



**TOWNSHIP OF MELANCTHON
HYBRID COUNCIL MEETING
THURSDAY, JULY 18TH, 2024 - 5:00 P.M.**

Council meetings are recorded and will be available on the Township website under Quick Links – Council Agendas and Minutes within 5 business days of the Council meeting.

Join Zoom Meeting

<https://us02web.zoom.us/j/82162365235?pwd=cHaFbBQarGYqIe4JLBq0XVBsxrV2el.1>

Meeting ID: 821 6236 5235

Passcode: 956811

One tap mobile

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Meeting ID: 821 6236 5235

Passcode: 956811

AGENDA

- 1. Call to Order**
- 2. Land Acknowledgement Statement**

We will begin the meeting by sharing the Land Acknowledgement Statement:

We would like to begin by acknowledging that Melancthon Township recognizes the ancestral lands and treaty territories of the Tionontati (Petun/Wyandot(te)), Haudenosaunee (Six Nations), and Anishinaabe Peoples. The Township of Melancthon resides within the lands named under the Haldimand Deed of 1784 and the Lake Simcoe-Nottawasaga Treaty (Treaty 18).

These territories upon which we live and learn, are steeped in rich Indigenous history and traditions. It is with this statement that we declare to honour and respect the past and present connection of Indigenous peoples with this land, its waterways and resources.

- 3. Announcements**
- 4. Additions/Deletions/Approval of Agenda**

- 5. Declaration of Pecuniary Interest and the General Nature Thereof**
- 6. Approval of Draft Minutes – June 20th, 2024 & July 4th, 2024 Special Meeting**
- 7. Business Arising from Minutes**
- 8. Point of Privilege or Personal Privilege**
- 9. Public Question Period** (Please visit our website under Agendas and Minutes for information on Public Question Period)
- 10. Public Works**
 1. Accounts
 2. Tender 02-2024 Recommendation
 3. Cox Construction Quote to Pave Mill Lane in Horning's Mills
 4. County of Dufferin/Township of Melancthon Plow Truck Tender T2024 PW-24-10 Recommendation
 5. Other
- 11. Planning**
 1. Applications to Permit
 2. Dufferin County Official Plan Amendment No. 4, Natural Heritage System Strategy Background Report, Response to Harvey Lyon's Comments
 3. Other
- 12. Strategic Plan**
 1. Update - The 2024 Strategic Plan will be presented by Rob Adams, Town Hall Consulting at the August 15, 2024 Council meeting
- 13. Climate Change Initiatives**
- 14. Police Services Board**
- 15. Committee/Board Reports & Recommendations**
 1. Fire Departments Upgraded Radio System - Update
- 16. Correspondence**

Board, Committee & Working Group Minutes

1. Roads Sub-Committee – June 3rd, 2024
2. Centre Dufferin Recreation Complex Board of Management – April 24th, 2024

Items for Information Purposes

1. Niagara Escarpment Commission – Request for Comments 825725 Grey Road 40, Durham Stone and Paving Incorporated
2. Ministry of Natural Resources – Streamlining of Approvals under the Aggregate Resources Act and Supporting Policy
3. Township of Mulmur – Endorsement of Township of Melancthon; Significant Incidents and Reporting
4. Grand River Conservation Authority Summary of the General Membership Meeting – June 28, 2024

Items for Council Action

1. Petition for Drainage Works by Eli Bauman & Isaiah Martin (1000406582 Ontario Inc) – McManaman Drain
2. Notice of Request for Drain Maintenance and/or Repair by Kenneth Holmes – Gray Drain

3. Findings and Recommendations from RJ Burnside and Associates regarding Stewart Drainage Works
4. County of Dufferin Economic Development Strategy request for Information for Council

17. General Business

1. Accounts
2. Notice of Intent to Pass By-law
 1. By-law to Authorize the Execution of a Municipal Funding Agreement on the Canada Community Building Fund
 1. Report from Denise B. Holmes, CAO/Clerk regarding the Municipal Funding Agreement – Canada Community-Building Fund
 2. By-law to Authorize the Signing of a Memorandum of Understanding between the County of Dufferin and the Township of Melancthon for Health and Safety Services
3. New/Other Business/Additions
 1. Motion from Deputy Mayor McLean regarding River Road Traffic Calming Collaboration with Mulmur Township
 2. Strada/NDACT Community Peer Review Agreement - Update
4. Unfinished Business
 1. Tabled Motion from April 18, 2024 Council Meeting – Dissolving the Horning’s Mills Park Board and the Corbetton Park Board to Establish a Melancthon Park Board
 2. NDCC Funding
 3. NDACT/Strada Well Registration at Township Landfill Site

18. Delegations

1. 5:20 p.m. – Public Meeting – Proposed Zoning By-law Amendment on the East Part of Lot 23, Concession 2 OS – Lundy Land Co.
2. 5:30 p.m. – Nancy Neale, Watson and Associates – Passage of the Development Charges By-law
3. 6:30 p.m. – Arunas Kalinauskas, RJ Burnside and Associates - Presentation of the Draft Asset Management Plan
4. 7:00 p.m. - Murray Short, RLB - Presentation of the 2023 Draft Financial Statements

19. Closed Session

1. Items for Discussion:
 1. Community Risk Assessment prepared by Emergency Management Group – Section 239(2)(3.1)(1)
 2. North Dufferin Community Centre Agreement Renewal – Section 239(2)(k)
2. Approval of Draft Minutes – June 20, 2024
3. Business Arising from Minutes
4. Rise With or Without Report from Closed Session

20. Third Reading of By-laws

21. Notice of Motion

22. Confirmation By-law

23. Adjournment and Date of Next Meeting – Thursday, August 15th, 2024 at 5:00 p.m.



Road Work of All Types Since 1946

**P.O. Box 427, 965 York Road
Guelph, Ontario, N1H 6K5
Phone 519-824-6570 Fax 519-824-6579
email bjcrampton@coxconstruction.ca**

To: Township Of Melancthon	Contact: Craig Micks
Address: 157101 ON-10 Melancthon, ON L9V 2E6 CANADA	Phone:
	Fax:
Project Name: Melancthon Twp Additional Work	Bid Number:
Project Location: Melancthon, ON	Bid Date: 7/2/2024

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
1.1	Pulverize And Grading	4,550.00	m2	\$3.05	\$13,877.50
2.1	Supply/Place/Compact HL-4 70mm (Road Closed Conditions)	835.00	MT	\$98.00	\$81,830.00
3.1	Butt Joints At Limits	1.00	LS	\$2,000.00	\$2,000.00
				Bid Price Subtotal:	\$97,707.50
				Total HST 13.00%:	\$12,701.98
				Total Bid Price:	\$110,409.48

Notes:

- We are pleased to provide a quotation **for Mill Lane project** . Please see below terms and conditions.
- Tack Coat Included for Joints Only
- Contingent on placing the entire quantity of asphalt
- Payment as per weigh scale tickets or field measurements
- Cox Construction Limited to be compensated should there be any increase in the MTO Asphalt Cement Index , Accordingly all asphalt must be indexed in accordance to the OHMPA guideline with a \$15/tonne float . This project indexed using the May 2024 index
- Please notify within 7 days of award for scheduling purposes
- Based on Standard OPSS mix designs
- Any asphalt placed after Oct 31 of any year will be subject to a \$6.00/tonne winter heat charge. Asphalt plant tentatively closing November 8 /2024, pricing void after this date
- **Traffic Control not included road to be closed** , all traffic control by General Contractor ,including police where necessary
- Cox Construction Limited operations must be able to proceed independently and unimpeded by other operations on site
- One mobilization included for work, additional mobilizations \$5,500/each
- Pricing valid for 10 days
- 12 month Limited warranty on workmanship and materials. Warranty commences after the asphalt is placed on roadway. Warranty void if paved out of OPSS temperature restrictions or if granular base is frozen
- Pricing **Does Not Include** warm mix, DENT or EXBBR specification asphalt cement ,any AC grades other than PG58-28 unless noted by item, shuttle buggy, joint heater, echelon paving,tack coat other than for joint construction, line painting, waterproofing,rubberized crack sealant,fine grading of underlying granular material, asphalt ramping or padding,sweeping,saw cutting,milling, asphalt removals, iron adjustments to base or surface elevations, temporary asphalt, or asphalt curb, curb or curb repairs, landscape remediation, asphalt remediations for sewer or watermain connections, traffic control
- ****To be performed during the same mobilization as 15 Sideroad
- HST Additional

Payment Terms:

Net 30 days from Invoice, or 2 days after payment certificate received from owner

ACCEPTED:

The above prices, specifications and conditions are satisfactory and are hereby accepted.

