREAS Space Builders has requested staff to investigate the

feasibility of the City advancing \$2 million to Space Builders for a two-year period after which time, the developer would commence repayment of these monies in year 3 over a four-year period;

THAT the Committee of the Whole recommends that Council rejects the proposal to advance \$2 million to Space Builders for a two-year period after which time, the developer would commence repayment of these monies in year 3 over a four-year period for the reasons cited in Report No. INF2020-16; and

THAT the Committee of the Whole recommends that Council supports Option 3-No City Front-End Financing as detailed in the September 16, 2019, staff report INF 2019-006.

ATTENDU QUE le Conseil a examiné un rapport du personnel le 16 septembre 2019, qui traitait des stratégies de recouvrement des coûts d'infrastructure avec Space Builders pour Morris Village, phase 5; et

ATTENDU QUE le Conseil a reporté les recommandations contenues dans ce rapport en attendant le lancement d'un processus de communication avec les propriétaires fonciers bénéficiaires du côté ouest de la rue Caron et, en outre, le personnel étudie la faisabilité d'autres stratégies de partage des coûts; et

ATTENDU QU'une trousse de communication détaillant les attentes d'entretien et les conditions d'approbation de lotissement pour le développement futur sera transmis à plusieurs grands propriétaires fonciers du côté ouest de la rue Caron pour examen et commentaires avant le 31 mai 2020; et

ATTENDU QUE le 17 Mars, 2020, le personnel a rencontré des représentants de Space Builders pour discuter de la direction du Conseil; et

ATTENDU QUE Space Builders a demandé au personnel d'étudier la faisabilité pour la Ville d'avancer 2 millions de dollars à Space Builders pour une période de deux ans, après quoi le développeur commencerait à rembourser ces sommes au cours de la troisième année sur une période de quatre ans;

QUE le Comité plénier recommande que le Conseil rejette la proposition d'avancer 2 millions de dollars à Space Builders pour une période de deux ans, après quoi le développeur commencerait à rembourser ces sommes au cours de la troisième année sur une période de quatre ans, pour les raisons citées dans le rapport INF2020-16; et

QUE le Comité plénier recommande que le Conseil appuie l'option 3 - Pas de financement initial de la ville, tel que détaillé dans le rapport du personnel INF 2019-006, du 16 septembre 2019.

4) **BACKGROUND :**

On September 16, 2019, staff Report No. INF 2019-006 (refer to Attachment 1) was considered by Committee of the Whole. The report addressed the principles of a cost-recovery strategy for the construction of infrastructure in Morris Village, Phase 5. The infrastructure in question provides outlet capacity benefits to lands external to Space Builders, Phase 5 development. The staff report clearly stated in that any landowner that will ultimately receive a benefit from the servicing works being constructed by Space Builders in Morris Village, Phase 5 will be required to pay their share of the benefiting costs when development of their lands proceeds.

Space Builders acknowledges its responsibility to finance local servicing costs, but is of the opinion, that it should not be fully responsible for front-ending the cost of servicing works for future developments - arguing that this place an extremely onerous financial burden on the company. In view of this position, Space Builders is requesting that the municipality give consideration to front -end financing a portion or all of the external lands servicing costs.

Benefiting Landing Areas:

There are approximately 17 separate and distinct external landholdings that are "tributary" to the Morris Village, Phase 5 development.

Since many of the landowners are not likely to proceed with development on their landholdings for many years to come, the dilemma that is created between the City and Space Builders is "who should be responsible for front- end financing the cost of future benefiting lands until development actually takes place.

The September 2019 staff report advanced 5 options for Council's consideration. and recommended that Option 3-No City Front-End Financing is approved by Council for the following reasons:

- the option is consistent with the City's past practises re:
- cost-sharing infrastructure for multiple landowners
- does not have an adverse impact on City's debt financing limits
- does not establish a precedent that would be expected for other developments
- minimal involvement of City in the construction of infrastructure- approving agency only
- timing of construction rests solely with the developers/builders

- private sector infrastructure emplacement may result in reduced costs

After considerable discussion of the staff report, Council elected to defer the report until staff initiates:

- additional discussion with Space Builders staff with respect to any other cost-sharing scenarios for Morris Village, Phase 5

contacting the benefiting landowners/developers located on the west side of Caron Street to advise them of the servicing expectations and conditions of subdivision approval that will be imposed by the City.

5) **DISCUSSION :**

In March 2020, City staff met with representatives of Space Builders to discuss Council's direction from its September 2019 meeting. The following provides a brief overview of the discussions that took place at this meeting:

(a) Supplementary Front-End Cost-Sharing Considerations

The Ask: Space Builder's Representatives suggested a compromise front-end cost sharing proposal. The proposal would have the City front-end \$2 million for a two-year period for infrastructure that benefits external landowners. After the two-year time period, Space Builders would repay the front- ended monies to the City commencing in year 3 and continue over a four-year period.

Staff Response:

Staff has reviewed Space Builders proposal and offer the following comments:

- the front- ended monies would have to be subject to an interest carrying charge in keeping with the prevailing Ottawa construction index
- staff is concerned about the precedent setting nature of this financial proposal and notes that it would adversely impact the City's cash flow management and reduce its debt borrowing capacity; potentially limiting initiation of other capital projects. The City will also be facing a financial risk related to the repayment capacity of Space Builders.
- Since the period of the loan is quite short, there are other alternatives (e.g. letter of credit, etc.) that could be pursued by the developer with its own bank
- if Council wished to pursue this front ending strategy, a policy would have to be developed that clearly states that the policy would only be applicable to developers that are required to front-end external servicing costs in excess of \$5 million. This constraint would

substantially limit the number of developers/builders wishing to take advantage of this practice. As well, the developer would be required to enter into a formal cost repayment agreement with the City and would require Council approval.

- It is suggested, if Council elects to approve this policy, that it be done as a "pilot" program to assess the benefits of promoting development. Staff would present a follow-up report for Council's consideration after a two-year trial period. The follow-up report would assess the benefits to the development community and identify if any other developers/builders had expressed a similar interest in the program.

(b) Contact with Caron Street External Landowners

A substantial number of properties on the west side of Caron Street are tributary to infrastructure being emplaced by Space Builders in the Morris Village, Phase 5 development area.

Staff has been made aware that several of the Caron Street landowners are of the opinion that they have an option to direct their internal infrastructure to either westerly or easterly service outlets. This is definitely not the case. Secondary planning studies have clearly confirmed that developing lands west of Caron Street must be directed to westerly outlets many of which have been constructed as part of the Space Builder development. As well, since Space Builders is sizing and front-ending financing the cost of outlet infrastructure, it is incumbent on the City to make sure the external landowners are aware of the constraints with respect to servicing outlets and repayment requirements that will be stipulated in subdivision conditions of approval.

Staff has developed a communication package which is to be sent out sent to four (4) of the larger landowners on the west side of Caron Street by no later than May 31, 2020. As of the writing of this report, this document is in the process of being translated. The communication package clearly sets out the City's expectations with respect to their internal infrastructure. Unfortunately, it is very difficult, at this time, with the impacts of the covert-19 virus, to easily identify all of the property owners on Caron Street that will be impacted by the servicing constraints and financial repayment requirements. Staff has worked closely with Space Builders representatives to identify benefiting landowners; however, we are still endeavouring to find the contact information for the more sizeable landowners.

Staff will continue to liaise with Space Builders to identify other property owners along the west side of Caron Street. This; however, will take considerable effort given the impacts on the administration relating to the covid -19 virus crisis.

Notwithstanding the desirability of advising as many of the Caron Street landowners as possible of their development requirements, both City staff and Space Builders representatives are of the opinion that the consultation process and any feedback that may be obtained through this initiative will not materially impact the timing and cost participation of the external landowners with respect to Space Builders infrastructure. Space Builders would like a decision from Council with respect to the recently discussed \$2 million option highlighted in 5(a) above.

Staff Recommendations:

Staff recommends that Council :

- adopt Option 3-No Front-End Financing as presented in staff report Number INF 2019-006 (refer to Attachment 1)
not approve the proposal to advance \$2 million for a two-year period since the proposal would place an unnecessary strain on the City's debt financing capabilities and expose the City to an increase financial risk.

6) **CONSULTATION:**

Consultation has taken place with representatives from the City, Space Builders and Brigil with respect to servicing requirements and cost recovery strategies. As detailed in this report, a communication package has been distributed to several of the larger benefiting landowners located on the west side of Caron Street. The communication is structured to advise landowners of their outlet servicing requirements (for future development of their lands) and secondly, that a requirement will be imposed (as a condition of subdivision approval) to pay their fair share of servicing costs constructed by Space Builders. It is anticipated that communication with the Caron Street landowners will be an ongoing process.

7) **RECOMMENDATIONS OR COMMENTS FROM COMMITTEE/ OTHER DEPARTMENTS :**

N/A

8) **FINANCIAL IMPACT (expenses/material/etc.):**

Subject to Council's approval of Option 3-No Front-End Financing, the City would not be subject to any substantial financial impacts.

It is recognized; however, that if Council endorses the pilot program detailed in 5(a), the City would have to advance \$2 million to Space Builders. Prevailing interest on this "loan" would accrue for years 1 and 2 and throughout the duration of the repayment period. Repayment of the \$2 million and accrued interest would commence in year 3 and continue over four years.

9) **LEGAL IMPLICATIONS :**

The use of cost recovery agreements is an accepted development mechanism and is legally permissible.

10) **RISK MANAGEMENT :**

Option 3-No Front-End Financing represents the least financial risk to the municipality since the developer will be responsible for the construction of cost-sharing infrastructure. Cost recovery agreements would be required from future benefiting landowners, as a condition of subdivision approval. The timing of external land development; however, is unknown at this time.

11) **STRATEGIC IMPLICATIONS :**

Council's adoption of the recommendations detailed in this report are consistent with the strategic directions contained in the Financial Stability and Environmental Responsibility objectives of the approved Strategic Plan.

12) **SUPPORTING DOCUMENTS:**

Attachment 1: September 16, 2019, staff report



REPORT N° INF2019-006

Date	16/09/2019
Submitted by	Click here to enter text.
Subject	Morris Village, Phase 5 Capital Cost Recovery Strategy
File N°	n/a

1) NATURE/GOAL:

The purpose of this report is to secure Council's approval of the principles of a cost recovery strategy for the construction of infrastructure for Morris Village, Phase 5.

2) DIRECTIVE/PREVIOUS POLICY:

n/a

3) DEPARTMENT'S RECOMMENDATION:

Whereas, growth related infrastructure must be constructed to support the Morris Village, Phase 5 development;

And Whereas, this infrastructure also provides service capacity for future Brigil Development adjacent to Poupart Road and External Lands west of Caron Street;

And Whereas, landowners that benefit from the servicing works constructed for Morris Village, Phase 5 will be required to pay their share of the infrastructure costs;

BE IT RESOLVED THAT Council hereby approves Option 3 as described in report No. INF2019-006, entitled "No City Front-End Financing" which consists of:

- ensuring that once development proceeds for Brigil and external lands, the developers will be requested to pay their share of benefitting servicing costs and applicable interest charges as a condition of subdivision approval; and
- Spacebuilders enters into front-end financing agreement with the City as condition of subdivision approval.

Attendu Qu' afin d'appuyer le développement de la phase 5 du Village Morris des infrastructures liées à la croissance doivent être construites ; et

Attendu que ces infrastructures desserviront les développements futurs de Brigil adjacents au chemin Poupart et les terrains externes à l'ouest de la rue Caron ; et

Attendu que les propriétaires qui bénéficieront de ces services construits pour la phase 5 du Village Morris vont devoir payer leur part des coûts des infrastructures ;

Qu'il soit résolu que le conseil municipal approuve l'option 3 « No City Front-End Financing » décrite dans le rapport no. INF2019-006 qui consiste à :

- S'assurer que les développeurs seront obligés de payer leur part des coûts des services ainsi que les intérêts applicables comme condition d'approbation d'une subdivision une fois que le développement débute par Brigil et les terrains externes ;
- Spacebuilders conclut une entente de financement préalable avec la Cité comme condition d'approbation d'une subdivision.

4) BACKGROUND:

Spacebuilders has communicated to City staff their intention to proceed with servicing works for Morris Village, Phase 5. To date, Spacebuilders has spent over \$2.5 million in infrastructure works that benefit future development areas.

Spacebuilders acknowledges its responsibility to finance local servicing costs but, are of the opinion that they should not be fully responsible for front-ending the costs of servicing works for future development areas. For this reason, the developer is requesting that the City agree to a cost recovery strategy to mitigate their financial risks. In summary, Spacebuilders is requesting that the City give favourable consideration to front-ending financing a portion of or all of external lands servicing costs.

In order to address this issue, it is important to understand:

- (a) the extent of lands that benefit from the Spacebuilder infrastructure works; and
- (b) the timing and cost of required infrastructure.

Benefiting Land Areas:

Attachment 1 is a graphic depiction of the various landholdings that are impacted by the Morris Village, Phase 5 servicing works.

Approximately 17 separate and distinct landholdings are identified in this plan. All of these lands will derive a benefit from servicing works in Morris Village, Phase 5 and will ultimately result in approximately 4000 units of residential development.

It is acknowledged that each developer must be responsible for the emplacement of “local servicing works” that benefit their development solely. However, every effort should be made to maximize the installation of infrastructure works that provide benefit to multiple development areas. Construction of stormwater management ponds, feeder water mains, pumping stations, etc. represent infrastructure that have substantial operational and maintenance costs that will be inherited by the City once the infrastructure has been completed and accepted. These types of facilities should be consolidated and optimized as much as possible, to not only reduce costs, but minimize future operations and maintenance costs.

The challenge with this strategy; however, leads to the question as to who should be responsible for front-ending financing the cost of future benefiting lands until development actually takes place?

Morris Village, Phase 5 Servicing Costs:

In order to proceed with Morris Village, Phase 5, Spacebuilders will incur total infrastructure expenditures in excess of \$51 million. This amount includes local servicing cost requirements in addition to future recovery costs from other benefiting landowners in the amount of \$7.8 million.

Table 4.1 provides a “high-level” breakdown of the servicing costs for Morris Village, Phase 5 by benefiting land area. It also summarizes the maximum number of units that will be achieved with full buildout.

Table 4.1

Morris Village, Phase 5 Servicing Cost Shares			
Total Shareable Servicing Costs	Recovery Costs		
	Spacebuilders	Brigil	External Lands
\$20.1 M [4000 units]	\$13.4 M [1000 units]	\$2.1 M [1200 units]	\$5.7 M [1800 units]

Schedule of Servicing Works:

Based on Table 4.1, it is obvious that a considerable amount of money will have to be invested to service not only Morris Village, Phase 5 but also the infrastructure needs for future development plans external to Morris Village.

It is noted; however, that not all of the infrastructure works need be constructed in the same timeframe. Rather, servicing the Phase 5 development can be staged as housing demands dictate.

Attachment 2 illustrates the various stages of the Phase 5 development. Table 4.2 summarizes the timetable associated with the construction of infrastructure in Phases A, E and K which provide benefiting services to external land owners. Servicing of the remaining phases (i.e. Phases B, C, D, F, G, H, I, J, L) identified in Attachment 1 will be serviced and financed solely by Spacebuilders.

Table 4.2

Schedule of Servicing Works				
Phase	Morris Village	Servicing Start	Housing Construction Start	Proposed Recovery Costs
Phase "A"	148	Jan. 2019	Nov. 2019	\$1.1 M
Phase "E"	109	May 2022	Sept. 2021	\$3.0M
Phase "K"	43	Jan. 2026	June 2026	\$1.6M
TOTAL	300			\$5.7M

Development Meetings:

To date, there have been several meetings with Spacebuilders and Brigil to discuss infrastructure requirements and costs; the timing of the works and particularly, a mechanism for cost recovery of infrastructure works. Spacebuilders has expressed an interest in proceeding expeditiously with servicing of Morris Village Phase 5. Similarly, Brigil has indicated that it will be proceeding with development of their lands in the foreseeable future. However, the timing of servicing and development of the "external lands" is unknown.

5) Discussion:

Since Morris Village, Phase 5 will be the first development to proceed, it is necessary to agree on servicing cost estimates and, more particularly, recovery cost shares for lands "external" to the Phase 5 development.

Initially, consideration was given to identifying the Phase 5 cost shareable servicing works in the new Development Charge Background Servicing Study as eligible development charge projects. However, since these projects provide a direct benefit to a specific land area, it was not deemed to be equitable to include these projects into a universal development charge. It is preferable for the City to impose

collect-back agreements for benefiting lands through the subdivision approval process.

As a result of the meetings with the developers, staff has assessed several options to ensure collect-back of costs incurred by Spacebuilders for lands external to Morris Village, Phase 5. Attachment 3 (Table 5.1) identifies the options considered by staff and briefly describes the option, the mechanism for cost recovery and the pros and cons of each.

Staff Recommendation:

The department has carefully reviewed the implications of the five options summarized in Attachment 3 and supports *Option 3-No City Front-End Financing* as the preferred cost recovery mechanism for Morris Village, Phase 5 infrastructure. The reasons for this are as follows:

- The option is consistent with past practices used by the City for cost sharing infrastructure for multiple landowners.
- It does not result in a undesirable impact on the City's debt financing limits.
- It does not create an onerous precedent that would be advanced for future developments in the municipality.
- The City has minimal involvement in the construction of infrastructure. It becomes an improving agency only.
- The timing of construction rests solely with the developers/builders.
- Private sector infrastructure emplacement can result in reduced costs.

6) CONSULTATION:

Consultation has occurred with representatives from the City, Spacebuilders, and Brigil with regards to the servicing needs and associated cost recovery strategies.

It is anticipated that further consultation will continue into the subdivision approval process.

Staff will also convene a meeting prior to year-end with the "external" landowners to ensure that they are aware of (a) servicing requirements and (b) the requirement to pay their fair share of servicing costs constructed by Spacebuilders.

7) RECOMMENDATIONS OR COMMENTS FROM COMMITTEE/ OTHER DEPARTMENTS:

n/a

8) FINANCIAL IMPACT (expenses/material/etc.):

Subject to approval of Option 3, the City would not be subject to any substantial financial impacts. The risk associated with collect- back of infrastructure costs would rest solely with the developer.

9) LEGAL IMPLICATIONS:

Utilization of cost recovery agreements is an accepted development strategy and is legally permissible.

10) RISK MANAGEMENT:

Option 3 represents the least financial risk to the City since the developer will be responsible for the construction of cost sharing infrastructure. Cost recovery agreements would be required from future benefiting landowners as a condition of subdivision approval. The timing of development; however, is unknown at this time.

11) STRATEGIC IMPLICATIONS :

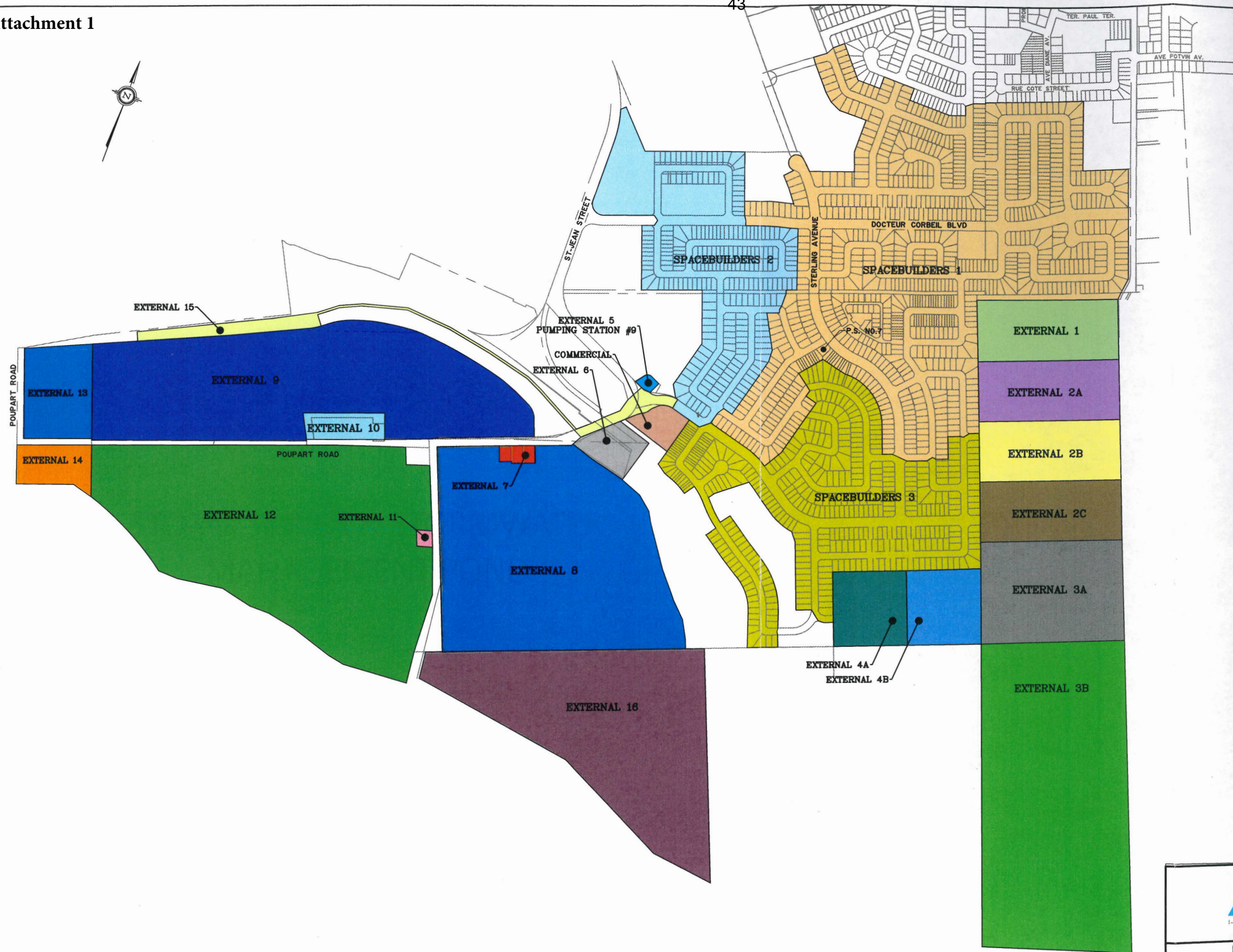
Adoption of the Administration's recommendation detailed in this report is consistent with the strategic directions contained in the Financial Stability and Environmental Responsibility objectives of Council's approved Strategic Plan.

12) SUPPORTING DOCUMENTS:

Attachment 1: Morris Village Benefiting Service Areas

Attachment 2: Morris Village Phasing Map

Attachment 3: Summary of Cost Recovery Options

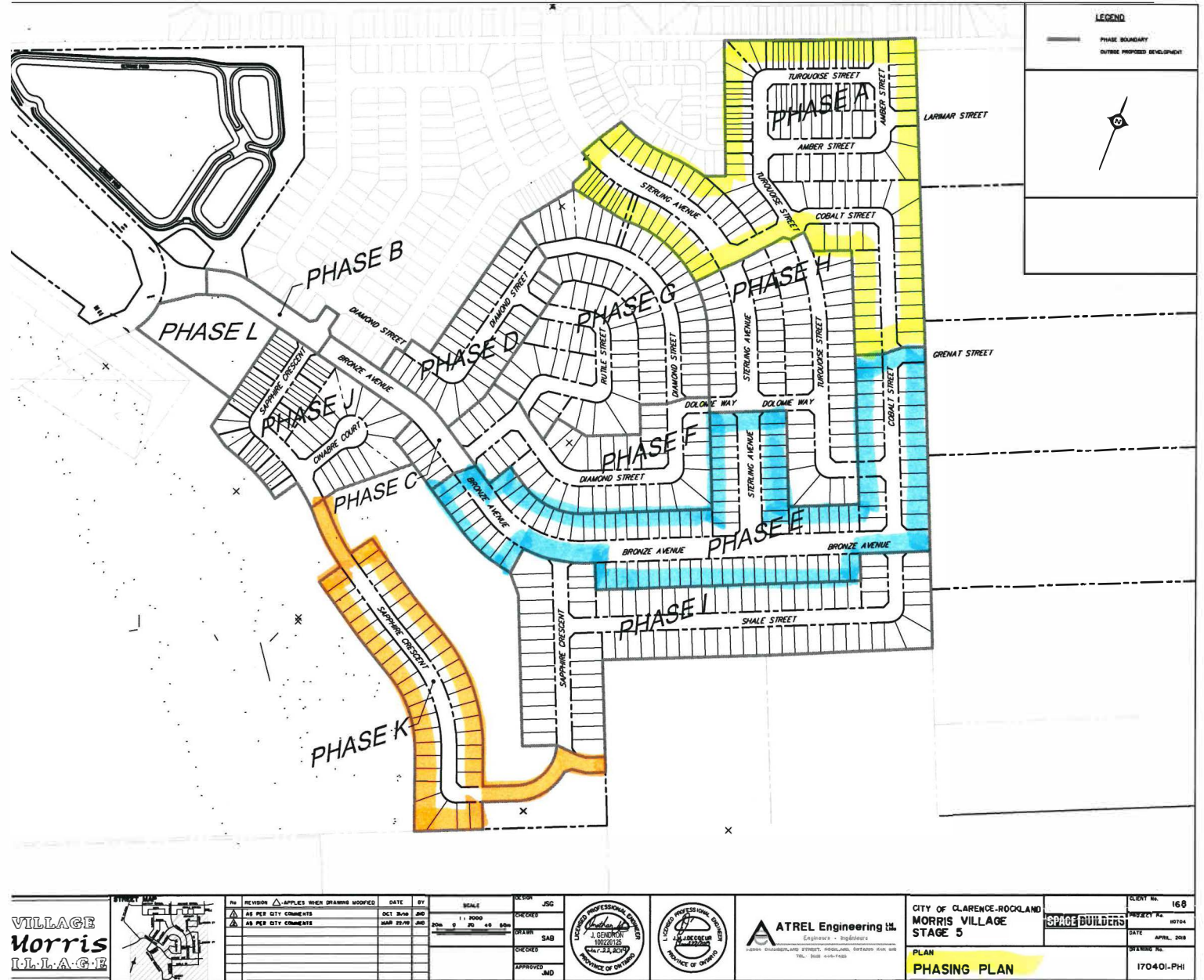




ATREL Engineering Ltd.
Engineers - Ingénieurs
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TEL.: (613) 446-7423

MORRIS VILLAGE COST SHARING		
SCALE:	COST SHARING BENEFITERS	
1:10000	JUNE 2019	FIGURE 1

Attachment 2



Option #	Description	Cost Recovery Mechanism	Pros	Cons
1 - Development Charge Projects - City Controlled	Projects included in DC Background Study	The City recovers costs from payment of area specific DC charges at issuance of building permits	Developers do not have to front-end finance of future servicing works (developer perspective)	The City controls implementation of construction works
	The City is responsible for financing, tendering, construction, etc., of capital works	Project costs indexed annually until development occurs		More cumbersome administratively because of area specific charges
				The City would have to debt finance capital costs
				Costs usually higher when the City tenders capital programs
				The City is subject to more regulations/policies than private sector
				Recovery of external servicing costs dependant on timing of development. May be long timeframes.
2 - Development Charge Projects	Projects identified in DC Background Study	Developer (i.e. Spacebuilders) required to enter into DC crediting agreement with the City for their share of servicing costs	Developer has control over implementation of infrastructure	Compounding index charges for capital works may become exorbitant
	First developer to proceed (e.g. Spacebuilders) must front-end finance and emplace servicing works	For external land servicing costs, as condition of subdivision approvals, the City would request developers/builders to pay their share of benefitting servicing costs as soon as development proceeds	Minimal City involvement	
	Benefitting area recovery cost indexed annually in keeping with annual construction costs	Service works will be indexed annually	Developers assume risk for collect back of servicing costs (City perspective)	
			The City does not have any financial responsibility	
			Potential lower construction costs	
			Developer not subject to same rules, regulation and policies as the City	
3 - Cost Recovery Agreements - No City Front-End Financing	Projects not included in DC Background Study.	Once development proceeds for Brigil and external lands, they will be requested to pay their share of benefitting servicing costs and applicable interest charges as a condition of subdivision approval	The City's role for emplacement of infrastructure is minimal	Developers assumes financial collect back risks

Option #	Description	Cost Recovery Mechanism	Pros	Cons
	Developer front-end finances and emplaces servicing works	Spacebuilders enters into front-end financing agreement with the City as condition of subdivision approval	Administratively less cumbersome for the City	
		Front-ending agreement indicates that "City will endeavour to the best of its legal ability" to impose collect back agreements for developments	Developers front-end finance all future servicing works	
			Developers control construction timing	
			Procedures consistent with past practices	
4 - Cost Recovery Agreements - City Front-Ends External Land Servicing Costs	Projects not included in DC Background Study	City will front-end 100% of external land servicing costs	The City's involvement in infrastructure placement is minimal	The City assumes financial risk since timing is unknown for external land servicing
	Spacebuilders subdivision agreements will contain a clause "that to the best of its legal ability" the City will require Brigil to pay their share of servicing costs at time of subdivision approval	As external lands development proceeds, landowners will be required (as condition of subdivision approval) to pay their share of servicing costs plus indexation	Less cumbersome process since no DC rules/regulations	Impacts the City debt financial limits (\$5.6 million)
	Spacebuilders will front-end finance Brigil's shared servicing costs	Brigil's shared contribution costs will be directed to Spacebuilders	City demonstrates "partnership" philosophy with development community	Establishes precedent for other developments
				Not consistent with past practices re: front-ending emplacement of infrastructure for other benefitting lands
5 - Cost Recovery Agreements - Shared Financial Risk	Same as Option #4, except both the City and the developer share equally in financial risks re: collect back for external lands	As external land development proceeds, the City imposes collect-back agreements for advanced servicing costs	Same as Option #4	Same as Option #4 except the City's financial risk is reduced to \$2.8 million
	Brigil's servicing costs front-ended by Spacebuilders	50% of collect back monies go to the City and 50% to Spacebuilders		
		Brigil reimburses Spacebuilders the servicing costs plus interest as soon as their development proceeds		



RAPPORT N° FIN2020-014

Date	08/05/2020
Soumis par	Frédéric Desnoyers
Objet	Debt Management Policy & Annual Repayment limit
# du dossier	N/A

1) **NATURE / OBJECTIF :**

Ce rapport a pour objectif de présenter la situation courante de la dette à long terme et de démontrer le respect de la limite de remboursement annuelle sous la Loi de 2001 sur les municipalités O.Reg. 403/02. De plus, une nouvelle politique de gestion de la dette municipale est présentée pour approbation.

2) **DIRECTIVE/POLITIQUE ANTÉCÉDENTE :**

Selon le Règlement O. Reg. 403/02 il y a un plafond imposé sur le remboursement en capital et intérêts des dettes et des obligations financières qui s'agit approximativement de 25% du total des revenus de la municipalité sans tenir compte des subventions et des revenus différés tels que les redevances d'exploitation.

3) **RECOMMANDATION DU SERVICE:**

THAT Report no. FIN2020-014 be received as information; and

THAT the Committee of The Whole recommends to Council the adoption of the proposed municipal debt management policy no. FIN20-01.

QUE le Rapport no. FIN2020-014, soit reçu à titre d'information; et

QUE le comité plénier recommande au conseil d'adopter la politique proposée FIN20-01 sur la gestion de la dette municipale

4) **HISTORIQUE :**

-

5) **DISCUSSION :**

Vous trouverez à l'annexe A le calcul de la limite de remboursement annuelle pour 2019 qui était un total de 9 024 312 \$, avec une capacité additionnelle de remboursement de capital et intérêts de 6 374 194 \$.

À l'annexe A, vous trouverez aussi le calcul de la limite de remboursement annuelle estimé de 2020, à partir du rapport d'information financière de 2019. Le total de la limite des remboursements de dette est de 9 204 798\$. Le montant estimé des paiements de la dette en 2020 est de 3 449 006 \$ (voir annexe B).

Limite de remboursement annuelle de la dette / Debt annual repayment limit		
	2019	2020
Paiements de dette	2 650 118 \$	3 449 006 \$
Limite du ratio de la dette selon O.Reg. 403/02	25%	25%
Ratio de la dette / Debt ratio	7,34 %	9,37 %

En somme, la limite de remboursement de la dette/ Debt annual repayment limit de 2020 sera respectée.

Au courant de l'année 2020, un rapport reviendra au conseil afin d'obtenir l'autorisation d'émettre la dette à long terme sur les stations d'incendie qui sont incluses dans les prévisions d'émissions incluses à l'annexe B.

De plus, la dette du camion pompe/citerne et la dette de l'usine de traitement d'eau étaient incluses au budget 2020, mais n'ont pas été incluses dans les prévisions de 2020 puisque les projets ne seront pas financés avant 2021. Le budget du paiement de la dette prévu sur ces projets sera utilisé pour réduire le financement initial nécessaire tel qu'indiqué à la politique FIN20-01.

Aucune politique de gestion de la dette municipale n'existait par le passé. L'administration jugeait important d'obtenir une direction claire du conseil en ce qui concerne les dettes à court et à long terme comme source de financement pour le capital. Pour ce faire, une politique de la dette municipale est proposée afin d'obtenir une direction claire sur le niveau de confort d'un niveau auto-imposé au-delà des limites permises par la province, sur l'usage de la dette à long terme.

La politique a été développée en analysant des politiques existantes dans d'autres municipalités et avec certaines pratiques qui étaient déjà utilisées dans la municipalité. (Voir annexe D)

Parmi les points importants, les points suivants ont été intégrés.

- Un niveau maximal auto-imposé à 15% des revenus opérationnels à être calculé individuellement pour les taux et les taxes.
- Critères d'utilisation de la dette
- Critères de non-utilisation de la dette
- Durée maximale d'endettement
- Indicateurs à être analysés

Le tableau ci-dessous présente le seuil auto-imposé aussi présenté à l'annexe A

Seuil auto-imposé à 15%		
	2019	2020
Dettes supportées par les taxes	6,75 %	8,31 %
Dettes supportées par les taux	9,28 %	10,61 %

L'annexe C a été préparée afin de rendre compte des indicateurs présentés dans la politique.

La municipalité est en général moins endettée que la moyenne provinciale. Toutefois, ses soldes de réserves sont moins élevés.

6) **CONSULTATION :**

N/A

7) **RECOMMANDATION OU COMMENTAIRES DU COMITÉ :**

La politique a été partagée avec le comité de gestion des actifs.

8) **IMPACT FINANCIER (monétaire/matériaux/etc.):**

Les paiements en capital et intérêts sont tous inclus dans le budget 2020.

9) **IMPLICATIONS LÉGALES :**

N/A

10) **GESTION DU RISQUE (RISK MANAGEMENT) :**

N/A

11) **IMPLICATIONS STRATÉGIQUES :**

N/A

12) **DOCUMENTS D'APPUI:**

Annexe A – Limite de remboursement annuelle

Annexe B – Suivi de la dette à long terme

Annexe C - Indicateurs

Annexe D – Politique de gestion de la dette municipale FIN20-01

Annexe A/Schedule A

City of / Cité de Clarence-Rockland
Annual repayment Limit for 2018 - 2020

	2018	2019	2020
Debt payments			
Tax-supported	\$ 1,660,661	\$ 1,733,380	\$ 1,849,034
DC-Supported	134,197	134,197	383,711
Road reserve fund			112,773
UCPR			190,764
Subtotal - Tax-supported (A)	1,794,858	1,867,577	2,345,518
Rate supported (B)	734,821	782,541	912,724
Total (C)	\$ 2,529,680	\$ 2,650,118	\$ 3,449,006
Debt Outstanding			
Tax-supported	\$ 21,024,699	\$ 19,893,822	\$ 20,325,478
D/C supported	1,849,825	1,771,270	5,131,892
Road reserve fund supported		1,424,837	1,344,234
UCPR			2,631,236
Subtotal - Tax-supported	22,874,524	23,089,930	29,432,840
Rate supported	6,233,241	7,672,322	6,998,743
	\$ 29,107,765	\$ 30,762,252	\$ 36,431,583
Debt issue			
Tax-Supported operating budget (D)*	\$ 27,421,714	\$ 27,663,287	\$ 28,216,553
Rates Operating budget (E)*	\$ 8,004,543	\$ 8,433,961	\$ 8,602,640
Total Operating budget (F)*	\$ 35,426,257	\$ 36,097,248	\$ 36,819,193
Debt ratio (ARL) (C ÷ F)	7.14%	7.34%	9.37%
Self-imposed - Tax-Supported (A ÷ D)	6.55%	6.75%	8.31%
Self-imposed - Rates (B ÷ E)	9.18%	9.28%	10.61%
Total debt payment capacity (B) X 25%)	8,856,564	9,024,312	9,204,798
Existing debt payments	2,529,680	2,650,118	3,449,006
Additional debt Capacity	6,326,884	6,374,194	5,755,792
Additional debt @ 5 years	27,392,098	27,596,923	24,919,567
Additional debt @ 10 years	48,854,524	49,219,835	44,444,701
Additional debt @ 15 years	\$ 65,670,896	\$ 66,161,952	\$ 59,743,153

* Estimated per the 2019 FIR, with a 2% increase

Annexe B/Schedule B

City of / Cité de Clarence-Rockland

Suivi de la dette à long terme 2018-2020 / City's long term debt 2018-2020

	2018					
	Opening balance / Solde d'ouverture		Capital	Interests / Intérêts	Total capital et intérêts	Closing balance / Solde de clôture
A. Tax-supported						
Photocopier Xerox	\$ 1,838		\$ 1,838	\$ 19	\$ 1,857	\$ -
Regional - Water upgrade	\$ 2,329,129		\$ 127,768	\$ 92,001	\$ 219,769	\$ 2,201,360
Recreational Complex	\$ 4,285,504		\$ 137,507	\$ 150,827	\$ 288,334	\$ 4,147,997
Clarence-Rockland Arena	\$ 5,061,641		\$ 165,393	\$ 102,379	\$ 267,772	\$ 4,896,248
Caron Street 2016	\$ 5,054,663		\$ 200,030	\$ 152,153	\$ 352,183	\$ 4,854,633
Various road and other	\$ 3,718,871		\$ 376,585	\$ 83,018	\$ 459,603	\$ 3,342,286
St-Joseph Street	\$ -	\$ 1,001,892	\$ 17,750	\$ 16,882	\$ 34,632	\$ 984,142
Boileau Bridge, Grader	\$ -	\$ 624,980	\$ 26,948	\$ 9,562	\$ 36,510	\$ 598,032
Total (A)	\$ 20,451,647		\$ 1,053,820	\$ 606,841	\$ 1,660,661	\$ 21,024,699
B. D/C supported						
Caron street 2016	\$ 1,926,045		\$ 76,220	\$ 57,977	\$ 134,197	\$ 1,849,825
Total (B)	\$ 1,926,045		\$ 76,220	\$ 57,977	\$ 134,197	\$ 1,849,825
C. Rate supported						
Water upgrade 2004	\$ 4,837,879		\$ 455,456	\$ 163,610	\$ 619,066	\$ 4,382,423
Égoût Laurier 2016	\$ 550,509		\$ 55,746	\$ 12,289	\$ 68,036	\$ 494,762
St-Joseph & Laurier	\$ -	\$ 1,380,514	\$ 24,458	\$ 23,262	\$ 47,720	\$ 1,356,056
Water Looping						
Total (C)	\$ 5,388,388		\$ 535,661	\$ 199,161	\$ 734,821	\$ 6,233,241
D. Road Reserve fund						
Legault, Butler & Lacasse						
Total (D)	\$ -		\$ -	\$ -	\$ -	\$ -
E. UCPR						
EMS Stations	\$ -		\$ -	\$ -	\$ -	\$ -
Total (E)	\$ -		\$ -	\$ -	\$ -	\$ -
Total (A + B + C + D + E)	\$ 27,766,080		\$ 1,665,701	\$ 863,979	\$ 2,529,680	\$ 29,107,765

City of / Cité de Clarence-Rockland
Suivi de la dette à long terme 2018-2020 / City's long term debt 2018-2020

	2019					
	Opening balance / Solde d'ouverture	Émission	Capital	Interests / Intérêts	Total capital et intérêts	Closing balance / Solde de clôture
A. Tax-supported						
Photocopier Xerox	\$ -		\$ -	\$ -	\$ -	\$ -
Regional - Water upgrade	\$ 2,201,360		\$ 132,815	\$ 86,954	\$ 219,769	\$ 2,068,545
Recreational Complex	\$ 4,147,997		\$ 146,321	\$ 145,538	\$ 291,859	\$ 4,001,675
Clarence-Rockland Arena	\$ 4,896,248		\$ 168,783	\$ 98,898	\$ 267,681	\$ 4,727,466
Caron Street 2016	\$ 4,854,633		\$ 206,157	\$ 146,026	\$ 352,183	\$ 4,648,476
Various road and other	\$ 3,342,286		\$ 385,258	\$ 74,345	\$ 459,603	\$ 2,957,028
St-Joseph Street	\$ 984,142		\$ 36,403	\$ 32,861	\$ 69,264	\$ 947,740
Boileau Bridge, Grader	\$ 598,032		\$ 55,139	\$ 17,881	\$ 73,020	\$ 542,893
Total (A)	\$ 21,024,699	\$ -	\$ 1,130,877	\$ 602,503	\$ 1,733,380	\$ 19,893,822
B. D/C supported						
Caron street 2016	\$ 1,849,825		\$ 78,555	\$ 55,642	\$ 134,197	\$ 1,771,270
Total (B)	\$ 1,849,825	\$ -	\$ 78,555	\$ 55,642	\$ 134,197	\$ 1,771,270
C. Rate supported						
Water upgrade 2004	\$ 4,382,423		\$ 470,241	\$ 148,825	\$ 619,066	\$ 3,912,182
Égoût Laurier 2016	\$ 494,762		\$ 57,030	\$ 11,005	\$ 68,036	\$ 437,732
St-Joseph & Laurier	\$ 1,356,056		\$ 50,159	\$ 45,280	\$ 95,439	\$ 1,305,896
Water Looping	\$ -	\$ 2,016,512	\$ -	\$ -	\$ -	\$ 2,016,512
Total (C)	\$ 6,233,241	\$ 2,016,512	\$ 577,431	\$ 205,110	\$ 782,541	\$ 7,672,322
D. Road Reserve fund						
Legault, Butler & Lacasse	\$ -	\$ 1,424,837	\$ -	\$ -	\$ -	\$ 1,424,837
Total (D)	\$ -	\$ 1,424,837	\$ -	\$ -	\$ -	\$ 1,424,837
E. UCPR						
EMS Stations	\$ -		\$ -	\$ -	\$ -	\$ -
Total (E)	\$ -		\$ -	\$ -	\$ -	\$ -
Total (A + B + C + D)	\$ 29,107,765	\$ 3,441,349	\$ 1,786,862	\$ 863,256	\$ 2,650,118	\$ 30,762,252

City of / Cité de Clarence-Rockland
Suivi de la dette à long terme 2018-2020 / City's long term debt 2018-2020

	2020					
	Opening balance / Solde d'ouverture	Émission	Capital	Interests / Intérêts	Total capital et intérêts	Closing balance / Solde de clôture
A. Tax-supported						
Photocopier Xerox	\$ -		\$ -	\$ -	\$ -	\$ -
Regional - Water upgrade	\$ 2,068,545		\$ 138,061	\$ 81,708	\$ 219,769	\$ 1,930,484
Recreational Complex	\$ 4,001,675		\$ 151,190	\$ 140,669	\$ 291,859	\$ 3,850,486
Clarence-Rockland Arena	\$ 4,727,466		\$ 171,982	\$ 95,790	\$ 267,772	\$ 4,555,484
Caron Street 2016	\$ 4,648,476		\$ 212,472	\$ 139,711	\$ 352,183	\$ 4,436,003
Various road and other	\$ 2,957,028		\$ 394,131	\$ 65,472	\$ 459,603	\$ 2,562,897
St-Joseph Street	\$ 947,740		\$ 37,640	\$ 31,624	\$ 69,264	\$ 910,100
Boileau Bridge, Grader	\$ 542,893		\$ 56,839	\$ 16,181	\$ 73,020	\$ 486,054
Fire Stations*	\$ -	\$ 1,652,212	\$ 58,240	\$ 57,322	\$ 115,563	\$ 1,593,972
Total (A)	\$ 19,893,822	\$ 1,652,212	\$ 1,220,556	\$ 628,478	\$ 1,849,034	\$ 20,325,478
B. D/C supported						
Caron street 2016	\$ 1,771,270		\$ 80,961	\$ 53,236	\$ 134,197	\$ 1,690,309
Fire Stations*	\$ -	\$ 3,567,331	\$ 125,748	\$ 123,766	\$ 249,514	\$ 3,441,583
Total (B)	\$ 1,771,270	\$ 3,567,331	\$ 206,709	\$ 177,002	\$ 383,711	\$ 5,131,892
C. Rate supported						
Water upgrade 2004	\$ 3,912,182		\$ 485,515	\$ 133,551	\$ 619,066	\$ 3,426,667
Égoût Laurier 2016	\$ 437,732		\$ 58,344	\$ 9,692	\$ 68,036	\$ 379,389
St-Joseph & Laurier	\$ 1,305,896		\$ 51,864	\$ 43,575	\$ 95,439	\$ 1,254,032
Water Looping	\$ 2,016,512		\$ 77,857	\$ 52,326	\$ 130,183	\$ 1,938,655
Total (C)	\$ 7,672,322	\$ -	\$ 595,723	\$ 186,818	\$ 912,724	\$ 6,998,743
D. Road Reserve fund						
Legault, Butler & Lacasse	\$ 1,424,837		\$ 80,603	\$ 32,170	\$ 112,773	\$ 1,344,234
Total (D)	\$ 1,424,837	\$ -	\$ 80,603	\$ 32,170	\$ 112,773	\$ 1,344,234
E. UCPR						
EMS Stations*	\$ -	\$ 2,727,376	\$ 96,140	\$ 94,624	\$ 190,764	\$ 2,631,236
Total (E)	\$ -	\$ 2,727,376	\$ 96,140	\$ 94,624	\$ 190,764	\$ 2,631,236
Total (A + B + C + D)	\$ 30,762,252	\$ 7,946,919	\$ 2,277,588	\$ 1,171,418	\$ 3,449,006	\$ 36,431,583

* Estimated

Annexe C/Schedule C

City of / Cité de Clarence-Rockland 2018 Indicators

	City of Clarence- Rockland	Provincial average
Debt per capita	\$1,162	\$1,599
Debt Charges per capita	\$101	\$400
Municipal Debt burden as a % of Operating revenues	7.14%	40.30%
Debt to total reserve and reserves funds ratio	195%	69%

CORPORATION of the City of Clarence- Rockland	Policy number: FIN20-01
	Subject: Debt Management Policy
	Department: Finance
Date: April 2020 Prepared by: Frédéric Desnoyers	Resolution number: 2019-XX

A POLICY TO GOVERN THE MANAGEMENT OF THE CITY OF CLARENCE-ROCKLAND 'S DEBT

1. PURPOSE:

The purpose of this Debt Management Policy is to establish financial guidelines and appropriate controls for the issuance and use of new debt in the City of Clarence-Rockland ("City"). A maximum debt limit below the provincially mandated maximum, provides a level of confidence to credit agencies and the banking syndicate that the City can easily meet its future debt repayment requirements.

The following are guiding principles for the management of the City's debt obligations:

- Ensure long-term financial flexibility and sustainability
- Limit financial risk exposure
- Maintain the credit rating
- Minimize long-term cost of financing
- Comply with statutory requirements including monitoring and reporting

2. DEFINITIONS:

Act: Means the Municipal Act, 2001, S.O. 2001, C25 as amended.

Annual Debt Repayment Limit:	The maximum amount of annual debt servicing costs that the City can undertake or guarantee without seeking the approval of the Ontario Municipal Board. The annual amount is provided by the Ministry of Municipal Affairs and Housing and must be adjusted By the Treasurer in the prescribed manner prior to the authorization by Council of a Long-Term Debt or financial obligation. Refer to Ontario Regulation 403/02. The Regulation provides a formula which limits the annual debt service costs to an amount equal to 25% of operating revenue.
Construction Financing	A form of debt financing in which the issues does not pay any principal or interest for a period of up to 5 years during the construction or rehabilitation of the facility from which a revenue stream is expected to be generated.
Debt:	Means any obligation for the payment of money. Long-term debt normally consists of notes or loans from financial institutions but could also includes loans from reserve and reserve funds, sinking funds or an endowment fund. Debentures issued to Infrastructure Ontario ("IO") are also considered as debt. The City issue debt that is repaid from a variety of sources including the water/ser rate, development charges provincial/federal gas tax and property taxation.
Flexibility:	Means the ability of the City to issue new debt in response to emerging financial issues.
Hedging:	A strategy used to offset or mitigate currency and/or interest rate risk.