Buyer: _____

Signature: _____

Date of Acceptance: _____

CONFIRMED:

Cox Construction Limited

Authorized Signature: _____

Estimator: Brad Crampton
519-824-6570 bjcrampton@coxconstruction.ca

**APPLICATIONS TO PERMIT FOR APPROVAL
July 18, 2024 COUNCIL MEETING**

PROPERTY OWNER	PROPERTY DESCRIPTION	SIZE OF BUILDING	TYPE OF STRUCTURE	USE OF BUILDING	DOLLAR VALUE	D.C.'s	COMMENTS
Maple Ridge Plastics Inc - Reuben Bauman Agent: Aaron Bauman	Pt Lot 28, Con 9 NE 318401 8th Line NE	260.12m2 (2800sqft)	Agricultural Shed	Agricultural	\$70,000	No	Approved
Paul Griffith	Pt Lot 8, Con 4 NE Rp 7R741 Part 1 237064 4th Line NE	89.2m2 (960.14sqft)	Greenhouse	Agricultural	\$8,500	No	Approved
Dan Dickhoff	Plan 2, Lot 5 682395 260 Sideroad	29.72m2 (320sqft)	Deck	Deck	\$9,000	No	Approved
Triag Inc - Edwin Martin Agent: Simon Martin - Mar Bros Construction	Lot 41, Con 3 NE 199425 2nd Line NE	676.33m2 (7280sqft)	Addition to Existing Storage Shed	Storage	\$150,000	No	Approved
Sidney Bauman Agent: Aaron Bauman	Pt Lot 298, Con 3 SW 116234 2nd Line SW	185.8m2 (2000sqft)	Home Industry	Home Industry	\$125,000	Yes	Approved
Sidney Bauman Agent: Aaron Bauman	Pt Lot 298, Con 3 SW 116234 2nd Line SW	59.45m2 (639.91sqft)	Farm Shed	Agricultural	\$20,000	No	With Planner for Review
Sidney Bauman Agent: Aaron Bauman	Pt Lot 298, Con 3 SW 116234 2nd Line SW	5m2 (53.81sqft)	Feed/Grain Bin	Agricultural	\$1,000	No	With Planner for Review
Sidney Bauman Agent: Aaron Bauman	Pt Lot 298, Con 3 SW 116234 2nd Line SW	899.3m2 (9679.98sqft)	Barn	Agricultural	\$250,000	No	With Planner for Review
Windy Stream Farms Inc - Alvin Martin Agent: Aaron Bauman	Pt Lots 249 & 250, Con 3 SW 118214 2nd Line SW	232.25 (2499.91sqft)	Farm Shed with Bale Storage	Agricultural	\$80,000	No	Approved
D&C VanderZaag Farms Ltd Agent: Kevin Martin - Star Blueprints	Pt Lots 21 to 23, Con 1 OS RP 7R5972 Parts 2 to 4 518029 County Road 124	558m2 (6006.26sqft)	Addition to Equipment Storage	Agricultural	\$1,000,000	No	With Planner for Review

Denise Holmes

From: Silva Yousif <syousif@dufferincounty.ca>
Sent: Thursday, June 13, 2024 2:27 PM
To: Howard, Dellarue (MMAH); Derakhshan, Pooneh (MMAH); Boyd, Erick (MMAH)
Cc: Denise Holmes; Rajbir Sian; Alexander, Matt
Subject: RE: Dufferin County OP Amendment No. 4 ERO post - Mr. Lyon - Schedule E1
Attachments: Draft natural Heritage System Strategy Background Report ; INFO 4 ~ Letter to Ministry of Municipal Affairs and Housing Regarding Dufferin County OP Amendment No. 4 from Harvey Lyon, Melancthon Resident.pdf

Dellarue

As discussed regarding Mr. Lyon's submission letter on Schedule E1 (Appendix to OPA 3 as adopted – County MCR Phase II)

- municipal drainage systems are classified as water bodies under PPS 2020. This classification applies because they exhibit measurable or predictable responses to single runoff events. They serve as integration points, linking other natural water bodies within the Natural Heritage (NH) system, both locally and regionally, and are also subject to the Drainage Act policies, which further imposes protective measures and development constraints such as setbacks.
- The Growth Plan requires municipalities to map a connected Natural Heritage and Water Resources System. Consequently, municipal drainage features are included along with other features protected under the PPS, Growth Plan, and Greenbelt Plan. It is standard practice to identify all ecological features for their interconnectivity within regional watersheds and to establish policies for their evaluation and protection based on their significance.
- Schedule E1 depicts the County-wide Natural Heritage System. This includes the Provincial Plan's natural heritage systems, as well as natural heritage features and areas identified on Schedule E. Additionally, it includes watercourses, associated flooding hazards, steep slopes, unstable soils, and erosion hazards, which create linkages between natural heritage features and areas. This reflects the Provincial Plan's natural heritage systems, including the Niagara Escarpment Plan's Escarpment Natural Area and Escarpment Protection Area, the Greenbelt Plan's Natural Heritage System, and the Oak Ridges Moraine Conservation Plan's Natural Core Area and Natural Linkage Area.
- Local municipalities, through the conformity exercise, can establish additional policies to evaluate and identify different ecological features within their local context by:
 - o Defining and mapping key natural heritage and key hydrologic features using up-to-date datasets from sources like Land Information Ontario, Conservation Authorities, and regional mapping. Policies for protecting key features should also be included.
 - o Including clear guidelines for development and site alterations within natural heritage features or Natural Heritage System (Greenlands System) areas, and other key infrastructure features such as municipal drainage, roadside ditches, and catchment areas etc.

I hope this helps address the matter(s) from Mr. Lyon letter and clarify the approach that we have taken with regards to Scheule E & E1.

Thanks

Silva Yousif, Senior Planner PMP, MCIP, RPP, EIT | Development and Tourism | County of Dufferin

Phone: 519-941-2816 Ext. 2509 | syousif@dufferincounty.ca | 30 Centre St, Orangeville, ON L9W 2X1

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Collaboration | Accountability | Innovation | Compassion | Courage

 [Book time to meet with me](#)

From: Howard, Dellarue (MMAH) <Dellarue.Howard@ontario.ca>
Sent: Monday, June 10, 2024 4:07 PM
To: Silva Yousif <syousif@dufferincounty.ca>
Cc: Derakhshan, Pooneh (MMAH) <Pooneh.Derakhshan@ontario.ca>
Subject: FW: Dufferin County OP Amendment No. 4

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the contents to be safe.

Hi Silva,

Can I talk to you about this as soon as possible? The comments although provided under OPA 4 seem related to Schedule E1 – Natural Heritage System in OPA 3, but there are also policy implications for OPA 4. As you are aware, Natural heritage policies apply to areas within the Natural Heritage System as depicted on Schedule E1. I would, therefore, like to have some clarity on Schedule E1, and the County’s take on the matter, in light of the comments from Mr. Lyon in the attached letter,. The County was also copied on the letter from Melancthon which is supportive of the comments raised by Mr. Lyons in his letter.

Regards

Dellarue Howard

Planner | Municipal Services Office West
Ministry of Municipal Affairs and Housing | Ontario Public Service
519-619-3227 | dellarue.howard@ontario.ca

Floor, Location
2-659 Exeter Road
London, ON, N6E 1L3



Taking pride in strengthening Ontario, its places and its people

From: Denise Holmes <dholmes@melancthontownship.ca>
Sent: Monday, June 10, 2024 2:16 PM
To: Howard, Dellarue (MMAH) <Dellarue.Howard@ontario.ca>
Cc: Michelle Dunne <mdunne@dufferincounty.ca>
Subject: Dufferin County OP Amendment No. 4

CAUTION -- EXTERNAL E-MAIL - Do not click links or open attachments unless you recognize the sender.

Good afternoon,

Please see attached letter.

Thank you.