**Infrastructure Ontario (IO)
or its successor:**

Any entity established by the Province of Ontario to provide Ontario municipalities, universities and hospitals access to alternative financing and procurement service and to longer-term fixed rate loans for the building and renewal of public infrastructure.

Lease Financing Agreements

A lease allowing for the provision of Municipal Capital Facilities if the lease may or will require payment by the City beyond the current term of Council.

Long-term Debt:

Means any debt for which the repayment of any portion of the principal is due beyond one year.

Net Revenues:

Means total City consolidated revenues less grants from other levels of government less sales of land and development charges earned. These revenues do not include donations of tangible capital assets.

Own -Source Revenue:

Means revenue for a fiscal year, excluding:

- a) grants from the Government of Ontario or Canada or from another municipality;
- b) proceeds from the sale or real property
- c) contributions or net transfers from a Reserve Fund or reserve;
- d) government of Ontario revenues received for the purpose of repaying the principal and interest of long-term debt, toward meeting financial obligations of the municipality; and
- e) other municipality or school board receipts for the purposes of repayment of the principal and interest on Long-Term Debt of the municipality borrow for the exclusive purpose of the other municipality or school board.

Tax Supported Debt:

Means debt that is to be recovered from non-water and sewer revenue sources and includes growth-related debt. Repayment of this growth-related debt (principal and interest) shall be recoverable through the City's development charges.

User Rate Supported Debt:

Means debt that is to be recovered from water, sewer and waste user fee revenues and includes growth-related debt. Growth-related debt (principal and interest) shall be recoverable through the City's development charges.

3. Limit Financial Risk Exposure

- The capital financing program will be managed in a manner to limit, where practicable, financial risk exposure. The City will only issue debt that is denominated in Canadian dollars with an interest rate that will be fixed over its term.
- If a situation arises where there is a material financial advantage, or it is prudent to issue debt in a foreign denomination, where allowed by law, the Corporation will develop a hedging strategy to mitigate financial risk.
- Financing leases have different financial and other risks than traditional debt. These risks may include contingent payment obligations, lease termination provisions, equipment loss, equipment replacement options, guarantees and indemnities. These risks will be identified prior to entering into any material financing lease.

4. Purposes for Which Debt May be Used

While debt is not a funding source, it is recognized that debt can be an efficient and effective financing tool when utilized appropriately and an important tool in establishing a long-range financial sustainability plan. Utilizing debt must be done with consideration of affordability while maintaining fiscal flexibility to

respond to future financial challenges and opportunities. It is important to identify how the resulting debt payments will be funded (property taxes, user rates, development charges, etc.).

Criteria to used Debt:

The City may borrow by debenture, mortgage or other acceptable debt instruments to finance infrastructure under the following considerations:

- the City's share of the project exceeds \$500,000;
- With the exception of land, the estimated useful life of the asset is greater than 5 years;
- the project has been approved by Council as part of the annual capital budget (or other finance document/report) and has clearly been identified as being funded by debt;
- debt must be structured in a way that is fair and equitable to those that pay and benefit from the underlying assets, with consideration of inter-generational benefits;
- the project is supported by a comprehensive analysis or business cases that identifies:
 - total project cost;
 - cash flow of the project including debt issuance and funding sources of debt payments;
 - annual operating costs and asset management obligations;
 - community benefits; and
 - Funding cannot be accommodated within the tax or user-rate supported budget and other internal sources (i.e. reserves) and government grants/subsidies, private partnerships have been thoroughly investigated.

Criteria to not use Debt:

- The City will only issue debt to finance capital expenditures and will not use debt to fund operational needs.
- The City should not use debt to fund regular/ongoing capital

maintenance or rehabilitation expenditures (i.e. road resurfacing, general building repairs, etc.) as these activities should be funded on a “pay as you go basis” through user rates, reserve funds or the tax levy.

- The City will not fund the purchase of vehicles and small equipment, computer hardware and software though long-term debt even though their life expectancy, in some instances, may be greater than five years. This excludes heavy equipment such as graders and emergency equipment such as fire trucks.

Eligible Capital Projects:

The following types of capital works items are eligible for long-term debt financing:

1. New growth-related development charge funded infrastructure. Repayment of this type will be recovered through future development charge revenues received;
2. New Municipal Capital Facilities and Infrastructure not funded through Development Charges:
 - a. Projects of a general function of government will be paid for with general tax revenues; and
 - b. Water and sewer related projects to be financed from user rates.
3. Major rehabilitation or reconstruction of existing assets as a short-term strategy to address significant backlogs or emergency situations (e.g. road or bridge repair);
4. Projects that provide future cost savings or cost avoidance (e.g. LED Street lighting retrofit program);
5. The purchase of land; and
6. Funding of the City’s 10% share of Development Charges growth capital projects (usually funded through the tax levy).

5. Debt Limitations

Statutory Limitations

Capital financing may only be undertaken if and when compliant with relevant sections of the Municipal Act, 2001, specifically Part XIII – Debt and Investment, Ontario Regulation 403/02 (O. Reg 403/02) as it relates to debt and financial obligations as well as the other relevant Ontario regulations relating to investments, interest rates and loans.

The City is not allowed under O.Reg. 403/02 to issue debt which would result in the annual repayment limit being exceeded without OMB approval. The formula outlined in O.Reg 403/02 limits the annual debt service costs to an amount equal to 25% of operating revenue.

Self-Imposed Limitations

Notwithstanding the limits prescribed in the Regulation by the province, prudent financial management calls for more stringent criteria to limit debt. Debt charges for services other than water, sewer and waste should be measured against own source revenue excluding water, sewer and waste. This will ensure that operation and control of tax supported debt is separated. Therefore, the total debt limit for the City's should be limited to the following:

- The maximum annual debt repayment for tax supported expenditures shall not exceed 15 per cent of tax supported own source revenues.
 - At any point, if the City's Council decides to surpass the limitations set out in this policy (beyond 15 per cent), a resolution shall be passed, in an open Council session with a majority vote, which waives the policy restriction to surpass the maximum debt capacity as outlined above.
- The maximum annual debt repayment for user rate supported expenditures shall not exceed 15 per cent of user rate own source revenues.
 - At any point in time, if the City's Council to surpass the limitations set out in this policy, a resolution shall be passed, in an open Council session with a majority vote, which waives the policy restriction to surpass the maximum debt capacity as outlined above.
- The total cumulative debt (both tax and user rate supported) shall not

exceed 15 per cent of own revenues. The Development Charges funded debt limit will be further subject to a limit equal to 25 per cent of the 10-year forecast of average annual Development Charges revenues.

6. Types of Debt

Short-Medium Term Debt (Less than 5 Years):

1. Reserve and reserve funds (may be used as the primary source of short-term financing provided that interest is paid at the prevailing market rate);
2. Bank line of credit;
3. Short-term promissory notes issued to aforementioned institutions; and
4. IO (or its successor organizations) short-term advances pending issuance of long-term debentures.

Long-Term debt (5 Years or Greater):

1. Municipal or serial debentures;
2. Term loan / mortgages with any Canadian bank, IO (or its successor organizations);
3. Capital leases; and
4. Reserve and reserve fund loans.

6. Construction Financing

Construction financing may be used to fund the debt needed for a capital project that will eventually generate a revenue stream which could be used to make principal and interest payments

7. Financing Lease Agreements

Leases may be used to finance equipment, buildings, land or other assets that the City does not have a long-term interest in or may not be able to acquire through other means.

8. Indicators to Monitor

The City should strive to report on metrics similar to those used by credit rating agencies, such as Standard and Poor's, to ensure long-term financial health. Some key indicators include:

- Debt per capita;
- Debt charges per capita;
- Debt charges as a percentage of own source revenue;
- Debt to total reserves and reserve funds.

9. Structural Features of Debt & Administration

- It shall be the responsibility of the Treasurer to oversee and coordinate the timing and process of issuance of the City's borrowing requirements required in support of the plan.
- Council must authorize debt through a by-law. Before doing so, Council is required to obtain the treasurer's certification that the municipality has sufficient capacity within its debt repayment limit to incur additional debt.
- Where possible, the term of a long-term debt issuance shall not exceed 75% of the useful life of the asset acquired. Furthermore, the repayment of principal on tax and user rate supported debt should generally not extend beyond 30 years unless there are compelling factors which make it necessary to extend the term beyond this point. By financing over the shortest term possible, lower interest rates and reduced future costs of financing result. This also allows for a debt-free period for the asset in which other financial policies such as capital reserve allocations can be initiated. See Appendix A for maximum debt lengths by asset type.
- As debt is fully retired on an asset, the amount of revenues used to service the repayment should continue as a transfer to a capital reserve to support the future replacement of the asset. This reduces the need to finance the replacement of the asset through future debt.
- If a budget was approved for the payment of a debt and whereas the debt hasn't been issued caused by delays in the process, the budget

will be used to reduce the initial amount of the debt issuance for the budgeted project.

- The Treasurer will provide an annual report to Council on Debt including the following elements:
 - Annual Repayment limit
 - Balance of active debt
- Policy should be reviewed annually.

Appendix A – Maximum Financing Term of an Asset

Maximum Length of Time	Assets to Finance
10 years	• Specialized vehicle/equipment • Parking lot • Public works facility (depot, dome, etc.) • Solid waste equipment • Transit vehicle • Retaining wall, embankment, flood control • Outdoor park facility • Sidewalk, path • Street lighting • Underground wiring • Land Purchase (under \$1,000,000)
20 Years	• Police, Fire or EMS Station • Library • Recreational facility • Water main, hydrant, filtration plant, storage facility, pumping station • Sanitary sewer, storm sewer, treatment plant, pumping station • Solide waste landfill site • Office building • Dam, reservoir • Road and bridges • Land purchase (\$1,000,000 or more)
30 years	• Water and wastewater main projects, provided the assets have a useful life greater than 30 years and the project will have revenues for a similar period

Corporation de la Cité de Clarence-Rockland
Corporation of the City of Clarence-Rockland

États financiers consolidés /
Consolidated Financial Statements

Pour l'exercice clos le 31 décembre 2019 /
For the year ended December 31, 2019

Draft - Subject to change

Corporation de la Cité de Clarence-Rockland
Corporation of the City of Clarence-Rockland

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Responsabilité de la direction à l'égard des états financiers consolidés / Management's Responsibility for the Consolidated Financial Statements

Les états financiers consolidés présentés sont dressés conformément aux Normes comptables canadiennes pour le secteur public.

Les états financiers consolidés sont la responsabilité de la direction et ont été approuvés par le conseil municipal.

Pour évaluer certains faits et opérations, la direction a procédé à des estimations d'après la meilleure appréciation qu'elle avait de la situation et en tenant compte de l'importance relative.

La direction a la responsabilité de maintenir des systèmes de contrôles interne et de comptabilité appropriés qui fournissent une assurance raisonnable que les politiques de la Corporation sont suivies, que ses opérations sont effectuées conformément aux lois et autorisations appropriées, que ses biens sont convenablement conservés et que les états financiers consolidés reposent sur des registres comptables fiables.

Les pouvoirs et les compétences de la Corporation sont exercés par le conseil municipal.

Les responsabilités du conseil municipal comprennent la surveillance du processus de présentation et de communication de l'information financière, ce qui englobe notamment la révision et l'approbation des états financiers consolidés.

L'auditeur indépendant, BDO Canada s.r.l./LLP, a audité les états financiers consolidés et a présenté le rapport qui suit.

Rockland (Ontario)
DATE

The accompanying consolidated financial statements are prepared in accordance with Canadian public sector accounting standards.

The consolidated financial statements are the responsibility of management and have been approved by the municipal council.

To assess certain facts and operations, management has made estimates based on its best judgment of the situation and by taking into account materiality.

Management is responsible for maintaining appropriate internal control and accounting systems that provide reasonable assurance that the Corporation's policies are adopted, that its operations are carried out in accordance with the appropriate laws and authorizations, that its assets are adequately safeguarded, and that the consolidated financial statements are based on reliable accounting records.

The Corporation's power and responsibilities are exercised by the municipal council.

The responsibilities of the municipal council include overseeing financial reporting and presentation procedures, which includes reviewing and approving the consolidated financial statements.

The independent auditor, BDO Canada LLP, has audited the consolidated financial statements and presented the following report.

Rockland, Ontario
DATE

Helen Collier
Directrice générale
Chief Administrative Officer

Frédéric Desnoyers, CPA auditeur (Québec)
Trésorier
Treasurer

Rapport de l'auditeur indépendant / Independent Auditor's Report

Aux membres du conseil municipal, résidents et contribuables de la Corporation de la Cité de Clarence-Rockland

Opinion

Nous avons effectué l'audit des états financiers consolidés ci-joints de la Corporation de la Cité de Clarence-Rockland (la Corporation), qui comprennent l'état consolidé de la situation financière au 31 décembre 2019 et les états consolidés des résultats, de la variation de la dette nette et des flux de trésorerie pour l'exercice clos à cette date, ainsi que les notes, y compris le résumé des principales méthodes comptables.

À notre avis, les états financiers consolidés ci-joints donnent, dans tous leurs aspects significatifs, une image fidèle de la situation financière de la Corporation au 31 décembre 2019, ainsi que des résultats de ses activités, de la variation des actifs financiers nets et de ses flux de trésorerie pour l'exercice terminé à cette date, conformément aux Normes comptables canadiennes pour le secteur public.

Fondement de l'opinion

Nous avons effectué notre audit conformément aux normes d'audit généralement reconnues du Canada. Les responsabilités qui nous incombent en vertu de ces normes sont plus amplement décrites dans la section *Responsabilités de l'auditeur à l'égard de l'audit des états financiers consolidés* du présent rapport. Nous sommes indépendants de la Corporation conformément aux règles de déontologie qui s'appliquent à notre audit des états financiers consolidés au Canada et nous nous sommes acquittés des autres responsabilités déontologiques qui nous incombent selon ces règles. Nous estimons que les éléments probants que nous avons obtenus sont suffisants et appropriés pour fonder notre opinion d'audit.

Responsabilités de la direction et des responsables de la gouvernance à l'égard des états financiers consolidés

La direction est responsable de la préparation et de la présentation fidèle des états financiers consolidés conformément aux Normes comptables canadiennes pour le secteur public, ainsi que du contrôle interne qu'elle considère comme nécessaire pour permettre la préparation d'états financiers consolidés exempts d'anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs.

Lors de la préparation des états financiers consolidés, c'est à la direction qu'il incombe d'évaluer la capacité de la Corporation à poursuivre son exploitation, de communiquer, le cas échéant, les questions relatives à la continuité de l'exploitation et d'appliquer le principe comptable de continuité d'exploitation, sauf si la direction a l'intention de liquider la Corporation ou de cesser son activité ou si aucune solution réaliste ne s'offre à elle.

To the members of municipal council, inhabitants and ratepayers of the Corporation of the City of Clarence-Rockland

Opinion

We have audited the accompanying consolidated financial statements of the Corporation of the City of Clarence-Rockland (the Corporation), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statement of operations, changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2019, and the results its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Il incombe aux responsables de la gouvernance de surveiller le processus d'information financière de la Corporation.

Responsabilités de l'auditeur à l'égard de l'audit des états financiers consolidés

Nos objectifs sont d'obtenir l'assurance raisonnable que les états financiers consolidés pris dans leur ensemble sont exempts d'anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs, et de délivrer un rapport de l'auditeur contenant notre opinion. L'assurance raisonnable correspond à un niveau élevé d'assurance, qui ne garantit toutefois pas qu'un audit réalisé conformément aux normes d'audit généralement reconnues du Canada permettra toujours de détecter toute anomalie significative qui pourrait exister. Les anomalies peuvent résulter de fraudes ou d'erreurs et elles sont considérées comme significatives lorsqu'il est raisonnable de s'attendre à ce que, individuellement ou collectivement, elles puissent influencer sur les décisions économiques que les utilisateurs des états financiers consolidés prennent en se fondant sur ceux-ci.

Dans le cadre d'un audit réalisé conformément aux normes d'audit généralement reconnues du Canada, nous exerçons notre jugement professionnel et faisons preuve d'esprit critique tout au long de cet audit. En outre :

- nous identifions et évaluons les risques que les états financiers consolidés comportent des anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs, concevons et mettons en œuvre des procédures d'audit en réponse à ces risques, et réunissons des éléments probants suffisants et appropriés pour fonder notre opinion. Le risque de non-détection d'une anomalie significative résultant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne;
- nous acquérons une compréhension des éléments du contrôle interne pertinents pour l'audit afin de concevoir des procédures d'audit appropriées aux circonstances, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de la Corporation;
- nous apprécions le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la direction, de même que des informations y afférentes fournies par cette dernière;

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated 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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- nous tirons une conclusion quant au caractère approprié de l'utilisation par la direction du principe comptable de continuité d'exploitation et, selon les éléments probants obtenus, quant à l'existence ou non d'une incertitude significative liée à des événements ou situations susceptibles de jeter un doute important sur la capacité de la Corporation à poursuivre son exploitation. Si nous concluons à l'existence d'une incertitude significative, nous sommes tenus d'attirer l'attention des lecteurs de notre rapport sur les informations fournies dans les états financiers consolidés au sujet de cette incertitude ou, si ces informations ne sont pas adéquates, d'exprimer une opinion modifiée. Nos conclusions s'appuient sur les éléments probants obtenus jusqu'à la date de notre rapport. Des événements ou situations futurs pourraient par ailleurs amener la Corporation à cesser son exploitation;
- nous évaluons la présentation d'ensemble, la structure et le contenu des états financiers consolidés, y compris les informations fournies dans les notes, et apprécions si les états financiers consolidés représentent les opérations et événements sous-jacents d'une manière propre à donner une image fidèle.

Nous communiquons aux responsables de la gouvernance notamment l'étendue et le calendrier prévus des travaux d'audit et nos constatations importantes, y compris toute déficience importante du contrôle interne que nous aurions relevée au cours de notre audit.

Renseignements financiers supplémentaires

Nous n'avons pas audité, examiné ni tenté de quelque façon que ce soit de vérifier l'exactitude ou l'exhaustivité de l'annexe financière à la page 27 des états financiers consolidés de la Corporation.

- 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 Corporation'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 consolidated 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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Supplementary Financial Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedule on page 27 of the Corporation's consolidated financial statements.

Ottawa (Ontario)
DATE

Ottawa, Ontario
DATE

Comptables professionnels agréés, experts-comptables autorisés
Chartered Professional Accountants, Licensed Public Accountants

Corporation de la Cité de Clarence-Rockland
Corporation of the City of Clarence-Rockland
État consolidé de la situation financière /
Consolidated Statement of Financial Position

31 décembre / December 31

	2019	2018	
Actifs financiers			Financial assets
Encaisse	\$ 13,797,433	\$ 11,638,541	Cash
Placement temporaire (Note 1)	5,218,078	5,085,901	Temporary investment (Note 1)
Taxes à recevoir	3,038,489	2,997,633	Taxes receivable
Redevances des usagers à recevoir	1,467,774	1,497,488	User charges receivable
Débiteurs	2,764,945	1,889,829	Accounts receivable
Débiteurs à long terme (Note 3)	5,306,102	5,673,243	Long-term receivables (Note 3)
	31,592,821	28,782,635	
Passifs			Liabilities
Créditeurs et frais courus (Note 4)	8,676,798	7,810,498	Accounts payable and accrued liabilities (Note 4)
Dépôts	2,104,616	1,882,137	Deposits
Revenus reportés (Note 5)	7,692,040	7,085,997	Deferred revenue (Note 5)
Emprunts à long terme nets (Note 6)	30,762,252	29,107,765	Net long-term liabilities (Note 6)
	49,235,706	45,886,397	
Dette nette	(17,642,885)	(17,103,762)	Net debt
Actifs non financiers			Non-financial assets
Immobilisations corporelles (Note 8)	157,156,851	150,962,891	Tangible capital assets (Note 8)
Frais payés d'avance	176,677	172,942	Prepaid expenses
Stocks	106,866	187,995	Inventory
	157,440,394	151,323,828	
Excédent accumulé (Note 12)	\$ 139,797,509	\$ 134,220,066	Accumulated surplus (Note 12)
Obligations contractuelles (Note 15)			Contractual obligations (Note 15)

Corporation de la Cité de Clarence-Rockland
Corporation of the City of Clarence-Rockland
État consolidé des résultats /
Consolidated Statement of Operations

Pour l'exercice clos le 31 décembre / For the year ended December 31

	2019 Budget	2019 Réel / Actual	2018 Réel / Actual	
	(Note 13)			
Revenus				Revenues
Taxes	\$ 20,491,927	\$ 20,667,484	\$ 19,586,060	Taxation
Redevances des usagers	13,529,433	14,129,091	13,931,210	User charges
Paiements de transfert				Government transfers
Gouvernement du Canada	13,300	271,283	83,044	Government of Canada
Province de l'Ontario	1,187,332	2,887,532	1,308,169	Province of Ontario
Autres municipalités	2,042,061	2,380,273	2,461,425	Other municipalities
Autres revenus (Note 7)	1,721,898	2,056,524	2,122,889	Other revenues (Note 7)
	38,985,951	42,392,187	39,492,797	
Charges (Note 9)				Expenses (Note 9)
Administration municipale	4,262,117	3,761,224	3,486,564	General government
Sécurité publique	6,913,980	7,643,395	6,196,727	Protection services
Transport routier	8,913,335	9,414,854	10,205,302	Transportation services
Services environnementaux	8,772,599	8,428,040	7,628,887	Environmental services
Loisirs et culture	5,397,166	5,360,216	5,129,821	Recreation and cultural services
Services sociaux et à la famille	5,715,945	5,476,821	5,641,082	Social and family services
Urbanisme et aménagement	795,022	977,916	910,030	Planning and development
	40,770,164	41,062,466	39,198,413	
Autres				Others
Paiements de transfert liés aux immobilisations corporelles				Government transfers related to tangible capital assets
Gouvernement du Canada	1,600,500	1,197,302	1,168,378	Government of Canada
Province de l'Ontario	715,000	489,894	372,380	Province of Ontario
Autres municipalités	613,000	534,179	228,530	Other municipalities
Autres revenus (Note 7)	1,856,679	2,026,347	2,121,687	Other revenues (Note 7)
	4,785,179	4,247,722	3,890,975	
Excédent de l'exercice	3,000,966	5,577,443	4,185,359	Annual surplus
Excédent accumulé, au début de l'exercice	134,220,066	134,220,066	130,034,707	Accumulated surplus, beginning of year
Excédent accumulé, à la fin de l'exercice	\$ 137,221,032	\$ 139,797,509	\$ 134,220,066	Accumulated surplus, end of year

Corporation de la Cité de Clarence-Rockland
Corporation of the City of Clarence-Rockland
État consolidé de la variation de la dette nette /
Consolidated Statement of Changes in Net Debt

Pour l'exercice clos le 31 décembre / For the year ended December 31

	2019 Budget	2019 Réel/ Actual	2018 Réel/ Actual	
	(Note 13)			
Excédent de l'exercice	\$ 3,000,966	\$ 5,577,443	\$ 4,185,359	Annual surplus
Acquisitions d'immobilisations corporelles	(10,235,550)	(13,253,686)	(10,881,477)	Acquisition of tangible capital assets
Amortissement des immobilisations corporelles	7,018,615	7,018,615	6,898,992	Amortization of tangible capital assets
Perte (gain) sur dispositions d'immobilisations corporelles	-	4,092	(129,521)	Loss (gain) on disposal of tangible capital assets
Produits sur dispositions d'immobilisations corporelles	-	37,019	170,303	Proceeds on disposal of tangible capital assets
	(215,969)	(616,517)	243,656	
Diminution (augmentation) des frais payés d'avance	-	(3,735)	(49,560)	Decrease (increase) in prepaid expenses
Augmentation des stocks	-	81,129	22,277	Increase in inventory
	-	77,394	(27,283)	
Variation nette de la dette nette	(215,969)	(539,123)	216,373	Net change in net debt
Dette nette, au début de l'exercice	(17,103,762)	(17,103,762)	(17,320,135)	Net debt, beginning of year
Dette nette, à la fin de l'exercice	\$ (17,319,731)	\$ (17,642,885)	\$ (17,103,762)	Net debt, end of year

Corporation de la Cité de Clarence-Rockland
Corporation of the City of Clarence-Rockland
État consolidé des flux de trésorerie /
Consolidated Statement of Cash Flows

Pour l'exercice clos le 31 décembre / For the year ended December 31

	2019	2018	
Trésorerie provenant de (utilisée par)			Cash provided by (used by)
Activités de fonctionnement			Operating transactions
Excédent de l'exercice	\$ 5,577,443	\$ 4,185,359	Annual surplus
Éléments sans incidence sur la trésorerie			Non-cash items
Amortissement des immobilisations corporelles	7,018,615	6,898,992	Amortization of tangible capital assets
Perte (gain) sur dispositions d'immobilisations corporelles	4,092	(129,521)	Loss (gain) on disposal of tangible capital assets
	12,600,150	10,954,830	
Variations des éléments hors trésorerie du fonds de roulement			Changes in non-cash operating balances
(Augmentation) diminution des taxes à recevoir	(40,856)	284,075	(Increase) decrease in taxes receivable
Diminution (augmentation) des redevances des usagers à recevoir	29,714	(144,939)	Decrease (increase) in user charges receivable
(Augmentation) diminution des débiteurs	(875,115)	111,455	(Increase) decrease in accounts receivable
Diminution des stocks	81,129	22,277	Decrease in inventory
Diminution des débiteurs à long terme	367,141	13,420	Decrease in long-term receivables
Augmentation des frais payés d'avance	(3,735)	(49,560)	Increase in prepaid expenses
Augmentation des créditeurs et frais courus	866,300	964,521	Increase in accounts payable and accrued liabilities
Augmentation (diminution) des autres éléments de passif à court terme	222,479	(82,583)	Increase (decrease) in other current liabilities
Augmentation des revenus reportés	606,043	1,164,439	Increase in deferred revenue
	1,253,100	2,283,105	
	13,853,250	13,237,935	
Activités d'investissement en immobilisations corporelles			Capital transactions
Acquisitions d'immobilisations corporelles	(13,253,686)	(10,881,477)	Acquisition of tangible capital assets
Produits sur dispositions d'immobilisations corporelles	37,019	170,303	Proceeds on disposal of tangible capital assets
	(13,216,667)	(10,711,174)	
Activités d'investissements			Investing activities
Augmentation du placement temporaire	(132,177)	(5,085,901)	Increase in temporary investment
Activités de financement			Financing transactions
Nouveaux emprunts à long terme	3,441,349	3,007,386	New long-term liabilities
Remboursement des emprunts à long terme	(1,786,863)	(1,665,702)	Repayment of long-term liabilities
	1,654,486	1,341,684	
Augmentation (diminution) nette de l'encaisse	2,158,892	(1,217,456)	Net increase (decrease) in cash
Encaisse, au début de l'exercice	11,638,541	12,855,997	Cash, beginning of year
Encaisse, à la fin de l'exercice	\$ 13,797,433	\$ 11,638,541	Cash, end of year

Corporation de la Cité de Clarence-Rockland Corporation of the City of Clarence-Rockland Sommaire des méthodes comptables / Summary of Accounting Policies

31 décembre 2019 / December 31, 2019

Nature et objectifs de l'entité

La Corporation de la Cité de Clarence-Rockland ("la Corporation") fut constituée en vertu des lois provinciales et débuta ses activités le 1^{er} janvier 1998. La Corporation est responsable de fournir des services municipaux tels que les services communautaires et bibliothécaires, les services sociaux, les services de protection et d'urgence comprenant les services policiers et d'incendies et les services publics comprenant les services routiers, d'eaux et d'égouts, d'eau potable, de collecte d'ordures et de recyclage.

Référentiel comptable

Les états financiers consolidés ont été dressés selon les normes comptables canadiennes pour le secteur public.

Principes de consolidation

Ces états financiers consolidés reflètent les actifs, passifs, revenus et charges de tous les comités du Conseil, et les commissions qui sont détenues ou sous le contrôle du Conseil municipal. Tous les actifs, passifs, revenus et charges interfonds furent éliminés lors de la consolidation.

L'entité suivante a été consolidée:

Bibliothèque publique de Clarence-Rockland

Stocks

Les stocks de biens qui ne sont pas détenus à la revente sont inscrits au coût. Le coût est déterminé selon la méthode du premier entré, premier sorti.

Dépotoir

Les frais courus des activités de fermeture et d'après fermeture du dépotoir sont basés sur les dépenses futures estimatives en dollars courants, actualisées, ajustées en fonction de l'inflation estimée, et comptabilisées et imputés aux charges au fur et à mesure que la capacité du dépotoir est utilisée.

Nature and Purposes of the Entity

The Corporation of the City of Clarence-Rockland ("the Corporation") was created through provincial legislation and commenced operations on January 1, 1998. The Corporation is responsible for providing municipal services such as community services and libraries, social services, emergency and protective services including police and fire and public works including roads, sewers and wastewater, drinking water, garbage and recycling.

Basis of Accounting

The financial statements have been prepared in accordance with Canadian public sector accounting standards.

Basis of Consolidation

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of all municipal organizations, committees, and boards which are owned or controlled by municipal Council. All interfund assets, liabilities, revenues and expenses have been eliminated on consolidation.

The following entity has been consolidated:

Clarence-Rockland Public Library

Inventory

Inventory of goods not held for resale are recorded at cost. Cost is determined using the first in, first out method.

Landfill

The estimated costs to close and maintain the landfill site are based on estimated future expenses in current dollars, discounted, adjusted for estimated inflation, and are recognized and charged to expense as the landfill site's capacity is used.

Corporation de la Cité de Clarence-Rockland
Corporation of the City of Clarence-Rockland
Sommaire des méthodes comptables /
Summary of Accounting Policies

31 décembre 2019 / December 31, 2019

Immobilisations corporelles

Les immobilisations corporelles sont comptabilisées au coût moins l'amortissement cumulé. Le coût inclus tous les coûts directement reliés à l'acquisition ou à la construction des immobilisations corporelles incluant les coûts de transport, d'installation, de conception et d'ingénierie, légaux et les coûts pour la préparation de chantier. Les immobilisations corporelles contribuéées sont comptabilisées à leur juste valeur à la date de contribution avec un montant correspondant inscrit en tant que revenu. L'amortissement est comptabilisé sur une base linéaire selon la durée de vie utile estimative de l'immobilisation corporelle débutant lorsque l'actif est disponible à l'utilisation comme suit :

Améliorations de terrains	15 à 40 ans
Bâtiments	20 à 60 ans
Chemins, trottoirs et ponts	15 à 99 ans
Équipements, fournitures et machinerie	5 à 20 ans
Infrastructure pour l'eau	15 à 60 ans
Infrastructure pour les égouts	15 à 60 ans
Infrastructure pour les égouts pluviaux	15 à 60 ans
Véhicules	5 à 15 ans

Location

Les contrats de location sont classés soit comme contrat de location-acquisition, soit comme contrat de location-exploitation. Un contrat qui transfère, aux termes d'un bail, pratiquement tous les avantages et les risques inhérents à la propriété du bien loué est classé comme un contrat de location-acquisition. À la création d'un contrat de location-acquisition, l'actif et l'obligation sont comptabilisés au moindre de la valeur actualisée des paiements minimums exigibles et de la juste valeur du bien loué au début du contrat. Les autres contrats de location sont comptabilisés comme contrats de location-exploitation en vertu desquels les paiements du loyer sont passés en charge lorsqu'ils sont engagés.

Revenus reportés

Les revenus grevés d'affectations d'origine externe suite à une loi, un règlement ou une entente et indisponibles pour fin d'utilisation municipale générale sont présentés comme revenus reportés à l'état consolidé de la situation financière. Le revenu est constaté à l'état consolidé des résultats dans l'exercice au cours duquel les ressources sont utilisées aux fins prescrites.

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated useful life of the tangible capital asset commencing once the asset is available for use as follows :

Land improvements	15 to 40 years
Buildings	20 to 60 years
Roads, sidewalks and bridges	15 to 99 years
Equipment, furniture and machinery	5 to 20 years
Water infrastructure	15 to 60 years
Sewer infrastructure	15 to 60 years
Storm sewer infrastructure	15 to 60 years
Vehicles	5 to 15 years

Leases

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of the lease. All other leases are accounted for as operating leases wherein rental payments are expensed as incurred.

Deferred Revenue

Revenues restricted by legislation, regulation or agreement and not available for general municipal purposes are reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for the specified purpose.

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31 décembre 2019 / December 31, 2019

Comtés et conseils scolaires

La Corporation perçoit des revenus de taxes au nom des conseils scolaires et des Comtés Unis de Prescott et Russell. Les taxes, autres revenus, charges, actifs et passifs relatifs aux activités des conseils scolaires et des Comtés Unis de Prescott et Russell ne sont pas présentés dans ces états financiers consolidés.

Constatation des produits

Les taxes sont constatées à des montants estimés lorsqu'elles répondent à la définition d'un actif, ont été autorisées et le fait imposable s'est produit. Dans le cas des impôts fonciers, le fait imposable est l'exercice pour lequel les impôts sont levés. Les taxes à recevoir sont constatées au net d'une provision pour les montants non recouvrables anticipés.

Les redevances des usagers sont constatés lorsque les services sont rendus. Les frais de connexions pour les égouts et l'eau sont inclus dans les redevances des usagers et sont comptabilisés lorsque la connexion a été établie.

Les paiements de transfert sont constatés dans les états financiers consolidés quand le transfert a été autorisé et qu'il satisfait à tous les critères d'admissibilité, sauf lorsque le transfert comprend des stipulations qui créent une obligation répondant à la définition d'un passif. Les transferts sont constatés comme revenus reportés lorsque les stipulations du transfert créent un passif. Les paiements de transfert sont constatés dans l'état consolidé des résultats lorsque les stipulations du passif sont réglées.

Les ventes de services et autres revenus sont comptabilisés lorsque tous les risques et avantages importants inhérents à la propriété ont été transférés et qu'il n'existe plus d'engagement important, que le prix est déterminé ou déterminable, qu'il existe des preuves convaincantes d'un accord et que l'encaissement est raisonnablement assuré. Ceci survient habituellement lorsque le produit est expédié / les services sont rendus / les marchandises sont reçues par le client.

Utilisation d'estimations

Pour préparer les états financiers consolidés conformément aux Normes comptables canadiennes pour le secteur public, la direction doit établir des estimations et poser des hypothèses qui influent sur le montant des actifs et des passifs à la date de l'état consolidé de la situation financière ainsi que le montant des revenus et charges de l'exercice. Les montants qui contiennent des estimations sont ceux des immobilisations corporelles ainsi que ceux des activités de fermeture et d'après-fermeture des dépotoirs.

Counties and School Boards

The Corporation collects taxation revenue on behalf of the school boards and the United Counties of Prescott and Russell. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the United Counties of Prescott and Russell are not reflected in these consolidated financial statements.

Revenue Recognition

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the year for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

User charges are recorded when the services are rendered. Connection charges for sewer and water are included in user charges and are recognized when the connection has been established.

Government transfers are recognized as revenue in the consolidated financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the consolidated statement of operations as the stipulation liabilities are settled.

Sales of services and other revenues are accounted for when the significant risks and rewards of ownership have been completed and there are no significant obligations remaining, the price is fixed or determinable, persuasive evidence that an arrangement exists, and collectibility is reasonably assured. This usually occurs at the time of shipment/time the services are provided/the goods have been received by the client.

Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated statement of financial position, and the reported amounts of revenues and expenses during the reporting period. The amounts that include estimates are those relating to tangible capital assets as well as those relating to the landfill closure and post-closure care.

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Corporation of the City of Clarence-Rockland
Notes aux états financiers consolidés /
Notes to the Consolidated Financial Statements

31 décembre 2019 / December 31, 2019

1. Placement temporaire

	2019	2018
Certificat de placement garanti, 2,62%, échéant en mai 2020.	\$ 5,218,078	\$ -
Certificat de placement garanti, 2,57%, échu au cours de l'exercice.	-	5,085,901
	\$ 5,218,078	\$ 5,085,901

1. Temporary Investment

Guaranteed investment certificate,
2.62%, maturing in May 2020.
Guaranteed investment certificate,
2.57%, matured during the year.

2. Emprunt temporaire

La Corporation possède une marge de crédit opérationnelle autorisée de 500 000\$, renouvelable en décembre 2028 qui est remboursable sur demande et les intérêts sur cette dette sont calculés au taux préférentiel et sont payables mensuellement. Cet emprunt est garanti par des garanties gouvernementales. Au 31 décembre 2019, le montant autorisé mais non versé par l'institution financière s'élève à 500 000\$.

2. Temporary Loan

The Corporation has an authorized operating line of credit of \$500,000, renewable in December 2028 that is due on demand and bears interest at prime rate calculated and payable monthly. The loan is secured by government guarantees. As at December 31, 2019, the undrawn credit capacity under this facility is \$500,000.

3. Débiteurs à long terme

Prêts aux contribuables, financés par les emprunts à long terme de la Corporation, taux d'intérêts variant de 2,02% à 8,00%, remboursables par versements annuels de 11 048\$ à 247 105\$, capital et intérêts, échéant de 2021 à 2040.

Les remboursements de capital des cinq prochains exercices et par la suite se chiffrent à:

	2019	2018
	\$ 5,306,102	\$ 5,673,243

3. Long-Term Receivables

Loans to landowners, financed by the Corporation's long-term liabilities, interest rates varying from 2.02% to 8.00%, payable by annual instalments from \$11,048 to \$247,105, principal and interest, due from 2021 to 2040.

Principal repayments for the next five years and thereafter are as follows:

2020	\$ 450,194
2021	\$ 455,414
2022	\$ 455,389
2023	\$ 469,846
2024	\$ 236,854
Par la suite / Thereafter	\$ 3,238,405

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Corporation of the City of Clarence-Rockland
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31 décembre 2019 / December 31, 2019

4. Activités de fermeture et d'après-fermeture du dépotoir

Les créiteurs et frais courus incluent 277 388\$ (2018 - 253 531\$) des dépenses totales estimées à 2 006 000\$ pour les activités de fermeture et d'après-fermeture du dépotoir. Les frais courus estimés pour ces dépenses sont reconnus au fur et à mesure que la capacité des dépotoirs est utilisée et les frais courus reconnus représentent la portion des charges totales estimées reconnues au 31 décembre 2019, basé sur la capacité cumulative utilisée à cette date, comparé à la capacité totale estimée du dépotoir.

Les exigences des activités de fermeture et d'après-fermeture du dépotoir ont été définies en conformité avec les normes de l'industrie et incluent le recouvrement final et la revégétation du dépotoir, la surveillance des puits, l'échantillonnage et l'analyse des eaux souterraines et des eaux de surface, la surveillance du niveau des eaux souterraines et la préparation des rapports au Ministère.

Les frais courus enregistrés sont basés sur des estimations et des hypothèses en rapport à des événements couvrant une période de plus de 36 ans, tout en utilisant la meilleure information disponible à la direction. Des événements futurs pourraient affecter de façon significative les estimés des dépenses totales, des capacités utilisées ou du total des capacités disponibles et les frais courus estimés, et seraient reconnus de façon prospective comme un changement d'estimation, lorsqu'applicable.

La capacité disponible estimée du dépotoir est de 70% des capacités totales estimées. La période estimée des activités d'après-fermeture est de 20 ans.

4. Landfill Closure and Post-Closure Care Activities

Included in accounts payable and accrued liabilities is \$277,388 (2018 - \$253,531) of the estimated total landfill closure and post-closure care expenses of \$2,006,000. The estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenses recognized as at December 31, 2019, based on the cumulative capacity used at that date, compared to the total estimated landfill capacity.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, the monitoring of well development, groundwater and surface water sampling and analysis, groundwater level monitoring and reporting to the Ministry.

The reported liability is based on estimates and assumptions with respect to events extending over a 36 year period 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 estimated remaining capacity of the landfill site is 70% of its total estimated capacity. The period for post-closure care is estimated to be 20 years.

5. Revenus reportés

	2019	2018
Fonds de réserves obligatoires		
Redevances d'aménagement	\$ 5,590,197	\$ 3,988,433
Terrains récréatifs	30,071	89,092
Autres		
Stationnement	29,096	28,526
Paievements de transfert	1,126,113	946,218
Crédit de la taxe d'essence	386,477	246,024
Dépôts	72,147	331,155
Construction	289,267	289,267
Redevances d'eau et d'égouts	168,672	1,167,282
	\$ 7,692,040	\$ 7,085,997

5. Deferred Revenue

Obligatory Reserve Funds
Development charges
Recreational land
Other
Parking
Transfer payments
Gas tax refund
Deposits
Construction
Water and sewer charges

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5. Revenus reportés (suite)

La variation nette, au cours de l'année, des revenus reportés avec restriction s'explique comme suit:

	Redevances d'aménagement / Development charges	Terrains récréatifs / Recreational land	Crédit pour la taxe d'essence / Gas tax refund
Revenus reportés, début de l'exercice	\$ 3,988,433	\$ 89,092	\$ 246,024
Fonds avec restrictions reçus au cours de l'exercice	2,595,969	37,008	1,495,820
Intérêts gagnés	94,130	1,040	6,000
Revenus constatés au cours de l'exercice	(1,088,335)	(97,069)	(1,361,367)
	\$ 5,590,197	\$ 30,071	\$ 386,477

5. Deferred Revenue (continued)

The net change during the year in the restricted deferred revenue balance is made up of the following:

Deferred revenue, beginning of year
 Restricted funds received during the year
 Interest earned
 Revenues recognized during the year

6. Emprunts à long terme nets

Le solde des emprunts à long terme inscrit à l'état consolidé de la situation financière est composé des éléments suivants:

	2019	2018
Infrastructure Ontario		
Emprunt, 2,95%, remboursable par versements semi-annuels de 199 649\$, capital et intérêts, échéant en 2024. (Système régional d'approvisionnement en eau)	\$ 1,843,636	\$ 2,181,062
Emprunt, 3,04%, remboursable par versements semi-annuels de 243 190\$, capital et intérêts, échéant en 2036. (égouts et routes)	6,419,746	6,704,458
Emprunt, 2,29%, remboursable par versements semi-annuels de 263 820\$, capital et intérêts, échéant en 2026. (égouts et routes)	3,394,760	3,837,049
Emprunt, 3,06%, remboursable par versements semi-annuels de 36 510\$, capital et intérêts, échéant en 2028. (Niveleuse et pont)	542,893	598,032
Emprunt, 3,37%, remboursable par versements semi-annuels de 82 352\$, capital et intérêts, échéant en 2038. (égouts et routes)	2,253,636	2,340,198
Emprunt, 2,50%, remboursable par versements semi-annuels de 57 248\$, capital et intérêts, échéant en 2034. (routes)	1,424,837	-
Emprunt, 2,62%, remboursable par versements semi-annuels de 65 091\$, capital et intérêts, échéant en 2039. (égouts)	2,016,512	-

6. Net Long-Term Liabilities

The balance of the long-term liabilities reported on the consolidated statement of financial position is made up of the following:

Infrastructure Ontario

Loan, 2.95%, payable by semi-annual instalments of \$199,649, principal and interest, maturing in 2024. (Regional water supply system)

Loan, 3.04%, payable by semi-annual instalments of \$243,190, principal and interest, maturing in 2036. (Sewers and roads)

Loan, 2.29%, payable by semi-annual instalments of \$263,820, principal and interest, maturing in 2026. (Sewers and roads)

Loan, 3.06%, payable by semi-annual instalments of \$36,510, principal and interest, maturing in 2028. (Grader and bridge)

Loan, 3.37%, payable by semi-annual instalments of \$82,352, principal and interest, maturing in 2038. (Sewers and roads)

Loan, 2.50%, payable by semi-annual instalments of \$57,248, principal and interest, maturing in 2034. (Roads)

Loan, 2.62%, payable by semi-annual instalments of \$65,091, principal and interest, maturing in 2039. (Sewers)

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6. Emprunts à long terme nets (suite)

TD Canada Trust

Emprunt, 2,03%, remboursable par versements semi-annuels de 133 886\$, capital et intérêts, renouvelable en 2021, garanti par l'Arena et le centre d'entraînement d'une valeur comptable nette de 17 754 258\$.

\$ 4,727,466 \$ 4,896,248

Emprunt, 3,20%, remboursable par versements mensuels de 9 364\$, capital et intérêts, renouvelable en 2023, garanti par le Complexe récréatif d'une valeur comptable nette de 7 725 315\$.

1,579,160 1,640,181

Banque Nationale

Emprunt, 3,83%, remboursable par versements mensuels de 14 965\$, capital et intérêts, renouvelable en 2028, garanti par le Complexe récréatif d'une valeur comptable nette de 7 725 315\$.

2,422,516 2,507,816

Société canadienne d'hypothèque et de logement

Emprunt, 3,95%, remboursable par versements annuels de 439 538\$, capital et intérêts, échéant en 2031. (Amélioration du système d'eau)

4,137,090 4,402,721

\$ 30,762,252 \$ 29,107,765

Les versements de capital des cinq prochains exercices et par la suite se chiffrent à:

2020	\$	1,996,224
2021	\$	2,054,993
2022	\$	2,115,277
2023	\$	2,177,407
2024	\$	2,240,687
Par la suite / Thereafter	\$	20,177,664

Les prêts d'Infrastructure Ontario et de la Société canadienne d'hypothèque et de logement sont garantis par les immobilisations corporelles.

6. Net Long-Term Liabilities (continued)

TD Canada Trust

Loan, 2.03%, payable by semi-annual instalments of \$133,886, principal and interest, renewable in 2021, secured by the Arena and training centre with a net carrying amount of \$17,754,258.

Loan, 3.20%, payable by monthly instalments of \$9,364, principal and interest, renewable in 2023, secured by the Recreation Complex with a net carrying amount of \$7,725,315.

National Bank

Loan, 3.83%, payable by monthly instalments of \$14,965, principal and interest, renewable in 2028, secured by the Recreation Complex with a net carrying amount of \$7,725,315.

Canada Mortgage and Housing Corporation

Loan, 3.95%, payable by annual instalments of \$439,538, principal and interest, maturing in 2031. (Water system upgrade)

Principal payments for the next five years and thereafter are as follows:

2020	\$	1,996,224
2021	\$	2,054,993
2022	\$	2,115,277
2023	\$	2,177,407
2024	\$	2,240,687
Par la suite / Thereafter	\$	20,177,664

The loans from Infrastructure Ontario and the Canada Mortgage and Housing Corporation are guaranteed by the tangible capital assets.