Kind regards,
Denise Holmes



Denise B. Holmes, AMCT | Chief Administrative Officer/Clerk | Township of Melancthon | dholmes@melancthontownship.ca | PH: 519-925-5525 ext 101 | FX: 519-925-1110 | www.melancthontownship.ca |

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copy for Township

RECEIVED

H.J. Lyon MAY 14 2024

Ministry of Municipal Affairs and Housing
Municipal Services Office - Western
659 Sydenham Road 2nd Floor
London ON N6E 1K3
Attn: Dellarue Howard

May 11, 2024.

Dear D. Howard

re: Dufferin County OP Amendment No 4

I request that the Government's of the Natural Heritage System for the Township of Melancthon be withdrawn. Unfortunately it is severely flawed. The issue is that the linkages/corridors track municipal drains in the western half of the township. This is unacceptable.

Consider

- These municipal drains are not waterways. They have been engineered to provide a continuous downward grade to the point of discharge thus avoiding to the maximum extent practicable any ponding of water. They collect and discharge water during the spring runoff and following any heavy rains. Otherwise they are dry.

INFO 4

JUNE 6 2024

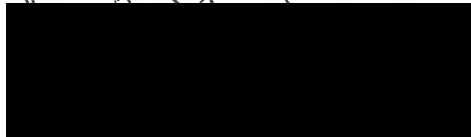
- Under the Drainage Act the Municipality is obligated to maintain these drains. This maintenance usually mean wiping the drain clean of any silt that may have accumulated and any brush/trees that may be growing in the drain. These maintenance actions are totally at odds with maintaining an ecologically functional corridor.

The western half of Melancthon Township is serviced by a very extensive network of municipal drains without which modern agriculture simply would not exist. Accordingly any policies that could interfere with the timely maintenance of these drains are unacceptable.

This issue was sorted with the appropriate agencies during the last OP go-around. I'm disappointed that we have to again address such a fundamental issue.

Further, I request that I be notified of the Ministry's decision respecting the requested OP Amendment.

Respectfully



C.C. County of Dufferin

CORPORATION OF THE TOWNSHIP OF MELANCTHON

The Township of Melancthon Roads Sub-Committee held a meeting on June 3rd, 2024, at 9:30 a.m. The following members were present: James McLean, Chair, Bill Neilson, Vice-Chair and Member Darren White. Also present were: Craig Micks, Public Works Superintendent, Denise Holmes, CAO/Clerk, and Kaitlin Dinnick, Roads Sub-Committee Secretary.

Call to Order

Chair McLean called the meeting to order at 9:31 a.m.

Land Acknowledgement

Chair McLean shared the Land Acknowledgement Statement.

Additions/Deletions/Approval of Agenda

Additions

- 1) Canada Road Safety Week (Vice-Chair Neilson)

Moved by Neilson, Seconded by White that the agenda be approved as amended. Carried.

Declaration of Pecuniary Interest or Conflict of Interest

None.

Approval of Draft Minutes

Moved by White, Seconded by Neilson that the minutes of Roads Sub-Committee Meeting held on May 6th, 2024, be approved as circulated. Carried.

Business Arising from Minutes

None.

Correspondence Items

None.

General Business

1. Update from Public Works Superintendent

Craig advised the Committee that they are about half done with the Spring Gravel and that Calcium will be starting this week. He advised that the two new hires started today. Chair McLean asked Craig about when the work rotation for recreation will be starting, and Craig advised that they will start once Spring Gravel is done. Chair McLean asked Craig about when the speed limit reductions will be happening in the Village and Hamlets and Craig advised that the signs were ordered, and they would be put up once they arrive.

2. Email from Eli Sherk regarding opening 250 Sideroad Road Allowance

The Committee discussed the proposal from Eli Sherk and advised that they do not have any concerns with the proposal as presented provided they can get the approvals for the GRCA.

3. Email from Al Blundell regarding Paid Duty Officer

Chair McLean spoke to the email and advised that starting on June 7th, 2024 the paid duty officer will be working on Fridays and Saturdays. Al Blundell advised that he spoke to Staff Sergeant Buligan regarding putting together a report for the paid duty officer and just received it this morning and has sent it to Chair McLean.

4. Follow up on Mennonite Community Engagement

1. County Report

2. OPP Engagement

3. Next Meeting

Chair McLean provided an update to the Committee on this and advised that Scott Burns from the County of Dufferin will be looking into this and providing a report in August. Chair McLean is going to reach out to the MTO about getting together for a follow up email with the Mennonite Community in late August and Staff were directed to reach out to Eli Sherk about setting a date for the follow up meeting.

5. Other/Additions

1. Canada Road Safety Week

Vice-Chair Neilson shared the Dufferin County Statistics from the OPP for Canada Road Safety Week and advised that 255 charges were laid in Dufferin County.

6. Unfinished Business

None.

Delegations

9:45 a.m. – Chris Knechtel, RJ Burnside and Associates: Bridge 2023 Rehabilitation Engineering Change Order No.1

Chris Knechtel, RJ Burnside and Associates attended the meeting and spoke to the Committee about the Bridge 2023 Rehabilitation Engineering Change Order No.1. He advised that going forward when doing Bridge Projects, they will try and lump a few bridges together to save on engineering costs, as they thought enough money had been budgeted, however there were a few requests for this Bridge during the permit process that were not usually required.

Recommendation:

The Roads Sub-Committee recommends to Council that we approve the \$17,400 requested for Bridge 2023 Engineering Change Order No.1.

Acting Sergeant R. Button – Dufferin OPP

Acting Sergeant R. Button was unable to attend the meeting.

Recommendation to Council

Recommendation is outlined above.

Public Question Period

None.

Confirmation Motion

Moved by Neilson, Seconded by White that all actions of the Members and Officers of the Roads Sub-Committee with respect to every matter addressed and/or adopted by the Sub-Committee on the above date are hereby adopted, ratified and confirmed; and each motion, resolution and other actions taken by the Sub-Committee Members at the meeting held on the above date are hereby adopted, ratified and confirmed. Carried.

Adjournment

10:07 a.m. - Moved by White, Seconded by Neilson that we adjourn this Roads Sub-Committee meeting to meet again on Monday, July 8th, 2024 at 9:30 a.m. or at the Call of the Chair. Carried.

CHAIR

SECRETARY

CENTRE DUFFERIN RECREATION COMPLEX
BOARD OF MANAGEMENT

Minutes of the Regular meeting held April 24, 2024 at 6:00pm in person

Attendance: Shane Hall Shelburne
 Robb Stinson Shelburne
 Ralph Moore Melancthon
 Andrew Stirk Amaranth
 Chris Gerrits Amaranth

 Kim Fraser Facility Administration Manager
 Marty Lamers Facility Maintenance Manager
 Emily Francis Recreation Program Coordinator

Absent: R. Plowright, M. Davie and D. Sample

Meeting called to order by Board Vice-Chair, Chris Gerrits at 6:00pm.
A quorum was present.

Land Acknowledgement:

Board Vice-Chair, Chris Gerrits read the land acknowledgement.

Declaration of Pecuniary Interests:

Board Vice-Chair, Chris Gerrits stated that if any member of the board had a disclosure of pecuniary interest that they could declare the nature thereof now or at any time during the meeting.

Agenda:

MOTION #1 – Moved by A. Stirk seconded by R. Moore. Be it resolved we approve the agenda dated April 24, 2024 as circulated and presented. Carried

Discussion & Approval of Minutes of Previous Meeting held March 13, 2024:

MOTION #2 – Moved by S. Hall seconded by R. Stinson. That the minutes of the CDRC Board of Management regular board meeting held on March 13, 2024 be approved as circulated and presented. Carried

Correspondence:

- Orangeville Food Bank – notice of relocating the Neighbours Community Market effective June 2024

MOTION #3 – Moved by A. Stirk seconded by R. Stinson. That correspondence is received and placed on file. Carried

Financial Report:

For review, draft financial statements year ended December 31, 2023 prepared by RLB were presented. Board members were asked to send any comments or questions before the next meeting. Report to be approved at next the meeting.

After review of the CDRC financial reports and accounts the following motion was presented.

MOTION #4 – Moved by R. Moore seconded by A. Stirk. That the CDRC Board of Management receive the financial reports and paid accounts in the amount of \$167,069.52, as presented by the Facility Administration Manager. Carried

Facility Administration Manager and Recreation Program Coordinator Reports:

See Schedule A

See Schedule B

MOTION #5 – Moved by R. Stinson seconded by R. Moore. That we receive the reports from the Facility Administration Manager and the Recreation Program Coordinator. Carried

Facility Maintenance Manager's Report:

See Schedule C

MOTION #6 - Moved by A. Stirk seconded by S. Hall. That we receive the report from the Facility Maintenance Manager. Carried

New Business:

DCCS Service Contract for Fee Subsidy 2024

MOTION #7 – Moved by R. Moore seconded by R. Stinson. Whereas Dufferin County Community Services and the CDRC are in an agreement for the funding of childcare services through the CDRC Summer Day Camp Program;

Be it resolved the CDRC Board of Management authorize the Facility Administration Manager to sign the attached Schedule D-Service Description Schedule 2024.

Carried

Pepsico 5-Year Beverage Agreement Renewal

MOTION #8 – Moved by A. Stirk seconded by S. Hall. That the CDRC Board of Management accepts the Pepsico 5-year beverage agreement and authorizes the Facility Administration Manager to sign the attached agreement. Carried

Next Meeting:

R. Moore requested Strategic Plan and Staff Performance Reviews be added to the next meeting agenda.

Confirmation by By-law:

MOTION #9 – Moved by S. Hall seconded by A. Stirk. Be it resolved that leave be given for the reading and enacting of by-law #03-2024 being a by-law to confirm certain proceedings of the CDRC Board of Management for its regular board meeting held April 24, 2024. Carried

Adjournment:

MOTION #10- Moved by R. Stinson seconded by R. Moore. That we now adjourn at 6:27pm to meet again on Wednesday, May 22, 2024 at 6:00pm or at the call of the chair. Carried

Secretary - Treasurer

Chairperson

Dated

SCHEDULE 'A'

Facility Administration Managers Report – April 24, 2024

General Overview/Information:

- Continual day-to-day administrative duties that include phone calls and walk-in inquiries, invoicing and collections, process payables and disbursements, bank deposits, rental contracts, bookings, monitoring the rental schedule, monthly account reconciliations and payroll administration.
- Completed the 2023 financial year end and responded to questions from RLB.
- 1st quarter municipal funding invoices prepared and sent
- Ongoing, receiving and responding to numerous and various facility rental booking requests and walk-ins.
 - o Received 17 rental request forms and approx. 8-10 phone/walk-in or email inquires
 - o Prepared rental contracts and insurance requirements

- Below is a snapshot of facility rentals

Week	Ice/Floor Rental Hrs	Event/Room Oth Rentals	
Week: Mar 11-17	35	3	
Week: Mar 18-24	37	2	
Week: Mar 25-31	26.5	2	
Week: Apr 1-7	-	4	
Week: Apr 8-14	-	2	
Week: Apr 15-21	29	2	

- Continuing to communicate with seasonal user groups and potential new rentals:
 - o Prepared seasonal floor rental contracts for Vets lacrosse, Shooters minor ball hockey and a pickup adult and youth ball hockey group, and floor scheduled are complete.
 - o Vets lacrosse are now occupying the large storage space for the season.
 - o Onsite visit held Apr 3rd to review floor plan for Job Fair on Apr 18th. Almost 500 attended Job Fair event.
 - o Onsite visit held Apr 4th to review floor plan for CDDHS Commencement ceremonies on June 26th
 - o SMHA season end awards night was April 16th. Upcoming AGM to be scheduled
 - o Shelburne Skating Club (SCS) AGM scheduled Apr 30th.
 - o Canadian Blood Services have booked a clinic on July 1st that will run 9am-1pm
- Communications with outstanding accounts receivables
- Seasonal summer offers of employment prepared and sent - approx. 50.
- Reviewed and proofread the Spring/Summer Recreation Guide prior to it going to print
- Responding to advertising space inquiries-Shelburne Rotary installing an arena wall sign

- Waiting to hear from UGDSB regarding community use application for outdoor green space
- Completed First Aid recertification on April 8th
- Wightmans internet – the order is submitted and a site visit will soon take place
- CSJ application approved – received notification on Apr 22nd for 12 positions \$27,489.60

New Business

- Office organization and purge old files
- Prepare job posting and hire for the recreation administrator position
- Prepare for ice scheduling meeting

Kim Fraser
Facility Administration Manager

SCHEDULE 'B'

Submitted By: Recreation Program Coordinator Emily Francis

To: CDRC Board of Management

Date: Wednesday April 24, 2024

Subject: Recreation Program Coordinator Report

March/April Overview

- Continuing to assist with day-to-day operations including phone inquiries, email inquiries, walk in inquiries.
- Continuing to make updates to the CDRC information on the Town of Shelburne website and actively creating graphics and posting on the CDRC social media. Creating posts for our lobby tv playlist.
- **Seasonal Summer Employment Opportunities** applications are now closed. We have reviewed resumes and conducted interviews for Seasonal Deck Supervisors, Lifeguard/Instructor and Head Day Camp (6 hours total). Saturday February 24, 2024, we held a Group Interview for the Summer Day Camp Counsellors. Individual interviews for camp counsellors began the week of March 4, 2024.
- **Spring/Summer 2024 Recreation Guide:** Scheduled to be distributed throughout Dufferin County on Thursday April 4, 2024, with the Shelburne Free Press
- The 2024 **Easter Skate Eggstravaganza** event was a success on Sunday March 24, 2024, from 11:00-1:30pm.
 - The Community Sports and Recreation Central Registration in the Town and Country Room from 10:00am-12:30pm.
 - Tim Hortons generously sponsored the 2-hour family skate, Main Street Family Dental provided the prizes for our colouring contest, Martin M of IG Wealth and Shelburne Driving school sponsored the complimentary Hot Chocolate/Popcorn and Rural Rescue First Aid sponsored where needed.
 - Received 75 submissions for the Easter Colouring Contest sponsored by Main Street Family Dental.
- **Spring Recreation Programs**
 - **Roller Skating:**
 - Drop in roller skating schedule for Friday April 26, Friday May 31 and Friday June 7, 2024.
 - **Youth Night Out:** We began a Friday Night Youth Night out in January and they are scheduled every 3 weeks until the end of June. The next youth night is scheduled for Friday May 3, 2024, and the theme is Active Games.
 - **Pickleball**
 - Weekly drop in pickleball scheduled for Wednesday morning, Friday morning and occasional Saturday morning. Additional time slots available for Court Reservation.
 - Spring Learn 2 Play Pickleball, Advanced Beginner Pickleball and Youth Learn 2 Play Pickleball begin on Thursday April 25, 2025. These programs will be instructed by Taylored Pickleball Academy.
 - **Babysitter Training Course** scheduled for Saturday May 11, 2024.
 - **Standard First Aid CPR-C/AED** Full Course and Recertification scheduled for Saturday May 11, 2024.

Spring/Summer 2024 Preparation

- CDRC Summer 2024 program registration opened online Tuesday April 2, 2024. Built all day camp and swimming programs into our Active Net software.
- Dufferin County Childcare Fee Subsidy:
 - Communicating with Dufferin County Community Services department regarding the Childcare Fee Subsidy program. Enrolling individuals in our camp program who are approved for camp through the childcare fee subsidy program.
- Preparing for the Head Day Camp Counsellors to begin on Monday May 13, 2024.
- Building seasonal summer staff schedules on Sling and familiarizing myself with the features.
- Preparing for upcoming seasonal summer staff meetings and trainings. The first meeting is scheduled for Monday May 13, 2024.
- Communicating with Marks regarding summer staff uniforms. Ordering samples for staff to try on prior to order.

Day Camp Registration

Week	# of campers	Total # of campers for week
1: Wild Water Week	67 Campers	67 campers
2. Camp Superhero	58 campers	78 campers
2. DIY Creative Campers (new)	20 campers	
3. Amazing Race	48 campers	73 campers
3. Soccer Sportacular (NEW)	24 campers	
3. Leaders in Training	1 camper	
4. Outdoor Fun	57 campers	75 campers
4. Junior Leaders	18 campers	
5. Summer Olympics	40 campers	64 campers
5. Basketball for Fun	24 campers	
6. Travel Adventures	64 campers	64 campers
7. Arts Palooza	51 campers	75 campers
7. Ball Hockey Mania	24 campers	
8. Hollywood Stars	55 campers	76 campers
8. Junior lifeguard Camp	21 campers	
9. Jungle Safari	40 campers	50 campers
9. Junior Lifeguard Camp	10 campers	

SCHEDULE 'C'

Facility Maintenance Managers Report –April 24, 2024

GENERAL INFORMATION

Staff scheduling and adjustments continually.