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7. Autres revenus

7. Other Revenues

	2019 Budget	2019 Réel/ Actual	2018 Réel/ Actual
Général			
Autres revenus	\$ 112,568	\$ 235,389	\$ 196,171
Dons	3,500	6,295	21,903
Licences	115,400	122,425	119,697
Intérêts et pénalités sur taxes	468,995	519,286	522,287
Revenus d'intérêts	247,914	536,593	508,752
Redevances d'aménagement	770,021	634,767	752,698
Vente de publications et autres éléments	3,500	1,769	1,381
	<u>1,721,898</u>	<u>2,056,524</u>	<u>2,122,889</u>
Liés aux immobilisations corporelles			
Autres revenus	1,341,679	1,361,421	525,008
Dons	-	90,709	-
Redevances d'aménagement	505,000	453,568	1,483,232
Revenus d'intérêts sur les fonds de réserve	10,000	23,580	13,790
Terrains récréatifs	-	97,069	99,657
	<u>1,856,679</u>	<u>2,026,347</u>	<u>2,121,687</u>
	<u>\$ 3,578,577</u>	<u>\$ 4,082,871</u>	<u>\$ 4,244,576</u>

General

Other Income
Donations
Licenses
Interest and penalties on taxes
Interest income
Development charges
Sale of publication and other items

Related to tangible capital assets

Other Income
Donations
Development charges
Interest income on reserve funds
Recreational lands

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8. Immobilisations corporelles

8. Tangible Capital Assets

	2019				
	Terrains et améliorations de terrains / Land and land improvements	Bâtiments / Buildings	Chemins, trottoirs et ponts / Roads, sidewalks and bridges	Égouts pluviaux / Storm sewers	Équipements, fournitures et machinerie / Equipment, furniture and machinery
Coût, au début / Cost, beginning of year	\$ 9,924,373	\$ 70,871,642	\$ 85,092,804	\$ 15,845,335	\$ 8,276,440
Acquisitions / Acquisition	721,957	2,653,245	3,463,318	207,180	455,880
Dispositions / Disposals	-	(6,522)	(522,649)	-	-
Reclassification / Reclassification	648,312	1,572,207	-	-	-
Coût, à la fin / Cost, end of year	11,294,642	75,090,572	88,033,473	16,052,515	8,732,320
Amortissement cumulé, au début / Accumulated amortization, beginning of year	2,554,652	26,006,197	43,061,413	4,740,633	5,197,491
Amortissement / Amortization	303,599	1,605,828	2,915,601	296,951	495,999
Dispositions / Disposals	-	(6,522)	(503,652)	-	-
Amortissement cumulé, à la fin / Accumulated amortization, end of year	2,858,251	27,605,503	45,473,362	5,037,584	5,693,490
Valeur comptable nette, à la fin / Net carrying amount, end of year	\$ 8,436,391	\$ 47,485,069	\$ 42,560,111	\$ 11,014,931	\$ 3,038,830
	Infrastructure pour l'eau / Water infrastructure	Infrastructure pour les égouts / Sewer infrastructure	Véhicules / Vehicles	Construction en cours / Assets under construction	Total / Total
Coût, au début / Cost, beginning of year	\$ 35,886,056	\$ 8,921,862	\$ 7,866,227	\$ 7,499,598	\$ 250,184,337
Acquisitions / Acquisition	739,981	75,485	670,346	4,266,294	13,253,686
Dispositions / Disposals	(31,554)	(2,774)	(115,862)	-	(679,361)
Reclassification / Reclassification	3,061,864	-	-	(5,282,383)	-
Coût, à la fin / Cost, end of year	39,656,347	8,994,573	8,420,711	6,483,509	262,758,662
Amortissement cumulé, au début / Accumulated amortization, beginning of year	10,567,660	3,232,560	3,860,840	-	99,221,446
Amortissement / Amortization	768,706	161,126	470,805	-	7,018,615
Dispositions / Disposals	(26,267)	(1,971)	(99,837)	-	(638,249)
Amortissement cumulé, à la fin / Accumulated amortization, end of year	11,310,099	3,391,715	4,231,807	-	105,601,811
Valeur comptable nette, à la fin / Net carrying amount, end of year	\$ 28,346,248	\$ 5,602,858	\$ 4,188,904	\$ 6,483,509	\$ 157,156,851

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8. Immobilisations corporelles (suite)

8. Tangible Capital Assets (continued)

					2018
	Terrains et améliorations de terrains / Land and land improvements	Bâtiments / Buildings	Chemins, trottoirs et ponts / Roads, sidewalks and bridges	Égouts pluviaux / Storm sewers	Équipements, fournitures et machinerie / Equipment, furniture and machinery
Coût, au début / Cost, beginning of year	\$ 9,770,980	\$ 70,569,123	\$ 82,218,500	\$ 15,845,335	\$ 7,918,930
Acquisitions / Acquisition	127,766	275,269	2,880,118	-	393,864
Dispositions / Disposals	-	-	(5,814)	-	(36,354)
Reclassification / Reclassification	25,627	27,250	-	-	-
Coût, à la fin / Cost, end of year	9,924,373	70,871,642	85,092,804	15,845,335	8,276,440
Amortissement cumulé, au début / Accumulated amortization, beginning of year	2,276,275	24,449,938	40,194,367	4,444,909	4,665,225
Amortissement / Amortization	278,377	1,556,259	2,872,860	295,724	545,116
Dispositions / Disposals	-	-	(5,814)	-	(12,850)
Amortissement cumulé, à la fin / Accumulated amortization, end of year	2,554,652	26,006,197	43,061,413	4,740,633	5,197,491
Valeur comptable nette, à la fin / Net carrying amount, end of year	\$ 7,369,721	\$ 44,865,445	\$ 42,031,391	\$ 11,104,702	\$ 3,078,949
	Infrastructure pour l'eau / Water infrastructure	Infrastructure pour les égouts / Sewer infrastructure	Véhicules / Vehicles	Construction en cours / Assets under construction	Total / Total
Coût, au début / Cost, beginning of year	\$ 35,886,056	\$ 8,921,862	\$ 7,692,817	\$ 921,144	\$ 239,744,747
Acquisitions / Acquisition	-	-	573,129	6,631,331	10,881,477
Dispositions / Disposals	-	-	(399,719)	-	(441,887)
Reclassification / Reclassification	-	-	-	(52,877)	-
Coût, à la fin / Cost, end of year	35,886,056	8,921,862	7,866,227	7,499,598	250,184,337
Amortissement cumulé, au début / Accumulated amortization, beginning of year	9,827,748	3,071,428	3,793,667	-	92,723,557
Amortissement / Amortization	739,912	161,133	450,614	-	6,899,995
Dispositions / Disposals	-	-	(383,440)	-	(402,104)
Amortissement cumulé, à la fin / Accumulated amortization, end of year	10,567,660	3,232,560	3,860,840	-	99,221,446
Valeur comptable nette, à la fin / Net carrying amount, end of year	\$ 25,318,396	\$ 5,689,302	\$ 4,005,387	\$ 7,499,598	\$ 150,962,891

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9. Charges par nature

Les charges totales présentées à l'état consolidé des résultats pour l'année sont les suivantes :

	2019	2018
Salaires et avantages sociaux	\$ 15,237,155	\$ 14,205,524
Matériaux	7,233,157	6,129,821
Services contractuels	10,407,559	10,857,144
Amortissement des immobilisations corporelles	7,018,615	6,898,992
Intérêts sur la dette à long terme	876,075	879,853
Contributions à d'autres organismes	285,813	356,600
Perte (gain) sur disposition d'immobilisations corporelles	4,092	(129,521)
	\$ 41,062,466	\$ 39,198,413

9. Expenses by Object

Total expenses for the year reported on the consolidated statement of operations are as follows:

Salaries, wages and benefits
 Materials
 Contracted services
 Amortization of tangible capital assets
 Interest on long-term debt
 Contributions to other organizations
 Loss (gain) on disposal of tangible capital assets

10. Régime de retraite

La Corporation fait des cotisations au régime de retraite des employés municipaux de l'Ontario (RREMO), qui est un régime multi-employeurs, pour ses employés à temps plein. Ce régime est un régime de retraite à prestations déterminées qui spécifie la prestation de retraite à recevoir de la part des employés basé sur le nombre d'années de service et la rémunération. Le Conseil d'Administration, qui représente les membres du régime ainsi que les employeurs, est responsable de la gestion du régime de retraite, incluant les investissements des actifs et l'administration de bénéfices. RREMO fournit des services de régime de retraite à plus de 500 000 membres actifs et retraités et à 1,000 employeurs.

À tous les ans, un actuaire indépendant détermine la position financière du Régime de Retraite Principal RREMO (le Régime) en comparant la valeur actuarielle des actifs investis à la valeur courante estimée de tous les bénéfices que les membres ont gagné à date. L'évaluation actuarielle la plus récente du régime a été faite au 31 décembre 2019. Les résultats de cette évaluation démontraient des passifs actuariels de 107 687\$ millions pour les bénéfices courus pour les services et des actifs actuariels à cette même date de 104 290\$ millions indiquant un déficit actuariel de 3 397\$ millions. Comme RREMO est un régime multi-employeurs, tout surplus ou déficit du régime est la responsabilité conjointe des organisations municipales de l'Ontario et de ses employés. Par conséquent, la Corporation ne reconnaît pas sa part de tout surplus ou déficit du RREMO. La Corporation a contribué au RREMO 902 427\$ pour 2019 (2018 - 927 572\$).

10. Pension Agreement

The Corporation makes contributions to the Ontario Municipal Employees Retirement Fund ("OMERS"), which is a multi-employer pension plan, on behalf of full-time members of staff. The plan is a defined benefit plan which specifies the amount of the retirement benefits to be received by the employees based on the length of service and rates of pay. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. OMERS provides pension services to more than 500,000 active and retired members and 1,000 employers.

Each year an independent actuary determines the funding status of the OMERS Primary Pension Plan ("the Plan") by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2019. The results of this valuation disclosed total actuarial liabilities of \$107,687 million in respect of benefits accrued for service with actuarial assets at that date of \$104,290 million indicating an actuarial deficit of \$3,397 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Corporation does not recognize any share of the OMERS pension surplus or deficit. Contributions made by the Corporation to OMERS for 2019 were \$902,427 (2018 - \$927,572).

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**11. Opérations des conseils scolaires et des Comtés
Unis de Prescott et Russell**

Durant l'année, les revenus de taxes suivants ont été perçus et remis aux conseils scolaires et aux Comtés Unis de Prescott et Russell:

**11. Operations of School Boards and the United
Counties of Prescott and Russell**

During the year, the following taxation revenues were raised and remitted to the school boards and the United Counties of Prescott and Russell:

	2019	2018	
Conseils scolaires	\$ 6,318,294	\$ 6,397,638	School boards
Comtés	\$ 12,493,861	\$ 11,932,730	Counties

12. Excédent accumulé

12. Accumulated Surplus

	2019	2018	
Réserves			Reserves
Adduction d'eau	\$ 3,414,919	\$ 3,245,676	Waterworks
Égouts	2,024,522	1,930,195	Sewer
Dépotoir	647,599	72,553	Landfill
Stabilisation du taux d'imposition	1,320,433	1,083,769	Tax rate stabilization
Dépenses futures	3,045,191	2,298,047	Future expenses
	10,452,664	8,630,240	
Fonds de réserves			Reserve funds
Services d'inspection des bâtiments	472,839	360,814	Building inspection services
Routes	1,355,755	648,122	Roads
	1,828,594	1,008,936	
	12,281,258	9,639,176	
Excédent fonctionnement			Surplus operating
Taxes générales	1,416,804	997,832	General taxation
Bibliothèque	40,096	18,774	Library
Adduction d'eau	1,709,426	1,138,176	Waterworks
Égouts	1,721,815	1,487,083	Sewer
Gestion des déchets	522,683	1,040,791	Waste management
	5,410,824	4,682,656	
Investi dans les immobilisations corporelles	157,156,851	150,962,891	Invested in tangible capital assets
Immobilisations corporelles non financées	(7,489,375)	(5,447,344)	Unfinanced tangible capital assets
Avantages sociaux futurs non financés	(1,041,314)	(1,041,314)	Unfinanced future employee benefits
Emprunts à long terme	(30,762,252)	(29,107,765)	Long-term liabilities
Débiteurs à long terme financés par des emprunts à long terme	5,306,102	5,673,243	Long-term receivables financed by long-term liabilities
Opérations non financées	(72,876)	(77,676)	Unfinanced operations
Emprunt interne non financé	(991,709)	(1,063,801)	Unfinanced internal debt
	122,105,427	119,898,234	
	\$ 139,797,509	\$ 134,220,066	

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13. Budget

Le règlement pour le plan financier (budget) adopté par le Conseil municipal n'était pas préparé sur une base consistante avec celle utilisée pour les résultats actuels (Conseil sur la comptabilité dans le secteur public). Le budget était préparé selon une méthode modifiée de la base d'exercice tandis que le Conseil sur la comptabilité dans le secteur public exige la pleine base d'exercice. De plus, le budget inclut les acquisitions d'immobilisations corporelles dans les charges au lieu d'inclure la charge d'amortissement d'immobilisations corporelles. À cause de ceci, les montants figurant au budget présentés dans les états consolidés des résultats et de la variation des actifs financiers nets représente le plan financier adopté par le Conseil municipal avec les ajustements suivants:

	2019
Budget pour l'exercice	\$ -
Plus:	
Dépenses en capital	10,235,550
Transferts aux fonds de réserves	1,020,399
Remboursement des emprunts à long terme	2,626,907
Moins:	
Nouveaux emprunts à long terme	(1,850,998)
Transferts des réserves	(1,651,402)
Remboursement des débiteurs à long terme	(360,875)
Amortissement des immobilisations corporelles	(7,018,615)
Surplus du budget à l'état consolidé des résultats	\$ 3,000,966

13. Budget

The Financial Plan (Budget) By-Law adopted by municipal Council was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Board). The budget was prepared on a modified accrual basis while Public Sector Accounting Board requires a full accrual basis. In addition, the budget expensed all tangible capital assets rather than including amortization of tangible capital assets expense. As a result, the budget figures presented in the consolidated statements of operations and changes in net financial assets represents the Financial Plan adopted by municipal Council with adjustments as follows:

Budget for the year
Add:
Capital expenses
Transfers to reserve funds
Repayment of long-term liabilities
Less:
New long-term liabilities
Transfers from reserves
Reimbursement of long-term receivables
Amortization of tangible capital assets

Budget surplus per consolidated statement of operations

14. Événement subséquent

Après la fin d'exercice, la pandémie mondiale liée au virus COVID-19 a perturbé les activités économiques. Cela a également eu une incidence sur les opérations de la Corporation et, en particulier, sur sa capacité à fournir des services aux citoyens comme d'habitude, ce qui inclut la fermeture temporaire des emplacements municipaux, la réduction de services offerts et un recours accru aux services en ligne. Bien que la perturbation des activités résultant du virus soit censée être temporaire, étant donnée la nature dynamique des circonstances et de la durée de la perturbation, les incidences financières ne peuvent pas être raisonnablement estimées à la date du rapport. La capacité de la Corporation à payer ses frais opérationnels dépend de sa capacité à continuer de maintenir ses liquidités et à percevoir les paiements sur les taxes et redevances des usagers.

14. Subsequent Event

Subsequent to year end, the global pandemic linked to the COVID-19 virus has disrupted economic activities. It has also impacted the Corporation's operations and, in particular, its ability to provide services to its citizens as normal, this includes temporary closures of municipal sites, the reduction of services offered and more reliance on online services. Although the operational disruption resulting from the virus is expected to be temporary, given the dynamic nature of these circumstances and the duration of the disruption, the financial impacts cannot be reasonably estimated at the date of this report. The Corporation's ability to pay for its operating costs depends on its ability to continue to maintain liquidity and collect payments from taxation and user charges.

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15. Obligations contractuelles

La Corporation a signé un contrat de 30 ans pour l'opération d'un complexe sportif. La Corporation s'est engagée à verser 200 000\$ par an. Le contrat se termine en décembre 2038.

La Corporation a signé un contrat de cinq ans pour l'opération et l'entretien des services d'eau et d'égoûts qui vient à échéance en octobre 2020. La Corporation s'est engagée à verser une somme de 1 401 512\$ par année qui est ajusté annuellement selon l'indice des prix à la consommation pour tenir compte de l'inflation.

La Corporation a signé un contrat de cinq ans pour la collecte des ordures ménagères et du recyclage qui vient à échéance en décembre 2020. La Corporation s'est engagée à verser 1 464 124\$ par année qui est ajusté annuellement selon l'indice des prix à la consommation pour tenir compte de l'inflation.

La Corporation a signé un contrat pour la construction de deux casernes de pompiers et deux stations de paramédic qui devrait être achevée en 2019. La Corporation s'est engagée à verser 8 112 586\$ pour le projet.

La Corporation a signé une entente avec Louis W. Bray Construction Ltd. pour la revitalisation de leur usine de traitement des eaux et des égouts. La Société s'est engagée à payer un montant total de 16 923 760 \$.

Les paiements minimaux annuels pour les cinq prochaines années sont les suivants:

2020	\$ 20,418,811
2021	\$ 200,000
2022	\$ 200,000
2023	\$ 200,000
2024	\$ 200,000

15. Contractual Obligations

The Corporation has signed a 30 year contract for the operation of a sports complex facility. The Corporation has committed to pay an amount of \$200,000 per year. The contract expires in December 2038.

The Corporation has signed a five year contract for operation and maintenance services for water and waste facilities which expires in October 2020. The Corporation has committed to pay an amount of \$1,401,512 per year adjusted on the consumer price index to reflect for inflation.

The Corporation has signed a five year contract for collection of garbage and recycling which expires in December 2020. The Corporation has committed to pay an amount of \$1,464,124 per year adjusted on the consumer price index to reflect for inflation.

The Corporation has signed a contract for the construction of two fire stations and two EMS stations which are expected to be completed in 2019. The Corporation has committed to pay an amount of \$8,112,586 for the project.

The Corporation has signed an agreement with the Louis W. Bray Construction Ltd. for the revitalisation of their water and sewer treatment plant. The Corporation has committed to pay a total amount of \$16,923,760.

The minimum annual payments for the next five years are as follows:

16. Information sectorielle

La Corporation est une institution gouvernementale diversifiée qui fournit un large éventail de services aux citoyens tel que les services de transport routier, police, incendie, eau et égouts. Des secteurs fonctionnels distincts ont été divulgués séparément dans l'information sectorielle. La nature de ces secteurs et les activités qu'ils englobent sont les suivants :

16. Segmented Information

The Corporation is a diversified municipal government institution that provides a wide range of services to its citizens such as transit, police, fire, water and sewer. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

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16. Information sectorielle (suite)

Loisirs et culture

Ce secteur fournit des services destinés à améliorer la santé et le développement des citoyens de la municipalité. Des programmes récréationnels et culturels tels que le hockey, les quilles et les leçons de patinage sont offerts dans les arénas et les centres communautaires. De plus, la Corporation fournit des services de bibliothèque pour aider les citoyens avec leurs besoins d'information.

Services environnementaux

Les services environnementaux fournis par la Corporation incluent l'élimination des déchets ainsi que la collecte d'ordures et de recyclage pour les citoyens.

Urbanisme et aménagement

Ce département fournit plusieurs services incluant l'urbanisme, la maintenance et l'application des codes de bâtiment et de construction ainsi que l'examen de tous les plans de développement de propriété à travers son processus d'application pour des permis de construction. Ce département fournit aussi la maintenance des drains municipaux, qui assurent le drainage adéquat pour les propriétés agricoles et autres services de drainage où la Corporation agit comme intermédiaire entre les contribuables et la province.

Protection des personnes et propriétés

La protection comprend les services de polices et d'incendies. Les services de police assurent la sécurité et la protection des citoyens et de leur propriété. Le département d'incendies est responsable d'offrir les services d'extinctions d'incendies ainsi que de fournir des programmes de prévention, de formation et d'éducation facent aux incendies. Les membres du département d'incendies sont des volontaires.

Services de transport routier

Le département de transport routier est responsable de fournir les services de transport à la Corporation.

Services sociaux

Le département de services sociaux fournis un service de garde parascolaire.

Eau et égouts

Ce service fournit l'eau potable de la Corporation. La Corporation traite et nettoie les eaux usées et assure que l'infrastructure d'eau et d'égout rencontre les normes provinciales.

Administration

Cet item est lié aux revenus et charges qui sont directement attribuables aux opérations de la Corporation et qui ne sont pas inclus dans un secteur spécifique.

16. Segmented Information (continued)

Recreation and Cultural Services

This service area provides services meant to improve the health and development of the municipality's citizens. Recreational programs and cultural programs like hockey, bowling and skating lessons are provided at arenas and community centres. Also, the Corporation provides library services to assist with its citizens' informational needs.

Environmental Services

Environmental services consists of providing waste disposal as well as garbage and recycling collection to citizens.

Planning and Development

This department provides a number of services including city planning, maintenance and enforcement of building and construction codes and review of all property development plans through its application process. It also provides maintenance of municipal drains, which ensures proper drainage for agricultural properties and tile drainage, whereas the Corporation acts an intermediate between the landowners and the province.

Protection to Persons and Property

Protection is comprised of police services and fire protection. The police services work to ensure the safety and protection of the citizens and their property. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education. The members of the fire department consist of volunteers.

Transportation Services

Transportation is responsible for providing the Corporation's transit services.

Social Services

Social services provides daycare services.

Water and Sewer

This service provides the Corporation's drinking water. The Corporation processes and cleans sewage and ensures the water and sewer system meets all Provincial standards.

General Government

This item relates to the revenues and expenses that relate to the operations of the Corporation itself and cannot be directly attributed to a specific segment.

Corporation de la Cité de Clarence-Rockland
Corporation of the City of Clarence-Rockland
Notes aux états financiers consolidés /
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31 décembre 2019 / December 31, 2019

16. Information sectorielle (suite)

16. Segmented Information (continued)

Pour l'exercice clos le 31 décembre / For the year ended December 31	Loisirs et culture / Recreation and Cultural Services	Services environnementaux / Environmental	Urbanisme et aménagement / Planning and Development	Protection des personnes et propriétés / Protection to Persons and Property	Services de transport routier / Transportation Services	Services sociaux / Social Services	Eau et égouts / Water and Sewer	Administration / General Government	2019 Total
Revenues / Revenus									
Taxation / Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,667,484	\$ 20,667,484
Redevances des usagers / User charges	657,144	2,524,603	251,825	822,385	591,324	3,650,423	5,529,266	102,121	14,129,091
Paielements de transfert - fédéral / Government transfers - Federal	459,372	24,021	-	59,779	1,051,872	2,481	-	100,817	1,698,342
Paielements de transfert - provincial / Government transfers - Provincial	52,269	377,283	22,896	1,558,377	425,535	-	9,100	711,309	3,156,769
Paielements de transfert - autres / Government transfers - other	61,691	2,808	-	15,171	617,215	2,030,881	-	177,586	2,905,352
Licences / Licenses	-	-	-	22,106	12,674	-	-	87,645	122,425
Revenus d'intérêts / Interest income	19	-	-	16,665	-	-	145,610	917,166	1,079,460
Autres / Other	498,395	-	329,583	285,488	867,593	-	58,268	841,659	2,880,986
	1,728,890	2,928,715	604,304	2,779,971	3,566,213	5,683,785	5,742,244	23,605,787	46,639,909
Expenses / Charges									
Salaires et avantages sociaux / Salaries, wages and benefits	1,648,814	495,057	551,951	2,378,489	1,751,889	4,914,054	581,855	2,915,046	15,237,155
Matériaux / Materials	1,288,263	502,975	362,512	1,653,915	1,990,639	525,308	740,045	169,500	7,233,157
Intérêts sur la dette à long terme / Interest on long-term debt	255,991	-	-	-	408,395	-	211,689	-	876,075
Services contractuels / Contracted services	748,127	1,606,915	63,453	3,367,902	2,007,787	2,500	2,291,961	318,914	10,407,559
Contributions à d'autres organismes / Contributions to other organizations	171,078	16,894	-	-	-	-	72,492	25,349	285,813
Amortissement des immobilisations corporelles / Amortization of tangible capital assets	1,247,943	422,713	-	243,089	3,256,144	34,959	1,481,352	332,415	7,018,615
Perte sur dispositions d'immobilisations corporelles / Loss on disposal of tangible capital assets	-	-	-	-	-	-	4,092	-	4,092
	5,360,216	3,044,554	977,916	7,643,395	9,414,854	5,476,821	5,383,486	3,761,224	41,062,466
Excédent (déficit) net / Net surplus (deficit)	\$ (3,631,326)	\$ (115,839)	\$ (373,612)	\$ (4,863,424)	\$ (5,848,641)	\$ 206,964	\$ 358,758	\$ 19,844,563	\$ 5,577,443

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31 décembre 2019 / December 31, 2019