Posting for additional staff as per every year.

Ice removal Plant shut down floor cleaning and line painting lacrosse ball hockey and pickleball.

Paint bleachers clean and paint equipment room paint some floor areas paint lobby wall dressing room painted.

Pool dressing room prep for next season painting cleaning.

Purchased high volume slurry pump as a replacement.

Yard cleaning

Meeting preparation.

Job fair set up tear down.

Olympia snow pit grate fabricated, (Walter welding) and powder coated.

Repairing pool tiles, removing delaminated tile then prep surface for new tile and install weather dependent.

Repairing pool shell some areas lifting.

Ordered bulk tank for chlorine.

Ordering chemical and equipment supplies for pool.

Pool deck installation May 1st tentative date to begin.

Had a walk through with potential contractors and SBA for truss repair.

The attachment of the Truss Tender is for information only.



June 13, 2024

REQUEST FOR COMMENTS

Under the *NIAGARA ESCARPMENT PLANNING AND DEVELOPMENT ACT*

TO: All Escarpment municipalities
Ministry of Agriculture, Food and Rural Affairs
Ministry of Natural Resources and Forestry
Ministry of Environment, Conservation and Parks
Ministry of Heritage, Sport, Tourism and Culture Industries
Grey Sauble Conservation Authority
Bruce Trail Conservancy
Assessed owners of land within 120 m of the subject property

FROM: Janet Sperling
Niagara Escarpment Commission

RE: **NIAGARA ESCARPMENT PLAN AMENDMENT PC 227 22 – Durham Stone and Paving Incorporated**

Location: 825725 Grey Road 40
Part of the South Half of Lot 28, Concession 7 West (Formerly Township of Euphrasia), Municipality of Grey Highlands, Grey County

Proposal: To amend Part 1.9.3.15 of the Niagara Escarpment Plan (NEP) as a special policy specific to the Mineral Resource Extraction Area designation on the subject property. The landowner-initiated amendment proposes to lower the entire quarry floor extraction depth to an elevation of 402.0 metres above mean sea level (masl), except where an area of 401.8 masl is currently approved in the north-west corner of the property under an existing aggregate extraction licence.

-
- The Niagara Escarpment Commission, at its meeting of February 15, 2024, decided to initiate and circulate for comments, the proposed amendment noted

above. The amendment proposal has been posted on the Environmental Registry of Ontario at: <https://ero.ontario.ca/notice/019-8668>

Pursuant to Sections 7 and 10 (1) of the *Niagara Escarpment Planning and Development Act*, the Commission invites your comments on this proposed Niagara Escarpment Plan Amendment. The Initial Staff Report and Amendment documents can be found on the NEC website at: <https://escarpment.org/planning/niagara-escarpment-plan-active-plan-amendments/>

Please submit comments to the Niagara Escarpment Commission by 11:59pm on August 12, 2024. Should comments not be received by this date, the Commission will assume that you have no objection or comments on the proposed Amendment.

If you wish to receive further notice of the status of this application, you must submit a written request to the Commission.

Please submit comments to nec@ontario.ca.

Yours truly, _____

A handwritten signature in black ink, appearing to be 'Janet Sperling', written over a horizontal line.

Janet Sperling
A/Senior Strategic Advisor

RE: Streamlining of approvals under the *Aggregate Resources Act* and supporting policy

Greetings,

Further to my letter dated May 29th, 2023, I am writing to inform you that a decision notice has been posted regarding the “Proposed changes to the *Aggregate Resources Act*, Ontario Regulation 244/97 to expand self-filing activities and a new policy regarding amendments to existing aggregate approvals” (ERO #[019-6767](#)).

The Ministry of Natural Resources has made changes under the *Aggregate Resources Act* to expand the list of small or routine site plan changes to an existing pit or quarry that can be self-filed (subject to conditions). The ministry has also implemented a new policy for amending an existing aggregate licence, permit or site plan where approval by the ministry is required.

On August 18, 2023, Ontario Regulation 244/97 was amended to add additional site plan changes that can be made without ministry approval when certain conditions and eligibility criteria are met. For a complete list of these changes, conditions and eligibility criteria, please refer to section 7.2 of the regulation, which can be viewed at: <https://www.ontario.ca/laws/regulation/970244>

In addition, the ministry has introduced a new amendment policy that clarifies the requirements and approach to public notification and consultation, as well as provides direction on the requirements when applying for an amendment, and guides ministry decision-making for amendment applications (including what constitutes significant and non-significant amendments). Effective immediately, this policy replaces 14 existing aggregate policies and procedures. For a complete list, please refer to the decision notice.

To view the complete details of this decision, please click on the link above or visit the Environmental Registry of Ontario at ero.ontario.ca and search for ERO number 019-6767.

If you have any questions regarding these changes, please contact us by email at aggregates@ontario.ca.

Sincerely,

Jennifer Keyes,
Director, Development and Hazard Policy Branch

Denise Holmes

From: Jennifer Shephard <jshephard@mulmur.ca>
Sent: Thursday, June 20, 2024 9:16 AM
To: Denise Holmes
Subject: Council Endorsement

Please be advised that at the Mulmur Council meeting on **June 3, 2024** Council passed the following motion of endorsements:

11.4 Township of Melancthon: Significant Incidents and Reporting

Moved by Lyon and Seconded by Cunningham

That Council receives the information items as copied;

And that the following items be endorsed: 11.2, 11.4, 11.5, 11.7

Carried.

Please let me know if you have any questions.

All the best,

Jennifer Shephard | Office & Communications Coordinator
Township of Mulmur | 758070 2nd Line E Mulmur, ON L9V 0G8 | www.mulmur.ca
Phone 705-980-1194 | Fax 705-466-2922 | jshephard@mulmur.ca

Visit our website to sign up for E-Billing and receive your property tax and/or water bill(s) by email.

This message (including attachments, if any) is intended to be confidential and solely for the addressee. If you received this e-mail in error, please delete it and advise me immediately. E-mail transmission cannot be guaranteed to be secure or error-free and the sender does not accept liability for errors or omissions.



Grand River Conservation Authority

Summary of the General Membership Meeting – June 28, 2024

To GRCA/GRCF Boards and Grand River watershed municipalities - Please share as appropriate.

Action Items

The Board approved the resolutions in the following reports as presented in the agenda:

- GM-06-24-62 - Financial Summary
- GM-06-24-56 - Requests for Proposals - Planning Consulting Services, Plan Review and Permits
- GM-06-24-54 - Region of Waterloo East Side Lands Stage 2 Master Drainage Plan and Floodplain Mapping Update
- GM-06-24-58 - Provincial Offences Act Officer Designations - Section 30 Conservation Areas
- GM-06-24-57 - Conservation Authority Land Inventory
- GM-06-24-64 - Niska Landholdings Management Plan
- GM-06-24-51 - Final draft Watershed-based Resource Management Strategy
- GM-06-24-C06 – Confidential Report, Resolution carried in closed in accordance with the Municipal Act
- GM-06-24-C07 – Confidential Report, Resolution carried in open session.

Information Items

The Board received the following reports as information:

- GM-06-24-60 - Cash and Investment Status
- GM-06-24-53 - Guidance on By-law and Exception Requests for Chair and Vice-Chair(s)
- GM-06-24-55 - Integrated Halton Planning Memorandum of Understanding
- GM-06-24-59 - Byng Island Conservation Area Seasonal Camping Program Update
- GM-06-24-52 - Water Quality in the Grand River Watershed
- GM-06-24-63 - Current Watershed Conditions

Correspondence

The Board received the following correspondence:

- Larry Bond - Management of Conestogo River
- Halton Region - 2024 Integrated Halton Planning System MOU
- Halton Region - Tree By-law and Woodlands Stewardship Program 2023 Annual Report
- Patti Maurice - Niska Landholdings Management Plan
- Andrew McCammon, Ontario Headwaters Institute - Identification and potential transfer of surplus lands

Delegations

There were 10 registered delegations.

- Dr. Hugh Whiteley - Niska Landholdings Management Plan
- Kate Johnson - Hillside Festival Request
- Jerry Demianiw - Property Information
- Laura Murr - Niska Landholdings Management Plan
- Susan Watson - Niska Landholdings Management Plan
- Horeen Hassan - Niska Landholdings Management Plan
- Neville Kidd - Byng Island CA Seasonal Camping Program
- Randall Rittenhouse - Byng Island CA Seasonal Camping Program
- Kevin Thomason - Conservation Authority Land Inventory
- Mike Marcolongo - Conservation Authority Lands Inventory

Source Protection Authority

The General Membership also acts as the Source Protection Authority Board. No meeting was held in June.

For full information, please refer to the [June 28 Agenda Package](#). Complete agenda packages and minutes of past meetings can be found on our [online calendar](#). The minutes of this meeting will be posted on our online calendar following approval at the next meeting of the General Membership.

You are receiving this email as a GRCA board member, GRCF board member, or a Grand River watershed member municipality. If you do not wish to receive this monthly summary, please respond to this email with the word 'unsubscribe'.

INFO 4

JULY 18 2024

**Grand River Conservation Authority
Members Attendance
January 1 - December 31, 2023**

First Name	Last Name	January 26	February 23	March 22	April 26	May 24	June 28	July	August 23	September 27	October 25	November 22	December 13	Total Attendance
Bruce	Banbury	m	m	m	m	m	m							3
Christine	Billings	v	v	v	v	v	v							3
Gino	Caputo	v	v	v	A	v	v							3
John	Challinor II	m	m	m	m	m	m							3
Ken Yee	Chew	m	m	v	v	v	m							3
Brian	Coleman	m	m	m	m	A	m							3
Doug	Craig	m	m	m	A	m	v							3
Kevin	Davis	m	m	m	m	m	m							3
Mike	Devine	m	A	m	m	m	m							2
Jim	Erb	m	v	m	m	A	m							3
Susan	Foxtton	m	m	m	m	m	m							3
Guy	Gardhouse	v	m	v	v	v	v							3
Gord	Greavette	m	m	v	m	m	m							3
Lisa	Hern	v	v	v	v	v	v							3
Colleen	James	A	v	v	v	m	v							2
Daniel	Lawrence	v	v	v	m	v	v							3
David	Miller	m	A	m	A	m	m							2
Natasha	Salonen	m	v	v	v	v	A							3
Sandy	Shantz	v	v	v	m	v	A							3
Rob	Shirton	m	v	v	v	v	v							3
Jerry	Smith	v	m	m	m	m	m							3
Shawn	Watters	m	m	m	m	v	m							3
Chris	White	m	m	m	m	m	m							3
Kari	Williams	m	m	v	v	v	m							3
Alex	Wilson	A	A	A	v	A	A							0
Pam	Wolf	v	m	m	v	m	v							3
Total	In-person	16	14	13	13	12	14	0	0	0	0	0	0	
Total	Virtual	8	9	12	10	11	9	0	0	0	0	0	0	
Total	Attendance	24	23	25	23	23	23	0	0	0	0	0	0	

		1	2	3
Audit Committee				
Guy	Gardhouse	x		
Chris	White	x	x	
Sue	Foxtton	x	x	
John	Challinor	x	x	
Brian	Coleman	x	x	
Shawn	Watters	x	x	
Kevin	Davis		x	
Pam	Wolf	x	x	

		1	2
Board Composition			
Chris	White		
Sue	Foxtton		
Ken	Chew		
Doug	Craig		
Alex	Wilson		
Pam	Wolf		

		1	2	3	4	5
Ad-hoc CA Act Review						
Chris	White	x				
Sue	Foxtton	x				
John	Challinor	x				
David	Miller	x				
Shawn	Watters	x				

		1	2	3
Audit Committee:				
1	14-Feb-24			
2	26-Apr-24			
3	23-Nov-24			

		1	2
Board Composition			
1			
2			

		1	2	3	4	5
Ad-hoc CA Act						
1	2-May-24					
2						
3						
4						
5						

M = In-person/Mileage paid
V = Virtual/No mileage paid
A = Absent

**Meetings shaded have been held virtually and do not pay mileage*
**Meetings shaded have been hybrid and mileage may occur*

This form is to be used to petition municipal council for a new drainage works under the *Drainage Act*. It is not to be used to request the improvement or modification of an existing drainage works under the *Drainage Act*.

To: The Council of the Corporation of the Township of Melancthon

The area of land described below requires drainage (provide a description of the properties or the portions of properties that require drainage improvements)

Pt. W1/2 Lot 10, Concession 4 O.S. requires an outlet for the installation of tile drainage on the westerly portion of the property.



In accordance with section 9(2) of the *Drainage Act*, the description of the area requiring drainage will be confirmed or modified by an engineer at the on-site meeting.

As owners of land within the above described area requiring drainage, we hereby petition council under subsection 4(1) of the *Drainage Act* for a drainage works. In accordance with sections 10(4), 43 and 59(1) of the *Drainage Act*, if names are withdrawn from the petition to the point that it is no longer a valid petition, we acknowledge responsibility for costs.

Purpose of the Petition (To be completed by one of the petitioners. Please type/print)

Contact Person (Last Name) Bauman	(First Name) Eli	Telephone Number [REDACTED] ext.
--------------------------------------	---------------------	-------------------------------------

Address	
Road/Street Number [REDACTED]	Road/Street Name [REDACTED]

Location of Project			
Lot Pt. Lot 2	Concession 3 N.E.	Municipality Melancthon	Former Municipality (if applicable) N/A

What work do you require? (Check all appropriate boxes)

- Construction of new open channel
- Construction of new tile drain
- Deepening or widening of existing watercourse (not currently a municipal drain)
- Enclosure of existing watercourse (not currently a municipal drain)
- Other (provide description ▼)

Boring installation required under County Road 17

Name of watercourse (if known)
No existing watercourse

Estimated length of project
110 m

General description of soils in the area
Caledon Fine Sandy Loam

What is the purpose of the proposed work? (Check appropriate box)

- Tile drainage only
- Surface water drainage only
- Both

Petition filed this 5th day of June, 2024

Name of Clerk (Last, first name)
Holmes, Denise

Signature


[Print Form](#) [Clear Form](#)

- Your municipal property tax bill will provide the property description and parcel roll number.
- In rural areas, the property description should be in the form of (part) lot and concession and civic address.
- In urban areas, the property description should be in the form of street address and lot and plan number if available.
- If you have more than two properties, please take copy(ies) of this page and continue to list them all.

Number 1	Property Description Pt. W1/2 Lot 10, Con. 4 O.S.
-------------	--

Ward or Geographic Township Melancthon	Parcel Roll Number 2219 000 006 11250 0000
---	---

I hereby petition for drainage for the land described and acknowledge my financial obligations.

Ownership


Sole Ownership

Owner Name (Last, First Name) (Type/Print)	Signature	Date (yyyy/mm/dd)
--	-----------	-------------------

Partnership (Each partner in the ownership of the property must sign the petition form)

Owner Name (Last, First Name) (Type/Print)	Signature	Date (yyyy/mm/dd)

Corporation (The individual with authority to bind the corporation must sign the petition)

Name of Signing Officer (Last, First Name) (Type/Print) Martin, Isaiah	Signature 
Name of Corporation 1000406582 Ontario Inc.	I have the authority to bind the Corporation.
Position Title President	Date (yyyy/mm/dd) 2024/05/16

Number	Property Description
--------	----------------------

Ward or Geographic Township	Parcel Roll Number
-----------------------------	--------------------

I hereby petition for drainage for the land described and acknowledge my financial obligations.

Ownership

Sole Ownership

Owner Name (Last, First Name) (Type/Print)	Signature	Date (yyyy/mm/dd)
--	-----------	-------------------

Partnership (Each partner in the ownership of the property must sign the petition form)

Owner Name (Last, First Name) (Type/Print)	Signature	Date (yyyy/mm/dd)

Corporation (The individual with authority to bind the corporation must sign the petition)

Name of Signing Officer (Last, First Name) (Type/Print)	Signature
Name of Corporation	I have the authority to bind the Corporation.
Position Title	Date (yyyy/mm/dd)

<input type="checkbox"/> Check here if additional sheets are attached	Clerk initial
---	---------------

Petitioners become financially responsible as soon as they sign a petition.