16. Information sectorielle (suite)

16. Segmented Information (continued)

Pour l'exercice clos le 31 décembre / For the year ended December 31	Loisirs et culture / Recreation and Cultural Services	Services environnementaux / Environmental	Urbanisme et aménagement / Planning and Development	Protection des personnes et propriétés / Protection to Persons and Property	Services de transport routier / Transportation Services	Services sociaux / Social Services	Eau et égouts / Water and Sewer	Administration / General Government	2018 Total
Revenues / Revenus									
Taxation / Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	19,586,060	\$ 19,586,060
Redevances des usagers / User charges	588,999	2,327,197	281,478	716,868	1,030,579	3,555,971	5,350,151	79,967	13,931,210
Paievements de transfert - fédéral / Government transfers - Federal	561,517	-	-	75,000	608,541	6,364	-	-	1,251,422
Paievements de transfert - provincial / Government transfers - Provincial	50,944	327,195	22,472	27,830	374,522	-	243,528	634,058	1,680,549
Paievements de transfert - autres / Government transfers - other	71,453	3,165	-	-	456,935	1,986,472	21,605	150,325	2,689,955
Licences / Licenses	-	-	-	16,544	5,241	-	-	97,912	119,697
Revenus d'intérêts / Interest income	126	-	-	15,583	-	-	168,450	860,670	1,044,829
Autres / Other	290,876	-	635,872	1,015,326	466,401	14,834	442,952	213,789	3,080,050
	1,563,915	2,657,557	939,822	1,867,151	2,942,219	5,563,641	6,226,686	21,622,781	43,383,772
Expenses / Charges									
Salaires et avantages sociaux / Salaries, wages and benefits	1,611,927	455,556	487,634	1,741,478	1,571,101	4,899,401	539,979	2,898,448	14,205,524
Matériaux / Materials	1,209,065	352,278	329,073	921,502	2,089,960	704,222	541,638	(17,917)	6,129,821
Intérêts sur la dette à long terme / Interest on long-term debt	267,014	-	-	-	413,304	-	199,516	19	879,853
Services contractuels / Contracted services	551,963	1,526,246	93,323	3,315,804	2,972,932	2,500	2,051,686	342,690	10,857,144
Contributions à d'autres organismes / Contributions to other organizations	242,727	12,973	-	-	-	-	73,037	27,863	356,600
Amortissement des immobilisations corporelles / Amortization of tangible capital assets	1,247,125	410,662	-	203,763	3,186,672	34,959	1,465,316	350,495	6,898,992
Perte (gain) sur dispositions d'immobilisations corporelles / Loss(gain) on disposal of tangible capital assets	-	-	-	14,180	(28,667)	-	-	(115,034)	(129,521)
	5,129,821	2,757,715	910,030	6,196,727	10,205,302	5,641,082	4,871,172	3,486,564	39,198,413
Excédent (déficit) net / Net surplus (deficit)	\$ (3,565,906)	\$ (100,158)	\$ 29,792	\$ (4,329,576)	\$ (7,263,083)	\$ (77,441)	\$ 1,355,514	\$ 18,136,217	\$ 4,185,359

Corporation de la Cité de Clarence-Rockland
Corporation of the City of Clarence-Rockland
Annexe de l'état des résultats de la Commission de la Bibliothèque (Non auditée)/
Schedule of Statement of Operations of the Library Board (Unaudited)

31 décembre 2019 / December 31, 2019

	2019 Budget	2019 Réel / Actual	2018 Réel / Actual	
Revenus				Revenues
Redevances des usagers	\$ 103,000	\$ 108,071	\$ 118,092	User charges
Paievements de transfert				Government transfers
Province de l'Ontario	50,644	52,269	50,944	Province of Ontario
Contributions municipales	-	745,467	661,142	Municipality contributions
Revenus d'intérêts	250	19	126	Interest income
	153,894	905,826	830,304	
Charges				Expenses
Salaires et avantages sociaux	598,631	618,270	570,925	Salaries, wages and benefits
Matériaux	156,502	158,330	176,089	Materials
Services contractuels	133,855	112,101	143,609	Contracted services
Amortissement des immobilisations corporelles	25,156	25,157	30,804	Amortization of tangible capital assets
Loyer	7,675	7,675	7,517	Rent
Frais bancaires	500	435	771	Bank charges
	922,319	921,968	929,715	
Autres revenus liés aux immobilisations corporelles				Other revenues related to tangible capital assets
Redevances d'aménagement	18,652	18,652	18,652	Development charges
Excédent (déficit) de l'exercice	(749,773)	2,510	(80,759)	Annual surplus (deficit)
Excédent accumulé, au début de l'exercice	62,063	62,063	142,822	Accumulated surplus, beginning of year
Excédent (déficit) accumulé, à la fin de l'exercice	(687,710)	64,573	62,063	Accumulated surplus (deficit), end of year
Composé de:				Consist of:
Investi dans les immobilisations corporelles	43,193	43,193	68,349	Invested in tangible capital assets
Emprunts à long terme	-	(18,716)	(25,060)	Long-term liabilities
Fonctionnement	(730,903)	40,096	18,774	Operating
	\$ (687,710)	\$ 64,573	\$ 62,063	



CORPORATION DE LA CITÉ DE CLARENCE-ROCKLAND

RAPPORT D'AUDIT FINAL À L'INTENTION DU CONSEIL MUNICIPAL

Le 1 juin 2020

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RÉSUMÉ

Notre audit et, par conséquent, ce rapport ne permettent pas nécessairement de faire toutes les constatations susceptibles d'intéresser le conseil municipal aux fins de l'exercice de ses responsabilités. Ce rapport est uniquement destiné à l'usage du conseil municipal et, par conséquent, ne doit pas être distribué sans notre consentement préalable. En conséquence, nous n'assumons aucune responsabilité quant à l'usage du présent document par un



Statut de l'audit

À la date du présent rapport, nous indiquons avoir en grande partie terminé notre audit des états financiers consolidés, en attendant l'achèvement des éléments mentionnés ci-dessous :

- ▶ Réception de la lettre d'affirmation signée
- ▶ Réception des confirmations de conseillers juridiques en suspens
- ▶ Examen des événements postérieurs à la date de clôture jusqu'à la date d'approbation des états financiers
- ▶ Approbation des états financiers consolidés par le conseil municipal
- ▶ Rapport de la Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail (CSPAAT) pour 2019

Notre audit a été réalisé conformément aux normes d'audit généralement reconnues du Canada. Le but de notre audit était d'obtenir l'assurance raisonnable, mais non absolue, que les états financiers consolidés ne comportent pas d'anomalies significatives.

La portée des travaux exécutés était pratiquement identique à ce qui a été décrit dans notre rapport de planification au conseil municipal daté du 13 mars 2020.



Seuil de signification

Comme nous l'avons communiqué au conseil municipal dans notre plan d'audit, le seuil de signification préliminaire a été fixé à 1 050 000 \$. Le seuil de signification final n'a subi aucun changement.



Constatations de l'auditeur

Notre audit est axé sur les risques spécifiques à votre entreprise et les comptes clés. Nos points de discussion ci-dessous abordent les risques importants d'anomalies significatives ou les éléments suivants :

- ▶ Comptabilisation des produits en lien avec les taxes.
- ▶ Dérogation des contrôles par la direction
- ▶ Passif éventuel lié aux sites contaminés
- ▶ Comptabilisation du passif lié aux activités de fermeture et d'après-fermeture des dépotoirs
- ▶ Taxes supplémentaires et radiation
- ▶ Constatation des subventions
- ▶ Poursuites potentielles
- ▶ CSPAAT



Questions relatives au contrôle interne

Nous sommes tenus de vous faire rapport par écrit des faiblesses importantes du contrôle interne que nous avons relevées. Les éléments précis de cette communication sont inclus dans notre rapport ci-dessous.



Écarts ajustés et non ajustés

Nous avons présenté tous les écarts significatifs ajustés et non ajustés que nous avons cerné pendant notre mission d'audit. Chacun de ces éléments a été abordé avec la direction.

La direction a déterminé que les écarts non ajustés, tant individuellement que collectivement, sont négligeables par rapport aux états financiers consolidés dans leur ensemble. Si conseil municipal est en accord avec cette évaluation, nous ne proposerons pas d'autres ajustements.

Aux fins de discussion, un sommaire des écarts significatifs ajustés et non ajustés sont présentés en Annexe A.



Déclarations de la direction

Dans le cadre de notre audit, la direction nous a présenté certaines déclarations. Ces déclarations pouvaient être faites verbalement ou par écrit, c'est-à-dire explicitement, ou implicitement par le biais des états financiers consolidés. La direction a fait des déclarations spontanées et d'autres déclarations en réponse à des demandes précises de notre part. Ces déclarations faisaient partie des éléments probants que nous avons recueillis afin de tirer des conclusions raisonnables sur lesquelles fonder notre opinion d'audit. Elles étaient documentées par l'ajout de notes de service sur les discussions avec la direction ainsi que des déclarations écrites de cette dernière dans les documents de travail relatifs à l'audit.



Discussion sur la fraude

Grâce à notre processus de planification et en nous basant sur les audits des exercices précédents, nous avons acquis une compréhension de vos processus de surveillance. Nous n'avons pris connaissance d'aucune fraude ayant une incidence sur la Société.

Si vous avez pris connaissance de modifications aux processus ou de fraudes avérées ou soupçonnées affectant Municipalité depuis nos discussions lors de la planification, nous vous demandons de nous en informer.

Veuillez-vous reporter à la section Responsabilités de l'auditeur en matière de détection des fraudes dans le Rapport de planification de l'audit au conseil municipal.

RISQUES D'AUDIT IMPORTANTS ET RÉPONSES

En nous basant sur notre connaissance des activités de la Cité, sur nos expériences passées et sur les connaissances acquises auprès de la direction et du conseil municipal, nous avons repéré les risques importants suivants; il s'agit de risques d'anomalies significatives qui, selon notre jugement, exigent une attention particulière dans le cadre de l'audit.

Ces risques importants découlent principalement de la complexité des règles comptables, de la portée de l'estimation et du jugement relatifs à la valorisation de ces postes et de l'existence de nouvelles règles comptables les affectant. Nous vous demandons de nous donner vos commentaires sur les risques importants suivants et de nous indiquer également s'il existe d'autres secteurs de préoccupation déterminés par le conseil municipal.

SECTEURS PRIORITAIRES	RISQUES RELEVÉS	STRATÉGIE D'AUDIT ET CONCLUSION
► Comptabilisation des produits en lien avec les taxes	Selon les normes d'audit canadiennes, les audits doivent comporter un risque important en matière de comptabilisation des produits.	Nous avons examiné les entrées de journal, les ajustements apportés aux revenus de taxes et conclusion aux redevances des usagers et nous avons envoyé des confirmations externes. Aucune incidence de notée
► Dérogation des contrôles par la direction	Le dépassement des contrôles par la direction est un risque standard dans toutes les audits.	Nous avons examiné les entrées de journal tout au long de l'année. Aucune incidence de notée.

AUTRES RISQUES ET RÉPONSES PRÉVUES

SECTEURS	RISQUES RELEVÉS	STRATÉGIE D'AUDIT ET CONCLUSION
Passif éventuel lié aux sites contaminés	Risque que le passif lié aux sites contaminé ne soit pas présenté aux états financiers.	Nous avons eu des discussions avec la direction pour identifier les sites contaminés. Pour ceux identifiés, nous avons examiné la conclusion de la direction pour déterminer si un passif devrait être comptabilisé ou non. Tel que la direction, nous concluons qu'il n'y a pas de passif.
Comptabilisation du passif lié aux activités de fermeture et d'après-fermeture des dépotoirs	Des estimations importantes ont été utilisées pour déterminer le passif lié aux activités de fermeture et d'après-fermeture des dépotoirs.	Nous avons eu des discussions avec la direction pour identifier les passif lié aux activités de fermeture et d'après-fermeture des dépotoirs. Pour ceux identifiés, nous avons examiné la conclusion de la direction pour déterminer si un passif devrait être comptabilisé ou non. Tel que la direction, nous concluons qu'il n'y a pas de passif.
Taxes supplémentaires et radiation	Risque que les taxes supplémentaires et les radiations ne soient pas présentées dans la bonne période.	Nous avons examiné la cédule pour les taxes supplémentaire et radiation, prix des échantillons pour recalculer pour déterminé si les taxes supplémentaire et radiation était inscrire au bonne montant et dans la bonne période. Les taxes supplémentaire et radiations sont inscrire au bonne montant et dans la bon période.
Constatation des subventions	Risque que les subventions ne soient pas comptabilisées dans le bon exercice.	Nous avons retracé les subventions FGF à leurs confirmations pour déterminer la si la bonne portion était réalisée. Nous avons prix des échantillons pour les autres subventions et retracé les au confirmations et les dépôts. Les subventions était comptabiliser dans la bon exercice.

SECTEURS	RISQUES RELEVÉS	STRATÉGIE D'AUDIT ET CONCLUSION
Poursuites potentielles	Risque dû à des poursuites potentielles contre la municipalité.	Nous avons examiné les honoraires professionnels tout au long de l'année. Nous avons examiné la conclusion de la direction pour déterminer si un passif devrait être comptabilisé ou non. La direction a conclu que la probabilité de perte n'est pas connue et ne peut être déterminée à la date de cette lettre. Des confirmations aux conseillers juridiques ont été envoyées pour confirmer les réclamations significatives.
CSPAAT	Risque que les montants CSPAAT ne sont pas enregistrés correctement.	Nous n'avons pas encore reçu le rapport de CSPAAT comme confirmation et comparons le montant du rapport au grand livre pour nous assurer que les dépenses ont été inscrites à bon montant.
Événement subséquent - COVID-19	Risque que les événements de COVID-19 affectent gravement la capacité de la municipalité à fonctionner à l'avenir.	Nous avons discuté avec la direction des impacts du COVID-19 et de la manière dont il a affecté ses opérations actuelles. Nous avons discuté avec la direction de leur recours prévu pour atténuer les effets de COVID-19 sur la capacité de la municipalité de continuer à fournir des services à la ville. Nous l'avons inclus en tant que note aux états financiers comme événement ultérieur.

QUESTIONS RELATIVES AU CONTRÔLE INTERNE

Dans le cadre de notre audit, nous avons effectué les procédures suivantes à l'égard de l'environnement de contrôle interne de la municipalité :

- ▶ documenter les systèmes d'exploitation pour évaluer la conception et la mise en œuvre des activités de contrôle qui étaient pertinentes à l'audit;
- ▶ discuter et prendre en compte les risques d'audit po

Les résultats de ces procédures ont été pris en compte pour déterminer l'étendue et la nature des tests de corroboration nécessaires.

Nous sommes tenus de vous faire rapport par écrit des faiblesses significatives du contrôle interne que nous avons relevées au cours de notre audit. Une faiblesse significative est définie comme une faiblesse ou une combinaison de faiblesses du contrôle interne qui, selon le jugement professionnel de l'auditeur, présente suffisamment d'importance pour être portée à l'attention des responsables de la gouvernance.

Étant donné que le but de l'audit est d'exprimer une opinion sur les états financiers consolidés de la Municipalité, on ne devrait pas s'attendre à ce que notre audit divulgue toutes les questions qui pourraient vous intéresser. Dans le cadre de nos travaux, nous avons pris en compte les éléments du contrôle interne pertinents à la préparation des états financiers consolidés de façon à ce que nous soyons en mesure d'élaborer les procédures d'audit appropriées. Ces travaux n'ont pas été réalisés aux fins d'exprimer une opinion sur l'efficacité du contrôle interne.

Bien qu'aucune faiblesse significative du contrôle interne n'a été relevée au cours de notre travail, nous avons émis une lettre de recommandations à la direction que vous pouvez trouver à l'Annexe B.

AUTRES COMMUNICATIONS OBLIGATOIRES

Incidence potentielle sur les états financiers de tous les risques significatifs et de toutes les expositions importantes, par exemple un litige en suspens, qui doivent être présentés dans les états financiers.

•Réponse de BDO : En attente des confirmations des conseillers juridiques

Des incertitudes importantes liées à des événements et à des conditions susceptibles de jeter un doute important sur la capacité de l'entité à poursuivre son exploitation.

•Réponse de BDO : Aucun risque identifié

Les désaccords avec la direction au sujet des questions qui, individuellement ou collectivement, pourraient avoir une incidence importante sur les états financiers de l'entité ou le rapport de l'auditeur.

•Réponse de BDO : Aucun désaccord identifié

Les questions concernant la non-conformité aux lois et règlements.

•Réponse de BDO : Aucune question identifiée

Des opérations importantes avec des parties liées qui ne sont pas dans le cours normal des activités et pour lesquelles la direction fait preuve de jugements importants en ce qui concerne l'évaluation ou l'information à présenter.

•Réponse de BDO : Aucune opération de la sorte identifié

Les consultations de la direction auprès d'autres experts-comptables au sujet des questions importantes d'audit et de comptabilité.

•Réponse de BDO : Aucune situation de la sorte

Autres questions

•Réponse de BDO : aucune autre question

Les normes professionnelles exigent que les auditeurs indépendants communiquent aux responsables de la gouvernance certaines questions découlant d'un audit. En plus des points communiqués dans cette lettre, le tableau ci-joint résume ces communications supplémentaires obligatoires.

ANNEXES

Annexe A : Écarts non ajustés et ajustés

Annexe B : Lettre de recommandations

Annexe C : Ressources de BDO

ANNEXE A : ÉCARTS NON AJUSTÉS ET AJUSTÉS

SOMMAIRE DES ÉCARTS NON AJUSTÉS

Le tableau suivant est un sommaire des anomalies non corrigées relevées au cours de notre mission d'audit :

			Débits (Crédits)			
	Erreur	Erreur extrapolé	Actifs	Passifs	Excédent accumulé	Excédent
Revenus reportés non constatés à l'achèvement du complexe sportif.	276 767\$	\$ -	\$ -	\$ 276 767	\$ -	\$ (276 767)
Total			-	276 767	-	(276 767)
Incidence de la correction d'erreurs de l'exercice précédent			-	-	-	-
Total des écarts non ajustés			\$ -	\$ 276 767	\$ -	\$ (276 767)

Corporation de la cité de Clarence-Rockland

Year End: December 31, 2019

Journal Entries

Date: 01/12/1999 To 12/31/2019

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	12/31/2019	Part-time Wages	1-4-7621-1120			441.00			
1	12/31/2019	Part-time Wages	4-4-7151-1120				441.00		
Pour ajuster le surplus de la bibliothèque afin de considérer l'ajustement antérieur du client pour le surplus de la bibliothèque. POUR FINS DE PRÉSENTATION									
						441.00	441.00		
Net Income (Loss)			5,577,444.35						

Prepared by KDV 03/12/2020	Detail Rev LCG 04/21/2020	Gen Rev	Quality Rev
4th Level Rev	Tax Rev	IS Audit Rev	Other Rev

ANNEXE B : LETTRE DE RECOMMANDATIONS

Le 1 juin 2020

Corporation de la cité de Clarence-Rockland
1560, rue Laurier
Rockland (Ontario)
K4K 1P7

Cher M. Desnoyers,

Au cours de notre audit des états financiers consolidés (« états financiers ») de la Corporation de la cité de Clarence-Rockland pour l'exercice clos le 31 décembre 2019, nous avons fait des constatations susceptibles d'intéresser la direction.

L'objectif de l'audit est d'obtenir un degré raisonnable de certitude quant à l'absence d'inexactitudes importantes dans les états financiers, et l'audit n'est pas conçu dans le but de relever les éléments susceptibles d'intéresser la direction aux fins de l'exercice de ses responsabilités. Par conséquent, l'audit ne permet pas normalement de relever tous ces éléments.

Les constatations susceptibles d'intéresser la direction sont inclus à l'annexe 1.

La présente communication est rédigée uniquement pour informer le conseil municipal et ne doit pas servir à d'autres fins. Nous n'assumons aucune responsabilité quant à l'usage du présent document par un tiers.

Nous tenons à vous exprimer notre gratitude pour la coopération et l'assistance apportées par toi-même, Carole Normand, Lynda Assellin, Suzanne Marleau-Bruyère et Sylvie Gauthier.

Nous vous prions, Monsieur Desnoyers, de bien vouloir recevoir l'expression de nos sentiments les meilleurs,



Annik Blanchard, CPA, CA
Associée
BDO Canada s.r.l./LLP
Comptables professionnels agréés, experts-comptables autorisés

Annexe 1

CONSTATATION	IMPACT	RECOMMANDATION
Cyber-sécurité - Point soulevé durant l'audit précédent.	En tant que municipalité, vous partagez des informations avec des vendeurs, des entrepreneurs, des partenaires, des résidents, des contribuables et d'autres niveaux municipaux, dont beaucoup exigent maintenant un accès plus facile et plus ouvert. Chacune de ces relations cybernétiques présente un ensemble croissant de cyber-risques. Le besoin d'évaluateurs de sécurité et de respect de la vie privée et la manière dont ils sont mis en œuvre doivent être mis en balance de manière stratégique avec la capacité de la municipalité à fonctionner efficacement et à poursuivre activement ses objectifs futurs.	Nous vous recommandons de réaliser une évaluation complète de l'environnement opérationnel de la municipalité et de ses besoins spécifiques en matière de cyber-sécurité.

ANNEXE C : RESSOURCES DE BDO

BDO est un chef de file des services professionnels aux clients de toutes tailles dans pratiquement tous les secteurs. Notre équipe offre une gamme complète de services en certification, comptabilité, fiscalité et services-conseils et possède une vaste connaissance du secteur qu'elle a acquise en près de 100 ans d'expérience auprès des communautés locales. Au sein du réseau international de BDO, nous pouvons offrir des services transfrontaliers continus et uniformes aux clients ayant des besoins à l'échelle mondiale. Notre engagement relatif au partage des compétences et des pratiques exemplaires nous permet d'assurer la présence de notre expertise à l'échelle de notre réseau mondial, et nos méthodes communes et technologies de l'information assurent une prestation de services efficace et efficiente à tous nos clients.

COVID-19

Le département national de BDO publie un certain nombre de publications sur les impacts financiers et opérationnels de COVID-19 sur différentes industries.

Pour plus d'informations, veuillez vous référer au lien suivant:

- <https://www.bdi.ca/en-ca/covid-19/home/>

PUBLICATIONS SUR LES NORMES NCSP

Le département national de BDO publie un certain nombre de publications sur les SAV.

Pour plus d'informations, veuillez vous référer au lien suivant:

- <https://www.bdi.ca/en-ca/services/assurance-and-accounting/a-a-knowledge-centre/psas/>

ÉVÉNEMENTS

Les services-conseils en fiscalité de BDO publient un certain nombre de bulletins fiscaux et d'alertes fiscales couvrant des sujets tels que l'impôt fédéral des sociétés, l'impôt des particuliers, les prix de transfert et la fiscalité internationale.

Pour plus de renseignements sur les questions fiscales et pour obtenir des liens vers les publications fiscales archivées, veuillez consulter le lien suivant : [Bibliothèque fiscale | BDO Canada](#)



CORPORATION OF THE CITY OF CLARENCE-ROCKLAND

AUDIT FINAL REPORT TO THE MUNICIPAL COUNCIL

June 1, 2020



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As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Company's accounting practices, including accounting policies, accounting estimates and financial statement disclosures. In order to have a frank and open discussion, these matters will be discussed verbally with you. A summary of the key discussion points are as follows:

SUMMARY



Status of the Audit

As of the date of this report, we have substantially completed our audit of the consolidated financial statements, pending completion of the following items:

- ▶ Receipt of signed management representation letter
- ▶ Receipt of outstanding legal confirmations
- ▶ Subsequent events review through to auditor report date
- ▶ Approval of consolidated financial statements by the Municipal Council
- ▶ Workplace safety and insurance board (WSIB) report for 2019

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the consolidated financial statements are free from material misstatement.

Except as described in this report, the scope of the work performed was substantially the same as that described in our Planning Report to the Municipal Council dated March 13, 2020.



Audit Findings

Our audit focused on the risks specific to your business and key accounts. Our discussion points below focus on areas of significant risks of material misstatement, or the following items:

- ▶ Revenue Recognition on tax revenues
- ▶ Management override of controls
- ▶ Liability for landfill closure and post-closure
- ▶ Liability for contaminated sites
- ▶ Supplementary taxes and radiation
- ▶ Recognition of grants
- ▶ Potential Lawsuits
- ▶ WSIB



Materiality

As communicated to you in our Planning Report to the Municipal Council, preliminary materiality was \$1,050,000. Final materiality remained unchanged.



Internal Control Matters

We are required to report to you in writing, any significant deficiencies in internal control that we have identified. The specifics of this communication are included in our report below.



Adjusted and Unadjusted Differences

We have disclosed all significant adjusted and unadjusted differences and disclosure omissions identified through the course of our audit engagement. Each of these items has been discussed with management.

Management has determined that the unadjusted differences are immaterial both individually and in aggregate to the consolidated financial statements taken as a whole. Should the Municipal Council agree with this assessment, we do not propose further adjustments.

For purposes of our discussion, a summary of adjusted and unadjusted differences and disclosure omissions has been presented in Appendix A.