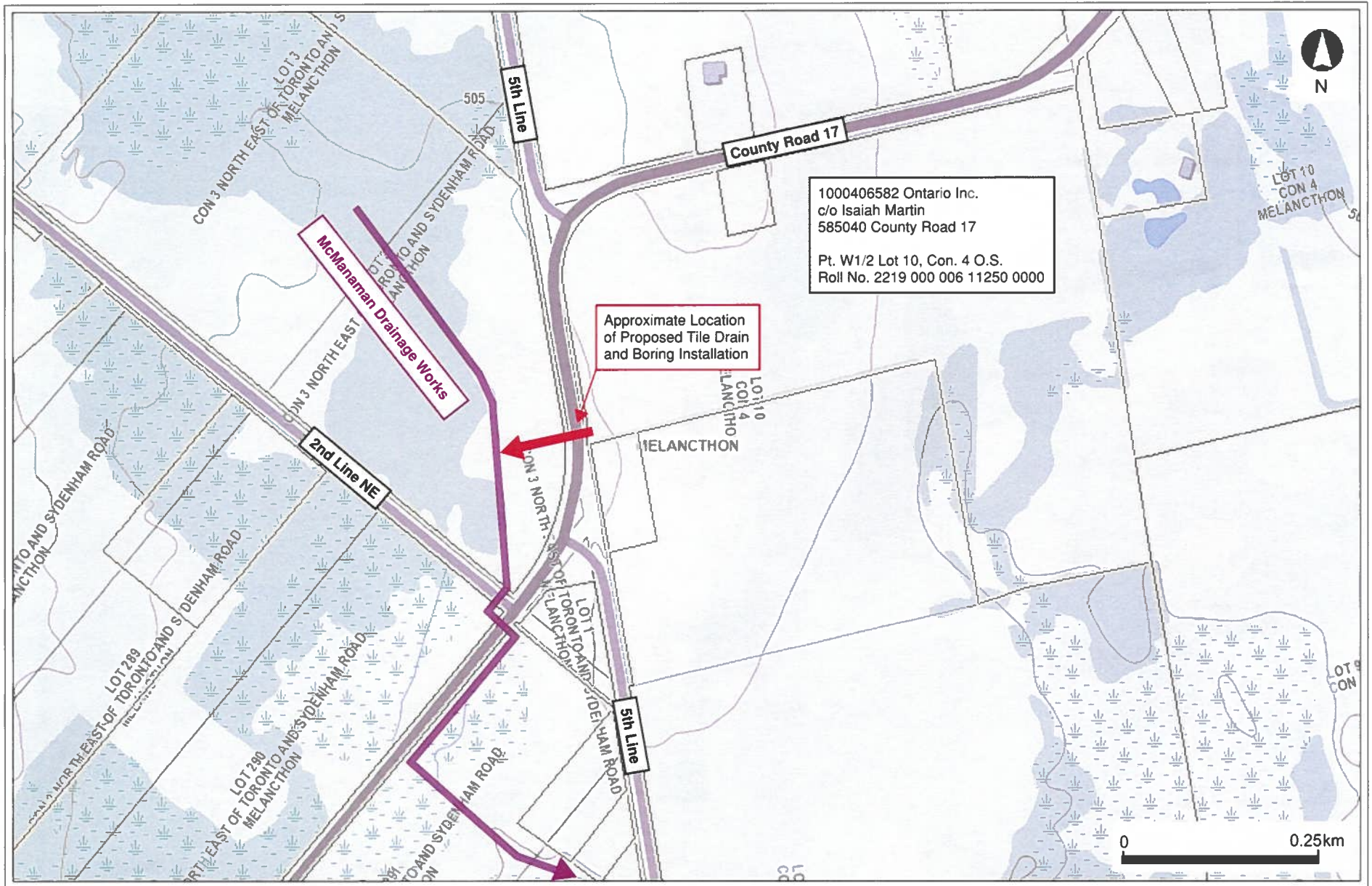
- Once the petition is accepted by council, an engineer is appointed to respond to the petition. *Drainage Act, R.S.O. 1990, c. D. 17 subs. 8(1).*
- After the meeting to consider the preliminary report, if the petition does not comply with section 4, the project is terminated and the original petitioners are responsible in equal shares for the costs. *Drainage Act, R.S.O. 1990, c. D. 17 subs. 10(4).*
- After the meeting to consider the final report, if the petition does not comply with section 4, the project is terminated and the original petitioners are responsible for the costs in shares proportional to their assessment in the engineer's report. *Drainage Act, R.S.O. 1990, c. D. 17 s. 43.*
- If the project proceeds to completion, a share of the cost of the project will be assessed to the involved properties in relation to the assessment schedule in the engineer's report, as amended on appeal. *Drainage Act, R.S.O. 1990, c. D. 17 s. 61.*