Management Representations

During the course of our audit, management made certain representations to us. These representations were verbal or written and therefore explicit, or they were implied through the consolidated financial statements. Management provided representations in response to specific queries from us, as well as unsolicited representations. Such representations were part of the evidence gathered by us to be able to draw reasonable conclusions on which to base our audit opinion. These representations were documented by including in the audit working papers memoranda of discussions with management and written representations received from management.



Fraud Discussion

Through our planning process, and current and prior years' audits, we have developed an understanding of your oversight processes. We are not currently aware of any fraud affecting the company.

If you are aware of changes to processes or are aware of any instances of actual, suspected or alleged fraud affecting the Municipality since our discussions held at planning, we request that you provide us with this information.

Please refer to the Auditor's Responsibilities for Detecting Fraud in the Planning Report to the Municipal Council.

AUDIT FINDINGS

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Municipality's accounting practices, including accounting policies, accounting estimates and financial statement disclosures. In order to have a frank and open discussion, these matters will be discussed verbally with you. A summary of the key discussion points are as follows:

AREAS OF FOCUS	RISKS NOTED	AUDIT FINDINGS
Revenue Recognition on tax revenues	Canadian Auditing Standards require the audits to include a significant risk with regards to revenue recognition.	We have conducted a review of journal entries, adjustments made in the taxation revenues and user charges revenues and we sent external confirmations No issues were noted.
Management override of controls	Management override of controls is a standard risk in all audits.	We have conducted a review of journal entries throughout the year. No issues were noted.

OTHER RISKS

AREAS OF FOCUS	RISKS NOTED	AUDIT FINDINGS
Liability for contaminated sites	Risk that the liability for contaminated sites is not presented in the financial statements.	We have discussed with management to identify any contaminated sites. For those identified, we assessed management conclusion on whether a liability should be recorded or not. We concurred with management that there is no liability.
Liability for landfill closure and post-closure	Significant estimates were used to determine the liability related to the closure and post-closure activities of the landfills.	We have discussed with management to identify any liability for landfill closure and post-closure. For those identified, we assessed management conclusion on whether a liability should be recorded or not. We concurred with management that there is no liability.
Supplementary taxes and radiation	Risk that the supplementary taxes and radiation are not presented in the correct year.	We looked at the client's supplementary taxes and radiation schedule, took a sample to recalculate and determined if they were recorded at the correct amount and in the correct period Supplementary taxes and radiation were recorded at the correct amount and period.
Recognition of grants	Risk that the grants are not recognized in the correct year.	We traced the FGF grants to their confirmations to determine if the portion recognized is correct. For all other grants, we traced a sample to their confirmations and deposit slips. Grant revenues were recorded in the correct period.
Potential Lawsuits	Risk due to potential lawsuits against the City.	We have conducted a review of professional fees throughout the year. We assessed management conclusion on whether a liability should be recorded or not. It is management's opinion that the likelihood of loss is not known or undeterminable as of the date of this letter. Legal letters have been sent out to confirm material claims.
WSIB	Risk that the WSIB liability and expense are not recorded at the correct amount.	We have yet to receive the WSIB confirmation report and compare it to the amount recorded in the general ledger to ensure that the expenses were recorded at the correct amount.

AREAS OF FOCUS	RISKS NOTED	AUDIT FINDINGS
Subsequent Event - COVID-19	Risk that the events of COVID-19 will severely impact the Municipality's ability to operate in the future.	We have discussed with management the impacts COVID-19 and how it has affected their current operations. We discussed with management their planned recourse to mitigate the effects of COVID-19 on the Municipality's ability to continue providing services to the city. We have included this as a note to the financial statements as a subsequent event.

INTERNAL CONTROL MATTERS

During the course of our audit, we performed the following procedures with respect to the Municipality's internal control environment:

- ▶ Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- ▶ Discussed and considered potential audit risks with management.

The results of these procedures were considered in determining the extent and nature of substantive audit testing required.

We are required to report to you in writing, significant deficiencies in internal control that we have identified during the audit. A significant deficiency is defined as 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.

As the purpose of the audit is for us to express an opinion on the Municipality's consolidated financial statements, our audit cannot be expected to disclose all matters that may be of interest to you. As part of our work, we considered internal control relevant to the preparation of the consolidated financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

Even though no significant weaknesses were encountered, we have provided a management letter to management, which can be found at Appendix B.

OTHER REQUIRED COMMUNICATIONS

Potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements.

- BDO Response: We are waiting on legal letters.

Material uncertainties related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern.

- BDO Response: No risks identified.

Disagreements with management about matters that, individually or in the aggregate, could be significant to the entity's financial statements or our audit report.

- BDO Response: No disagreements identified.

Matters involving non-compliance with laws and regulations.

- BDO Response: No matters identified.

Significant related party transactions that are not in the normal course of operations and which involve significant judgments made by management concerning measurement or disclosure.

- BDO Response: No such transactions identified.

Management consultation with other accountants about significant auditing and accounting matters.

- BDO Response: None encountered.

Other Matters No other matters.

- BDO Response: No other matter

Professional standards require independent auditors to communicate with those charged with governance certain matters in relation to an audit. In addition to the points communicated within this letter, the attached table summarizes these additional required communications.

APPENDICES

Appendix A: Unadjusted and adjusted differences

Appendix B: Management letter

Appendix C: BDO resources

APPENDIX A: UNADJUSTED AND ADJUSTED DIFFERENCES

SUMMARY OF UNADJUSTED DIFFERENCES

The following is a summary of uncorrected misstatements noted during the course of our audit engagement:

			Debit (Credit)			
	Error	Extrapolated error	Assets	Liabilities	Accumulated Surplus	Surplus
Deferred revenues not recognized upon completion of the sports complex.	\$276,767	\$-	\$ -	\$ 276,767	\$ -	\$ (276,767)
Total			-	276,767	-	(276,767)
Effect of Prior Year's Reversing Errors			-	-	-	-
Total Unadjusted Differences			\$ -	\$ 276,767	\$ -	\$ (276,767)

Corporation de la cité de Clarence-Rockland

Year End: December 31, 2019

Journal Entries

Date: 01/12/1999 To 12/31/2019

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	12/31/2019	Part-time Wages	1-4-7621-1120			441.00			
1	12/31/2019	Part-time Wages	4-4-7151-1120				441.00		
Pour ajuster le surplus de la bibliothèque afin de considérer l'ajustement antérieur du client pour le surplus de la bibliothèque. POUR FINS DE PRÉSENTATION									
						441.00	441.00		
Net Income (Loss)			5,577,444.35						

Prepared by KDV 03/12/2020	Detail Rev LCG 04/21/2020	Gen Rev	Quality Rev
4th Level Rev	Tax Rev	IS Audit Rev	Other Rev

APPENDIX B: MANAGEMENT LETTER

June 1, 2020

Corporation of the City of Clarence-Rockland
1560 Laurier Street
Rockland, Ontario
K4K 1P7

Dear Mr. Desnoyers,

During the course of our audit of the consolidated financial statements ("financial statements") of the Corporation of the City of Clarence-Rockland for the year ended December 31, 2019, we identified matters which may be of interest to management.

The objective of an audit is to obtain reasonable assurance whether the financial statement are free of any material misstatement and it is not designed to identify matters that may be of interest to management in discharging its responsibilities. Accordingly, an audit would not usually identify all such matters.

The matters we have identified are discussed in Appendix 1.

This communication is prepared solely for the information of management and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication.

We would like to express our appreciation for the cooperation and assistance which we received during the course of our audit from yourself, Carole Normand, Lynda Assellin, Suzanne Marleau-Bruyère and Sylvie Gauthier.

Your truly,



Annik Blanchard, CPA, CA
Partner
BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants

Appendix 1

ISSUE	IMPACT	RECOMMENDATION
Cybersecurity - Point raised during prior year audit.	As a municipality you share information with vendors, contractors, partners, residents, taxpayers and other municipal levels, many of whom are now demanding easier and more open access. Every one of these digital relationships presents an expanding set of cyber risks. The need for security and privacy measures, and the way they are implemented, must be balanced strategically against the municipality's ability to operate effectively, and to actively pursue its future goals.	We recommend that you complete a comprehensive assessment of the municipality's operating environment and its specific needs with regards to cybersecurity.

APPENDIX C: BDO RESOURCES

BDO is a leading provider of professional services to clients of all sizes in virtually all business sectors. Our team delivers a comprehensive range of assurance, accounting, tax, and advisory services, complemented by a deep industry knowledge gained from nearly 100 years of working within local communities. As part of the international BDO network, we're able to provide seamless and consistent cross-border services to clients with global needs. Commitment to knowledge and best practice sharing ensures that expertise is easily shared across our global network and common methodologies and information technology ensures efficient and effective service delivery to our clients.

PSAB PUBLICATIONS

BDO's national department publishes a certain number of publications on SAVs.

For more information, please refer to the link below:

- <https://www.bdi.ca/en-ca/services/assurance-and-accounting/a-a-knowledge-centre/psas/>

TAX BULLETINS, ALERTS AND NEWSLETTERS

BDO's national tax department issues a number of bulletins, alerts and newsletters relating to corporate federal, personal, commodity, transfer pricing and international tax matters.

For additional information on tax matters and links to archived tax publications, please refer to the following link: [Tax Library | BDO Canada](#)

COVID-19

BDO's national department publishes a certain number of publications on the financial and operational impacts of COVID-19 on a variety of different industries.

For more information, please refer to the link below:

<https://www.bdo.ca/en-ca/covid-19/home/>



RAPPORT N° FIN2020-013

Date	15/05/2020
Soumis par	Frédéric Desnoyers
Objet	2019 Year-end report
# du dossier	N/A

1) **NATURE / OBJECTIF :**

Ce rapport a pour objectif de présenter les résultats de l'exercice 2019, d'expliquer les variances par rapport au budget 2019 et de concilier les résultats avec les états financiers externes.

2) **DIRECTIVE/POLITIQUE ANTÉCÉDENTE :**
N/A

3) **RECOMMANDATION DU SERVICE:**

THAT report no. FIN2020-013 be received as information.

QUE le Rapport no. FIN2020-013 soit reçue à titre d'information.

4) **HISTORIQUE :**
N/A

5) **DISCUSSION :**

Vous trouverez à l'annexe A des explications pour les variances entre le budget 2019 et les résultats selon Vadim pour chaque département. L'écart total pour tous les départements supportés par les taxes est un surplus de 1 416 807 \$. La bibliothèque a eu un déficit de 21 325 \$ ainsi portant le surplus à 1 438 132\$.

Les plus grandes variances sont un surplus de 295 981 \$ dans les revenus d'intérêts, un surplus de 229 231 \$ dans la vente d'inventaire et un surplus de 64 854\$ pour un ajustement sur la facturation de 2018 et 2019 de la PPO.

En somme, les départements supportés par les taxes ont réalisés un surplus de 1 416 807 \$ avant d'inclure la bibliothèque.

À l'annexe B, vous trouverez une conciliation entre les résultats de VADIM de la période 12 et le surplus présenté à l'État consolidé des résultats des auditeurs externes. À la période 12 dans Vadim, il s'agit du résultat opérationnel comme le prévoit le budget. Le surplus démontré dans les états financiers externes incorpore l'opérationnel et les transactions sur les capitaux en respectant les Normes comptables pour le secteur public (NCSP / PSAS). Comme le démontre l'annexe, il faut faire plusieurs ajustements afin de passer du déficit présenté à la période 12 dans Vadim au déficit dans les états financiers. Il faut intégrer les revenus de subventions, et les revenus

de développeurs pour les projets en capitaux. Il faut enlever les contributions aux/des réserves puisque ceux-ci sont intégrés simplement pour balancer les opérations. Il faut par la suite ajouter l'amortissement et les pertes sur dispositions relatives aux capitaux.

À l'annexe C, on retrouve un document préparé par le Ministère des Affaires Municipales pour aider la compréhension des états financiers de fin d'année.

6) **CONSULTATION :**

N/A

7) **RECOMMANDATION OU COMMENTAIRES DU COMITÉ :**

N/A

8) **IMPACT FINANCIER (monétaire/matériaux/etc.):**

Tel que présenté dans ce rapport.

9) **IMPLICATIONS LÉGALES :**

N/A

10) **GESTION DU RISQUE (RISK MANAGEMENT) :**

N/A

11) **IMPLICATIONS STRATÉGIQUES :**

N/A

12) **DOCUMENTS D'APPUI:**

Annexe A – Variances par rapport au budget 2019

Annexe B – Conciliation du surplus présenté à l'état des résultats

Annexe C – « Common Language guide to municipal financial statements »

Annexe A / Schedule A

City of / Cité de Clarence-Rockland

Variances par rapport au budget 2019 / Variances with 2019 budget

	Budget	Variance		
Revenues et dépenses corporatives		814,104	Surplus	
Provision offence act (POA) revenues	-200,000	-22,398	Déficit	Le montant inclus budgeté pour les revenus a toujours été surévalué dans les années passé. Pour 2019, nous avons baissé le revenu budgeté de 25 000 \$ afin d'adresser ce problème. Puisque le montant ne peut être connu à l'avance, il y a toujours un déficit/surplus en fin d'année.
Interest on AR & other fees	-5,000	17,000	Surplus	Plus de revenus d'intérêts gagnés sur les comptes en retard. Varie d'année en année selon les paiements effectués par les clients.
Investment income	-131,370	295,981	Surplus	Les revenus d'investissement ont été plus élevés que prévus étant donné l'augmentation des liquidités. Cette augmentation a été causée par plusieurs raisons, soit par exemple les délais de construction des casernes et de l'usine de traitement d'égout.
Interest on tax arrears	-380,000	42,743	Surplus	Plus d'intérêts sur les arrérages de taxes ont été reçus que le prévoyait le budget.
Insurance	238,500	21,263	Surplus	Les coûts d'assurance ont été moins élevés que le prévoyait le budget
Supplementary taxes	-400,000	158,088	Surplus	Plus de taxes supplémentaires que prévoyait le budget ont été facturés
Inventory Sale	0	229,231	Surplus	Vente d'inventaire non prévue au budget
Ontario Grant	0	33,942	Surplus	Surplus de 33 942\$ découlant de la subvention pour des dépenses associés aux nouvelles lois sur le cannabis qui n'était pas budgétée.
Contingency	100,000	38,254	Surplus	Un montant plus bas que prévue a été utilisé par le fond de contingence pour financer les dits déficits.

Annexe A / Schedule A

City of / Cité de Clarence-Rockland

Variances par rapport au budget 2019 / Variances with 2019 budget

	Budget	Variance		
Conseil		-704	Déficit	
Supplies	1,000	-704	Déficit	Divers petites dépenses plus élevées que le prévoyait le budget
CAO		102,163	Surplus	
Salaries - HR	291,755	84,000	Surplus	Plusieurs variations mais généralement, l'épargne supplémentaire est liée au budget de postes vacants car 2 postes ont été vacants durant une partie de l'année, le poste de gestionnaire et d'adjointe administrative
Office Materials	134,200	33,000	Surplus	Épargne dans les frais de timbre et les frais de papeterie. Plusieurs services en ligne ont été instauré réduisant cette nécessité.
Materials - HR	77,400	23,163	Surplus	Plusieurs variations tel que des économies dans le budget de publicité, formation et papeterie.
Legal fees & Liability Claims	224,000	-75,000	Déficit	Les frais légaux et les réclamations ont été plus élevés que le prévoyait le budget. Ce montant varie d'année en année.
Facilities - Maintenance	355,658	37,000	Surplus	Plusieurs variations mais généralement, les coûts d'électricité et d'entretien ont été plus bas que le budget

Annexe A / Schedule A

City of / Cité de Clarence-Rockland

Variances par rapport au budget 2019 / Variances with 2019 budget

	Budget	Variance		
Finance		49,081	Surplus	
Contract	33,200	13,737	Surplus	Dépenses moins élevées que le prévoyait le budget par une économie au niveau de l'utilisation de consultants. Plus de travaux ont pu être complétés à l'interne.
Auditing	29,500	10,000	Surplus	Économie au niveau des frais d'audit.
Other revenues	59,895	8,000	Surplus	Plus de revenus administratifs ont été perçus. Ceci dépend principalement des propriétés vendus, tel que des certificats de taxes.
Taxes written-off	125,000	18,628	Surplus	Moins de radiation que le prévoyait le budget.
IT		32,988	Surplus	
Salaries	367,631	72,291	Surplus	Épargne supplémentaire au budget de postes vacants puisqu'un poste a été vacant pour presque toute l'année.
Softwares	228,400	19,560	Surplus	Dépenses moins élevées que le prévoyait le budget. Nous prévoyons toujours un montant supplémentaire au budget en cas de situation incertaine qui pourrait soit nous engager à l'achat de logiciel non prévus ou d'augmentation des tarifs de renouvellement de licence.
Consulting	108,753	-58,863	Déficit	Dépenses plus élevées que le prévoyait le budget. Ce déficit vien contrebalancer en partie l'économie au niveau des salaire. Dû au poste vacant, nous avons fait appel à un consultant. Dov Brajtam de chez Integra Network Corporation.
Développement économique		7,744	Surplus	
Opportunities Evaluations	15,000	7,744	Surplus	Dépenses moins élevées que le prévoyait le budget

Annexe A / Schedule A

City of / Cité de Clarence-Rockland

Variances par rapport au budget 2019 / Variances with 2019 budget

	Budget	Variance		
Services communautaires		169,412	Surplus	
Hall rental - Chamberland	-2,680	14,610	Surplus	La hausse plus élevée que le prévoyait le budget est associée principalement au nouveau contrat de location annuel avec le Carrefour communautaire. Cet aspect a été ajusté pour le budget
Revenues Rockland arena - Rink surface & Hall rental	-20,315	13,685	Surplus	La hausse plus élevée que le prévoyait le budget est associée à l'ajout régulier du nombre d'heure de location de la part du pickelball ainsi que l'ajout de location régulière par les "field archers".
Revenues Clarence Creek arena - Ice, Rink Surface & Hall rental	-265,785	55,325	Surplus	Nouvelle entente pour programme sport-étude / Tournoi supplémentaire non régulier en fin d'année
Web-Site - Community Relation	30,240	16,696	Surplus	Dépenses moins élevées cette année que le prévoyait le budget
Hydro - Rockland arena	46,669	18,446	Surplus	Les frais ont été considérablement réduit par la diminution du taux par Kwh.
Hydro - Clarence arena	98,005	22,800	Surplus	L'ouverture de l'aréna a été repoussée d'une semaine en septembre et le taux par Kwh a diminué, ces deux facteurs explique la réduction des frais d'hydro en 2019 comparativement au budget.
Part-time salaries - Rockland arena	29,342	5,480	Surplus	Dépenses qui varient chaque année selon les heures réelles travaillées et le taux horaire des étudiants (étudiant secondaire/universitaire)
Salaries - Parks	51,395	22,370	Surplus	Le salaire de l'employé du parc Alain Potvin avait été budgété en partie en 2019 alors que finalement, il le sera uniquement à partir de 2020.
Daycare Services		99,937	Surplus	
Salaries and Benefits	4,827,636	107,957	Surplus	Grande épargne salariale dû à un manque de personnel. Plusieurs postes temps pleins vacants ont été remplacés durant l'année par des employés à temps partiel, ce qui a été moins coûteux.
Grant - Human Resources - Canada	-10,500	-8,020	Déficit	Moins de demande de subvention ont été requises en 2019

Annexe A / Schedule A

City of / Cité de Clarence-Rockland

Variances par rapport au budget 2019 / Variances with 2019 budget

	Budget	Variance		
Services de protection		76,467	Surplus	
OPP	3,413,163	64,854	Surplus	P.P.O. crédit d'ajustement pour 2018&2019
Autres Revenues	5,200	11,613	Surplus	Plus de revenus ont été reçus que le budget, relié à la facturation lors d'accident.
Infrastructures		182,573	Surplus	
Subdivision revenues	-94,500	32,673	Surplus	Le département d'infrastructure et aménagement ont eu plusieurs variances, cependant en somme le département a fini avec un surplus causé par des revenus supplémentaires liés à l'aménagement ainsi que les économies salariales.
Vacancy Factor	-53,914	149,900	Surplus	Les économies salariales ont été plus élevées que le prévoyait le budget car des postes ont été plus longtemps vacants que prévus durant l'année, soit celui d'asset management et de gestionnaire en ingénieries et d'opérations du département d'infrastructure.
Transit		2,954	Surplus	
Materials and printing	5,600	2,954	Surplus	Pas dépensé autant que le prévoyait le budget.
Coût net des inondations		-119,912	Déficit	Inclus le montant reçu de la Province.

Total des variations : 1,416,807

Annexe B / Schedule B**City of / Cité de Clarence-Rockland****Conciliation du surplus présenté à l'état des résultats / Reconciliation of auditors surplus**

	City departments	Library	Tax-Supported	Sewer	Water	Waste	Total
Operation revenues (deficit) per	1,416,807	21,325	1,438,132	234,732	571,250	184,992	2,429,106
Revenue Capital, Grant, developpers	4,137,963		4,137,963	89,693	572,952		4,800,608
Contribution to reserves, not a real expense	3,648,125	20,850	3,668,975	366,200	225,801	125,287	4,386,263
Contribution to operations from reserves, not a real revenue	-894,240	-20,850	-915,090	-135,035	-27,050	-30,234	-1,107,409
Depreciation	-5,386,345	-25,156	-5,411,501	-376,492	-1,104,861	-125,761	-7,018,615
Disposals	-35,024		-35,024	-803	-5,287		-41,114
Internal Loan	-5,900	5,900	0				0
Capital payments	1,222,734		1,222,734	93,364	175,714		1,491,812
Long term debt reduction - from debt budget	357,324		357,324	274,667			631,991
Other	4,800		4,800				4,800
Surplus (deficit) total	4,466,245	2,069	4,468,314	546,326	408,519	154,284	5,577,443

**

* Positif = Surplus

Négatif = Déficit

**Surplus on financial statements (p.7)

COMMON LANGUAGE GUIDE TO MUNICIPAL FINANCIAL STATEMENTS

MINISTRY OF MUNICIPAL AFFAIRS



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We would like to acknowledge the Government of Alberta as the source of much of the material contained in this guide. However, this guide is not represented as having been made in affiliation with or with the endorsement of the Government of Alberta.

While carefully prepared, this guide is a summary and does not take into account differing local circumstances. The laws and practices referred to are subject to change. Accordingly, the guide, as well as any links or information from other sources referred to in it, should not be relied upon, including as a substitute for specialized legal, accounting or other professional advice in connection with any particular matter. Municipalities and other users are responsible for any use or application of the guide.

INTRODUCTION

This guide has been prepared by the Ontario Ministry of Municipal Affairs (MMA). It is based on *A Quick Guide to Municipal Financial Statements* (2010) produced by Alberta Municipal Affairs. The guide provides examples and explanations of some of the typical information contained in a municipality's annual audited financial statements. It may help municipal officials, councillors, and other stakeholders understand the information provided in the annual financial statements.

Municipal financial statements report on financial activities and balances. They help ensure accountability and transparency, and assist municipalities with long-term and strategic planning. Financial statements are an important tool for a municipal council and administration to use to report to the taxpayers on the municipal services provided with the resources at their disposal.

SELECTED LEGISLATIVE REQUIREMENTS AND REPORTING STANDARDS

The *Municipal Act, 2001* (MA) requires that every Ontario municipality prepare annual audited financial statements. Each municipality provides a copy to MMA, when the municipality submits its annual Financial Information Return (FIR) to the Ministry.

According to CPA Canada, municipal financial statements must be prepared in accordance with generally accepted accounting principles for local governments as recommended by the CPA Canada - Public Sector Accounting Board (PSAB). There are similar requirements in the MA.

Publication requirements apply to audited municipal financial statements. As part of these requirements, the treasurer of each municipality may publish a copy of the financial statements, along with notes to the financial statements, the auditor's report and tax rate information, in a newspaper having general circulation in the municipality, or similarly publish a notice stating the information is available to the public at no cost.

Requirements for municipal financial reporting are standardized across Canada and are set out in the Public Sector Accounting Handbook. Municipal financial statements are now prepared using the net financial assets (net debt) model and must include the reporting of tangible capital assets. This approach provides a more complete picture of a municipality's financial condition.

Financial statements provide information on a municipality's financial activities and balances for the period. Financial statements also provide information on a municipality's financial position in terms of its assets and liabilities, its net financial resources (called net debt), accumulated surplus or deficit, and its tangible capital assets and other non-financial assets. Financial statements reflect the outcomes of activities that create revenue and incur expenses to determine whether the municipality operated in a surplus or a deficit for that period. Financial statements also provide a meaningful summary of the sources, allocation and consumption of municipal economic

resources, how the activities of the period have affected the municipality's net debt, how municipal activities were financed, and how cash requirements were met.

Financial statements should include a statement of financial position (referred to as the balance sheet in the private sector), a statement of operations (referred to as the income statement in the private sector), a statement of change in net debt and a statement of cash flow. Additional supplementary information is provided in schedules and notes to the financial statements.

THE COMMON LANGUAGE GUIDE TO MUNICIPAL FINANCIAL STATEMENTS

A sample of each of the four main components of municipal financial statements is presented along with explanatory notes and helpful tips. A checklist to assist the readers of the financial statement with analysis and evaluation of the financial statements can be found near the end of this guide. A glossary of terms is also included.

Generally, financial statements are prepared by municipalities on an annual basis in accordance with Canadian standards established by the PSAB. They include comparative figures from the prior year and a comparison of actual to budget results. Municipal financial statements are prepared on an accrual basis recognizing revenues and expenses when they occur and not necessarily when they are paid. As such, they can provide insight on the cost of decisions that may not need to be funded until a future period.

There are four main components to the financial statements of a municipality:

The **Consolidated Statement of Financial Position** is a statement that reports on:

- assets – what the municipality owns or controls
- liabilities – what the municipality owes
- net financial assets/net debt – liabilities minus financial assets
- accumulated surplus – what remains after the assets have been used to meet the liabilities. These remaining assets will be available to provide services to future periods.

The **Consolidated Statement of Operations** is a statement that reports on:

- revenues
- expenses
- results for a fiscal year or reporting period.

The **Consolidated Statement of Change in Net Financial Assets (Net Debt)** is a statement that:

- explains the difference between the annual surplus or deficit and the change in net financial assets (net debt)
- reports spending to acquire tangible capital assets and inventories of supplies
- reports disposal of tangible capital assets and the use of inventory.

The **Consolidated Statement of Cash Flow** is a statement that provides details on changes in cash and cash equivalents since the previous reporting period by:

- identifying where cash came from
- showing how cash was used.

NOTES AND SCHEDULES

Supplementary Schedules to municipal financial statements contain additional detailed information for the reader. Although the schedules will vary depending on the size and complexity of the municipal operation there is generally some consistency in form and content.

The **Notes to the Financial Statements** contain important information and explanations, some of which may be required by legislation and regulation. The notes highlight various aspects of the financial statements and provide background information and insight on the impacts of specific values in the financial statements. Many users review the notes before examining the main statements.

Typical notes to financial statements include information on:

- accounting policies
- cash and investments
- deferred revenue
- employee benefit obligations
- landfill closure obligations
- long-term debt
- tangible capital assets
- commitments and contingencies
- accumulated surplus.

SPECIMEN FINANCIAL STATEMENTS

The specimen financial statements for the fictional *Town of Sample River* include the four main statements. Statements for your municipality will vary. For example, line items and terminology differ between municipalities due to local distinctions and decision making, such as programs and services offered and the municipal tier (upper, lower, or single), or the advice of an accounting professional.

Town of Sample River
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31,

	2015	2014
	(\$)	(\$)
FINANCIAL ASSETS ¹		
Cash	199,000	69,000
Accounts receivable	73,000	71,000
Property taxes receivable	21,000	30,000
Land for resale inventory	155,000	30,000
Investments	280,000	480,000
Other assets	10,000	11,000
Total Financial Assets	738,000	691,000
	2015	2014
	(\$)	(\$)
LIABILITIES		
Temporary bank indebtedness ²	46,000	-
Accounts payable and accrued liabilities	140,000	163,000
Deferred revenue ³	8,000	7,000
Landfill closure and post-closure liabilities	56,000	23,000
Mortgages payable	50,000	40,000
Employee benefits liabilities	20,000	2,000
Long-term debt ⁴	2,900,000	2,701,000
Total Liabilities	3,220,000	2,936,000
	2015	2014
	(\$)	(\$)
NET FINANCIAL ASSETS (NET DEBT)		
Net financial assets (net debt)	(2,482,000)	(2,245,000)
	2015	2014
	(\$)	(\$)
NON-FINANCIAL ASSETS		
Tangible capital assets ⁵	7,865,675	6,854,400
Inventory for consumption	5,000	4,000
Prepaid expenses	1,000	1,000
Total Non-Financial Assets	7,871,675	6,859,400
	2015	2014
	(\$)	(\$)
ACCUMULATED SURPLUS ⁶		
Accumulated surplus	5,389,675	4,614,400

Consolidated Statement of Financial Position (Example)

The Consolidated Statement of Financial Position (Balance Sheet) reports on a municipality's assets, liabilities and accumulated surplus. A review of the Consolidated Statement of Financial Position typically is in the context of a long-term view of the municipality's financial health, and does not focus solely on how much money is currently in the bank. A reader may wish to consider whether the municipality has the necessary assets to provide future services, and whether there are sufficient future revenues to cover existing liabilities.



Net debt occurs when the total debt to be repaid in future years is more than the financial assets (such as cash and investments) at year end. If the municipality has sufficient future revenues to repay the principal and interest on debt in the future, then a net debt position does not necessarily mean that the municipality is in financial difficulty.

An in-place viable debt management plan helps ensure that the debt is sufficiently funded or that the municipality has the capability to fund annual debt principal and interest costs without jeopardizing the provision of municipal services.

1 - Financial assets are comprised of cash or items that will eventually be turned into cash. Land for resale and long-term investments are examples of items that will eventually be turned into cash.

2 - Temporary bank indebtedness is the total of any unpaid short term debt (loans, lines of credit or bank overdrafts) that the municipality is required to repay within one year.

3 - Deferred revenue, such as development charges, are restricted funds that have been received but not yet used for their specific purposes.

4 - The amount of long-term debt (usually for capital purposes) is recorded separately from short-term debt. The notes to the financial statements provide important information regarding future debt repayments.

5 - The amount recorded for tangible capital assets (fixed assets such as land, buildings and equipment) is the net book value, which is the actual cost less the accumulated amortization and represents the remaining value of the asset that relates to the future services that will be received from the asset.

6 - The accumulated surplus is the primary indicator of the resources the municipality has available to provide future services. It consists of both cash and non-cash components. The notes to the financial statements generally identify what portions of the accumulated surplus are:

- held in reserves, including unrestricted (including cash, accounts receivable and other non-cash financial assets) or restricted reserves (such as cash that can only be used for a pre-determined purpose); and equity in tangible capital assets

An example of a note to the financial statements

Accumulated Surplus

Accumulated surplus is comprised of the following:

	<u>2015 (\$)</u>
Equity in tangible capital assets	4,915,675
Reserves and reserve fund	300,000
Other	174,000
	<u>5,389,675</u>

Reserves and reserve funds consist of the following:

Reserves:

Corporate	50,000
Stabilization	65,000
	<u>115,000</u>

Reserve fund:

State of Good Repair	185,000
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<u>Total Reserves and reserve fund</u>	<u>300,000</u>
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Town of Sample River

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31,

	Budget (\$)	2015 (\$)	2014 (\$)
REVENUE			
Property taxation	1,425,000	1,430,000	1,278,000
User fees and service charges	775,000	760,000	742,000
Government transfers ¹	325,000	327,000	291,000
Investment income	15,000	13,000	15,000
Development charges	32,000	29,000	25,000
Contributed assets ²	-	800,000	-
Rents and concessions	8,000	10,000	8,000
Other	-	29,000	20,000
Total Revenue	2,580,000	3,398,000	2,398,000
EXPENSES			
General government	220,000	210,000	209,000
Protection services	950,000	926,000	977,000
Transportation services	455,000	474,000	410,000
Environmental services	74,000	75,000	71,000
Health services	110,000	106,000	115,000
Social and family services	110,000	113,000	104,000
Social Housing	42,000	40,000	38,000
Recreation and cultural services	75,000	117,000	43,000
Planning and development	90,000	98,000	94,000
Amortization (for illustration purposes only) ³	400,000	463,725	428,400
Total Expenses	2,526,000	2,622,725	2,489,400
ANNUAL SURPLUS (DEFICIT)			
Annual surplus (deficit)	54,000	775,275	(91,400)
ACCUMULATED SURPLUS⁴			
Accumulated surplus, beginning of year	4,614,400	4,614,400	4,705,800
Accumulated surplus, end of year	4,668,400	5,389,675	4,614,400

Consolidated Statement of Operations (Example)

The Consolidated Statement of Operations (Income Statement) reports on revenues, expenses and the results for a fiscal year or reporting period. The Consolidated Statement of Operations provides detailed information on what transactions have impacted the accumulated surplus during the year. Non-cash items such as amortization expense and contributed assets are included.

1 - Government transfers are grants provided by federal and provincial governments to municipalities for operating and/or capital purposes.

2 - Contributed assets are normally tangible capital assets that have been donated or transferred to the municipality. Contributed assets are reported as revenue on the Statement of Operations because they create an expected future economic benefit through the municipality's ownership of the assets and ability to provide services with the assets. As a result there is a corresponding increase in the accumulated surplus. Although contributed assets are reported as revenue, they do not represent cash received by the municipality.

3 - The amortization expense is a non-cash amount that represents the portion of the historical cost of the municipality's tangible capital assets that is used up during the reporting period. Amortization expense is normally included in the costs of the specific service provided.

4 - The accumulated surplus may increase significantly without a corresponding increase in financial assets. For example, a subdivision turned over to the municipality by a developer would be recorded as contributed asset revenue, which would increase the accumulated surplus amount without any change in financial assets, such as cash.

Financial assets comprise cash or items that will eventually be turned into cash. A subdivision would typically not be considered a financial asset because it is not being held for sale.

Town of Sample River
CONSOLIDATED STATEMENT OF CHANGE IN
NET FINANCIAL ASSETS (NET DEBT)
For the year ended December 31,

	Budget (\$)	2015 (\$)	2014 (\$)
ANNUAL SURPLUS (DEFICIT)	54,000	775,275	(91,400)
Acquisition of tangible capital assets ¹	(700,000)	(693,000)	(411,000)
Contributed tangible capital assets	-	(800,000)	-
Proceeds on disposal of tangible capital assets	-	10,000	-
Amortization of tangible capital assets	400,000	463,725	428,400
(Gain) loss on sale of tangible capital assets ²	-	8,000	-
	(300,000)	(1,011,275)	17,400
Change in inventories of supplies	-	(1,000)	3,000
Change in prepaid expenses	-	-	-
	-	(1,000)	3,000
(INCREASE) DECREASE IN NET DEBT ³	(246,000)	(237,000)	(71,000)
NET FINANCIAL ASSETS (NET DEBT), beginning of year	(2,245,000)	(2,245,000)	(2,174,000)
NET FINANCIAL ASSETS (NET DEBT), end of year	(2,491,000)	(2,482,000)	(2,245,000)

Consolidated Statement of Change in Net Financial Assets (Net Debt)
(Example)

The Consolidated Statement of Change in Net Financial Assets (Net Debt) reports the significant items that explain the difference between the surplus or deficit for the year as reported on the statement of operations and the change in net financial assets or net debt in the period. In any given period, a government finances its expenditures by raising revenues, applying existing financial resources or incurring liabilities. Unlike expenses, which are the cost of goods and services consumed in the accounting period, expenditures are the cost of goods and services acquired by the government in the period. The statement can provide information useful for explaining why a government can have a surplus from operations, but still have an increase in its net debt. The statement presents what the municipality has spent to acquire tangible capital assets and inventories of supplies. It also reports on the disposal of tangible capital assets and the use of inventory.

1 - Acquisition of tangible capital assets is the amount spent on tangible capital assets in the current year. Funding sources could include cash reserves, property taxes, long-term debt or government transfers (grants).

2 - A gain is reported when a tangible capital asset is sold or disposed of and the proceeds are greater than the net book value of the asset. A loss is reported if the proceeds are less than the net book value of the asset.

These amounts are also reported on the Consolidated Statement of Operations, with a gain reported as revenue and a loss reported as an expense.

3 - An increase in the net debt position is most likely the result of the municipality funding capital acquisitions with debt or with financial assets accumulated in a previous year.



To assess the impact of a net debt position on the financial health of a municipality, considerations typically include:

- Is there a debt management plan in place?
- What is the term of the debt?
- Are the municipality's financial assets liquid and current?
- What portion, if any, of the municipality's financial assets are restricted?
- Will projected future revenues be sufficient to pay the net debt?

Town of Sample River

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31,

	2015 (\$)	2014 (\$)
OPERATING ACTIVITIES		
Annual surplus (deficit)	775,275	(91,400)
Add (deduct) items not involving cash		
Amortization of tangible capital assets ¹	463,725	428,400
Loss on disposal of tangible capital assets	8,000	-
Tangible capital assets received as contributions ¹	(800,000)	-
Change in non-cash assets and liabilities related to operations		
Decrease (increase) in accounts receivables	(2,000)	10,000
Decrease (increase) in property tax receivable	9,000	(1,000)
Decrease (increase) in land held for resale	(125,000)	-
Decrease (increase) in other assets	1,000	(1,000)
Decrease (increase) in inventory for consumption	(1,000)	2,000
Increase (decrease) in accounts payable and accrued liabilities	(23,000)	12,000
Increase (decrease) in deferred revenue	1,000	1,000
Increase (decrease) in landfill closure	33,000	-
Increase (decrease) in employee benefits	18,000	2,000
Cash provided by operating activities	358,000	352,000
CAPITAL		
Acquisition of tangible capital ²	(693,000)	(411,000)
Proceeds on sale of tangible capital assets	10,000	-
Cash applied to capital transactions	(683,000)	(411,000)
INVESTING		
Decrease (increase) in investments	200,000	(50,000)
Cash provided by (applied to) investing transactions	200,000	(50,000)
FINANCING		
Mortgage increased	20,000	-
Mortgage repaid	(10,000)	(10,000)
Long term debt issued ²	300,000	-
Long term debt repaid	(101,000)	(101,000)
Cash provided by (applied to) financing transactions	209,000	(111,000)
CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	84,000	(210,000)
CASH AND CASH EQUIVALENTS, beginning of year	69,000	279,000
CASH AND CASH EQUIVALENTS, end of year ³	153,000	69,000

Consolidated Statement of Cash Flows (Example)

The Consolidated Statement of Cash Flows identifies where cash came from, shows how cash was used, and provides details on changes to cash and cash equivalents since the last reporting period. The statement helps explain how the financial activities recorded on an accrual basis relates to the change in the cash balance in the statement.

1 - The Consolidated Statement of Cash Flows begins with the net results of municipal operations (or annual surplus/deficit) on an accrual basis. If the municipality settled every transaction with cash instantly, all operational activities would result in changes to the cash balance. However, sometimes when the municipality buys goods or charges fees the payment or collection will happen at a later period. Typically, accrual based revenues and expenses need to be adjusted for what was bought or sold “on account” to determine how much cash was generated or used from these transactions. Similarly, operational results include items like amortization, which is a non-cash expense. To determine the change in the municipality’s cash position, the amortization amount is added back into the operation’s result.

On the other hand, the value of tangible capital assets contributed is generally reflected as non-cash revenue in the Consolidated Statement of Operations. To determine the change in the municipality’s cash position, this amount is deducted from the operations result.

2 - The Capital and Financing categories provide a summary of the capital transactions that took place and are an indicator of what portion of the capital transactions were financed with long-term debt. This area is usually one of the biggest differences between cash and accrual accounting because of the large upfront cost of infrastructure assets providing value to the public over a long period of time.

The Capital section provides information on the amount the municipality spent on tangible capital assets as well as the amount the municipality received from selling tangible capital assets during the reporting period.

The Financing section identifies funds received from long-term debt financing, as well as the amount of long-term debt principal repaid during the reporting period.

3 - The cash and cash equivalents balance at the end of the year are equal to the yearend cash balance less the temporary bank indebtedness.



The Consolidated Statement of Cash Flows provides detailed information on significant cash transactions that are not included in the Statement of Operations.

FINANCIAL STATEMENT – SAMPLE REVIEW QUESTIONS

This checklist can be used in discussions about the effect of budgets and long-term plans on financial statements.

- Are there long-range planning or budgetary issues the municipality needs to address? Financial indicators of concern that may be found in financial statements may include:
 - continued increase in the net debt
 - high level of short-term debt indicating working capital position is insufficient
 - low net book value of tangible capital assets indicating useful life nearing an end.
- Are there some “red flags” in the financial statements? Potential red flags may include:
 - significant decrease in the municipality’s cash position from the previous year
 - restricted surplus that exceeds the amount of cash and cash equivalents
 - significant decrease in the net financial assets from the previous year
 - significant increase in net debt from the previous year
 - the unrestricted portion of the accumulated surplus is in a deficit position.
- Have there been any extraordinary or unusual financial transactions that may have future implications for the municipality?
- How did the current year’s financial decisions and operations impact the overall financial position of the municipality?
 - What are the costs of providing specific services?
 - What services have full or partial cost recovery associated with them?
 - What is the cash position and debt level?
 - Are there adequate operating and capital funds for future projects, or will borrowing be required?
- Does the municipality have sufficient working capital?
 - Is short term borrowing required before property tax revenues are received?
- What is the remaining useful life of the municipality’s tangible capital assets?
 - What are the financial and budgetary impacts of replacing or rehabilitating tangible capital assets nearing the end of their life?
 - How does this compare with the municipal asset management plan?
- What is the content of the auditor’s management letter?
 - Is there a clean audit report?
 - Are there any items of concern that need to be mitigated or addressed?
- Have the municipality’s financial statements been sufficiently communicated to the residents and businesses in the municipality?

COMMON LANGUAGE GLOSSARY OF TERMS

Amortization – the systematic allocation of the historical cost of a tangible capital asset over its useful life.

Accumulated Amortization – the total amortization pertaining to a tangible capital asset from the time the asset was placed into service until the date of the financial statement.

Assets under Construction – tangible capital assets under construction at the end of the fiscal year that have not been put into service (e.g., engineered structures, buildings, land improvements).

Consolidated Financial Statements – statements containing financial information for the municipality and its owned or controlled organizations (e.g., fire, library).

Contributed Assets – assets that have been transferred or donated to the municipality and that will provide a future economic benefit.

Deferred Revenue – income received that will not be recorded as revenue until certain transactions or events take place.

Equity in Tangible Capital Assets – the net book value of recorded tangible capital assets less capital debt.

Expenditure – an outlay of cash, payment or disbursement.

Expense – the cost to the municipality of an activity and can be cash or non-cash cost (e.g., wages, materials, amortization).

Financial Assets – current cash resources plus any items or holdings that are expected to be converted into cash in the future.

Gain or Loss on Sale – proceeds from the sale of a tangible capital asset that are greater than (gain) or less than (loss), the net book value of the asset.

Government Transfers – entitlements, transfers under cost-share agreements, and/or grants from other levels of government.

Net Book Value – the total cost of a tangible capital asset minus the accumulated amortization and any write-down of the asset.

Net Financial Assets (Net Debt) – an amount equal to the total financial assets less the total liabilities.

Restricted Surplus – the amount that results from excess revenues that have been internally designated for a specified future purpose or externally restricted, such as by provincial legislation or contract.

Tangible Capital Assets – non-financial assets having a physical substance that are held for use in the supply of goods and services, have economic lives beyond the accounting period, are used on a continuing basis and are not for sale in the ordinary course of operations (e.g., bridge, snow plow).

Unrestricted Surplus – the portion of the accumulated surplus that results from excess revenue and expenses available for any future use.

LINKS TO THE FINANCIAL INFORMATION RETURN

The Financial Information Return (FIR) is the main data collection tool used by the MMA to collect financial and statistical information on municipalities. The FIR is a standard document comprising a number of schedules that are updated each year, to reflect current legislation and reporting requirements. The FIR website is: <http://csconramp.mah.gov.on.ca/fir/Welcome.htm>

At a high level, municipal consolidated financial statements are linked to MMA's FIR as follows:

Consolidated Statement	Financial Statement Component	FIR Schedule
Financial Position	Full statement	70 - Consolidated Statement of Financial Position
	Long term debt	74 - Long Term Liabilities and Commitments
	Non-Financial Assets	51 - Schedule of Tangible Capital Assets
	Reserves and reserve funds	60 - Continuity of Reserves and Reserve Funds
Operations	Revenues	10 - Consolidated Statement of Operations: Revenue 12 - Grants, User Fees and Service Charges
	Property tax detail	20 - Taxation Information 22 - Municipal and School Board Taxation 24 - Payments-in-Lieu of Taxation 26 - Taxation and Payments-in-Lieu Summary 28 - Upper-Tier Entitlements 72 - Continuity of Taxes Receivable
	Expenses	40 - Consolidated Statement of Operations: Expenses 42 - Additional Information
Change in Net Financial Assets (Debt)	Full statement	53 - Consolidated Statement of Change in Net Financial Assets (Debt)
Cash Flows	Full statement	54 - Consolidated Statement of Cash Flows

Ministry of Municipal Affairs

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Disponible en français

**CORPORATION OF THE CITY OF CLARENCE-ROCKLAND
BY-LAW 2020-43**

BEING A BY-LAW TO AMEND THE INTERIM TAX LEVIES BY-LAW 2019-105 FOR THE YEAR 2020

WHEREAS Council adopted by-law 2019-105 on the 18th day of November 2019; and

WHEREAS Council adopted By-Law 2020-32 on the 20th day of April, 2020 to change the second levy installment dates from April 30, 2020 to May 31, 2020, and postponing interest charges to June 1, 2020 for the second installment;

WHEREAS Council adopted resolution 2020-95 on the 20th day of May, 2020 to change the second levy installment dates from May 31, 2020 to June 30, 2020, and postponing interest charges to July 1, 2020 for the second installment;

WHEREAS it is deemed expedient to amend the said By-law no. 2019-105, to reflect the changes made by resolution 2020-95 and change the second levy installment date to June 30, 2020;

NOW THEREFORE the Council of the Corporation of the City of Clarence-Rockland enacts the following:

1. **THAT** By-law No. 2017-154 be amended by:

1.1 Replacing Section 6 with the following

"The interim tax levy imposed by this by-law shall be paid in two installments due on the following dates:

One-half (½) thereof on the 28th day of February of 2020;
One-half (½) thereof on the 30th day of June of 2020

2. **THAT** By-Law 2020-32 be and is hereby repealed.

3. **THAT** this by-law shall come in full force and effect on the 20th day of May 2020.

READ, DONE AND PASSED IN OPEN COUNCIL THIS 1ST DAY OF JUNE 2020.

Guy Desjardins, Mayor

Monique Ouellet, Clerk

**CORPORATION OF THE CITY OF CLARENCE-ROCKLAND
BY-LAW 2020-44**

BEING A BY-LAW OF THE CITY OF CLARENCE-ROCKLAND TO CONFIRM PROCEEDINGS OF THE COUNCIL OF THE CITY OF CLARENCE-ROCKLAND AT ITS REGULAR MEETING HELD ON JUNE 1ST, 2020.

WHEREAS Sub-section 5(1) of the Municipal Act, 2001, as amended, provides that the powers of a municipal corporation are to be exercised by its Council;

AND WHEREAS Sub-section 5(3) of the said Municipal Act provides that the powers of every council are to be exercised by By-law;

AND WHEREAS it is deemed expedient that the proceedings of the Council of the City of Clarence-Rockland at this meeting be confirmed and adopted by By-law;

THEREFORE the Council of the City of Clarence-Rockland enacts as follows:

1. **THE** action of the Council of the City of Clarence-Rockland in respect of each recommendation contained in any reports of committees and of local boards and commissions and each motion and resolution passed and other action taken by the Council of the City of Clarence-Rockland at this meeting is hereby adopted and confirmed as if all such proceedings were expressly embodied in this by-law.
2. **THE** Mayor and the appropriate officials of the City of Clarence-Rockland are hereby authorized and directed to do all things necessary to give effect to the action of the Council of the City of Clarence-Rockland referred to in the proceeding section.
3. **THE** Mayor and the Clerk, are authorized and directed to execute all documents necessary in that behalf and to affix thereto the corporate seal of the City of Clarence-Rockland.

READ, PASSED AND ADOPTED IN OPEN COUNCIL THIS 1ST DAY OF JUNE 2020.

Guy Desjardins, Mayor

Monique Ouellet, Clerk