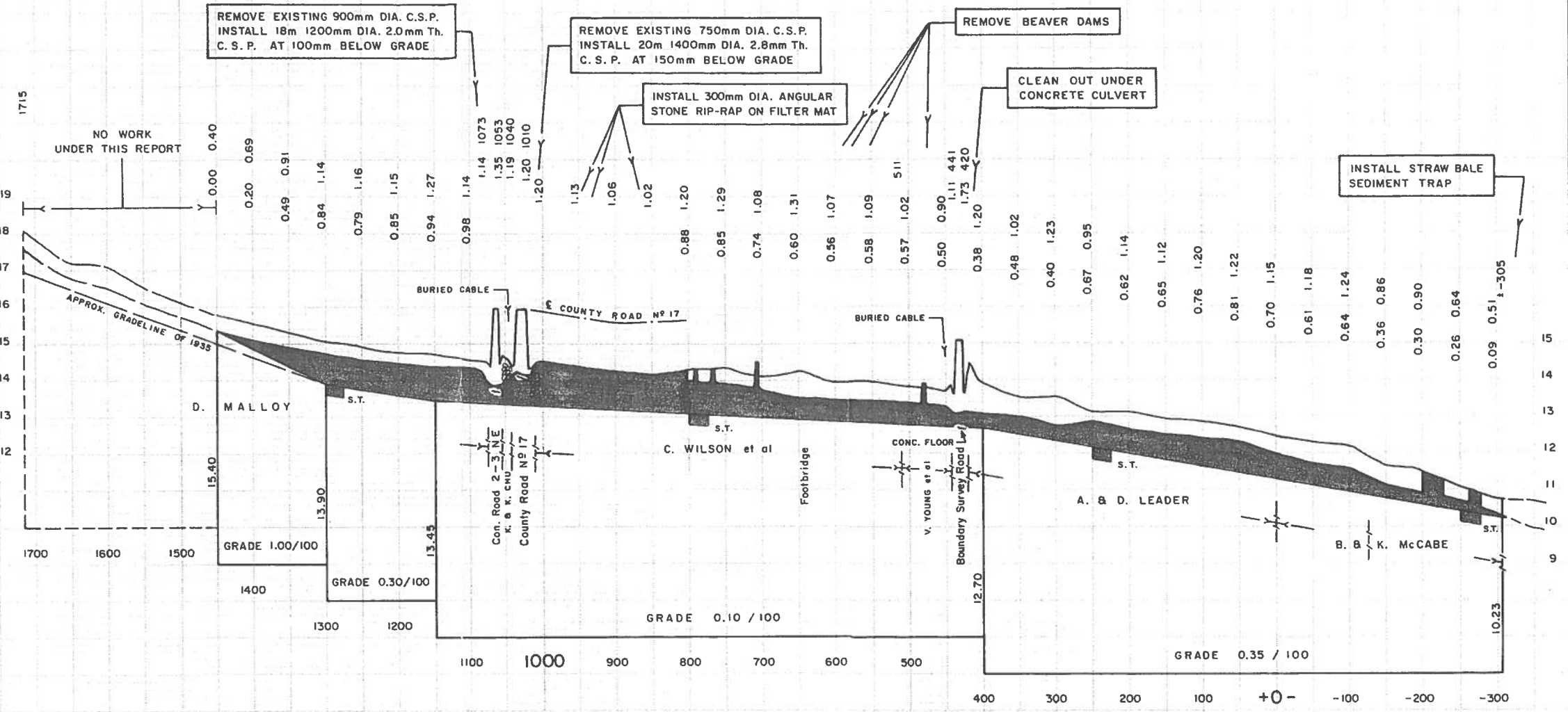
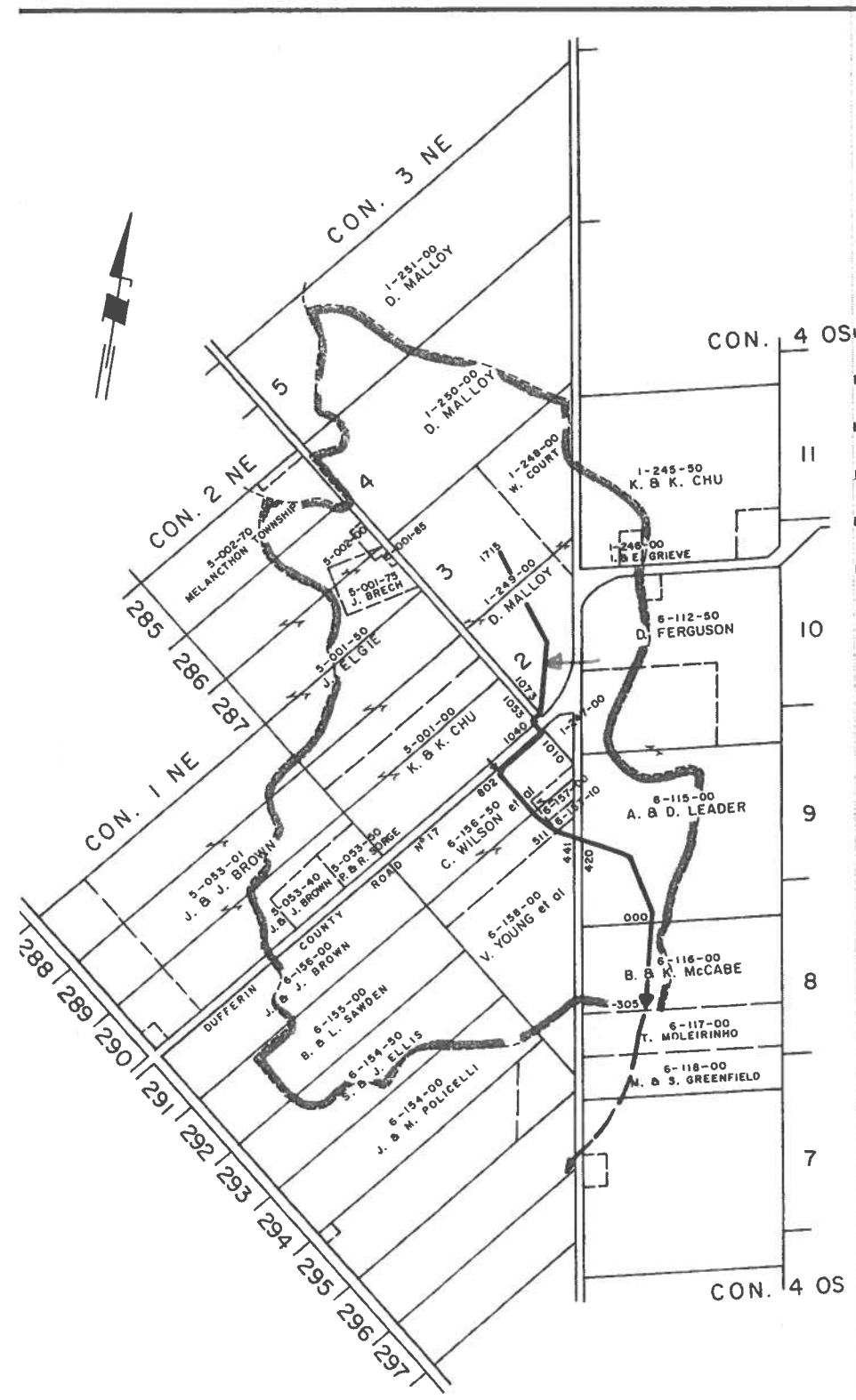
Notice of Collection of Personal Information

Any personal information collected on this form is collected under the authority of the *Drainage Act, R.S.O. 1990, c. D.17* and will be used for the purposes of administering the Act. Questions concerning the collection of personal information should be directed to: where the form is addressed to a municipality (municipality to complete)

and where the form is addressed to a territory without municipal organization, the Drainage Coordinator, Ministry of Agriculture, Food and Rural Affairs, 1 Stone Rd W, Guelph ON N1G 4Y2, 519 826-3552.

ISAIAH MARTIN - PETITION UNDER THE DRAINAGE ACT





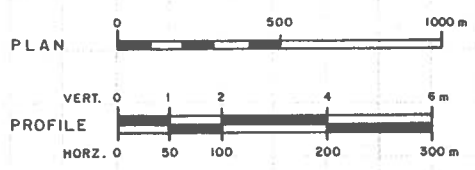
BENCH MARKS

-300	SPIKE IN 300mm DIA. CEDAR TREE	5m E.	11.47
425	TOP CENTRE DOWNSTREAM CONC. WHEELGUARD		15.00
802	TOP CENTRE 900mm DIA. C.S.P.	5m NW.	14.82
1014	TOP CENTRE 450mm DIA. C.S.P.	16m NE.	14.83

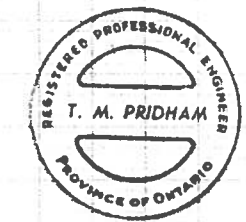
BOTTOM WIDTH : 1.0 metre throughout
SIDE SLOPES : 2:1 (H:V)
SILT TRAP (S.T.) : 25m X 0.3m (L x D)

PLAN and PROFILE
 OF THE
McMANAMAN DRAINAGE WORKS
 IN THE
TOWNSHIP OF MELANCTHON

SCALES



DATED, 1999 09 30
 Orangeville, Ontario



SIGNED, *Tom Pridham*, P. Eng.
R. J. BURNSIDE & ASSOCIATES LTD.
 Engineers, Hydrogeologists, Environmental Consultants

**Notice of Request for Drain Maintenance
and/or Repair**

Drainage Act, R.S.O. 1990, c. D.17, subs. 79(1)

To: The Clerk of the Corporation of the Township of Melancthon

Re: Gray Municipal Drain
(Name of Drain)

In accordance with section 74 and 79(1) of the *Drainage Act*, take notice that I, as a person affected by the above mentioned drain, request that it be maintained and repaired.

Provide a brief description of how you are affected by the condition of this drain:
The drain has has silted in considerably above the design grade. Additionally, there is substantial vegetation growth in the cross section of the drain that is impeding the flow of water.

Property Owners:

- Your municipal property tax bill will provide the property description and parcel roll number.
- In rural areas, the property description should be in the form of (part) lot and concession and civic address.
- In urban areas, the property description should be in the form of street address and lot and plan number, if available.

Property Description
Pt. Lot 17, Concession 6 S.W.

Ward or Geographic Township <u>Melancthon</u>	Parcel Roll Number <u>2219 000 004 08100 0000</u>
--	--



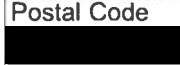
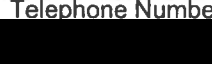
If property is owned in partnership, all partners must be listed. If property is owned by a corporation, list the corporation's name and the name and corporate position of the authorized officer. Only the owner(s) of the property may request drain maintenance and/or repair.

Sole Ownership

Individual or Sole Ownership

Name (Last Name, First Name)	Signature	Date (yyyy/mm/dd)
<u>Holmes, Kenneth</u>		<u>2024/06/25</u>

Enter the mailing address and primary contact information:

Last Name <u>Holmes</u>		First Name <u>Kenneth</u>	Middle Initial <u>E.</u>
Mailing Address			
Unit Number	Street/Road Number	Street/Road Name	PO Box
			
City/Town <u>Melancthon</u>		Province <u>Ontario</u>	Postal Code 
Telephone Number 	Cell Phone Number (Optional)	Email Address (Optional)	

To be completed by recipient municipality:

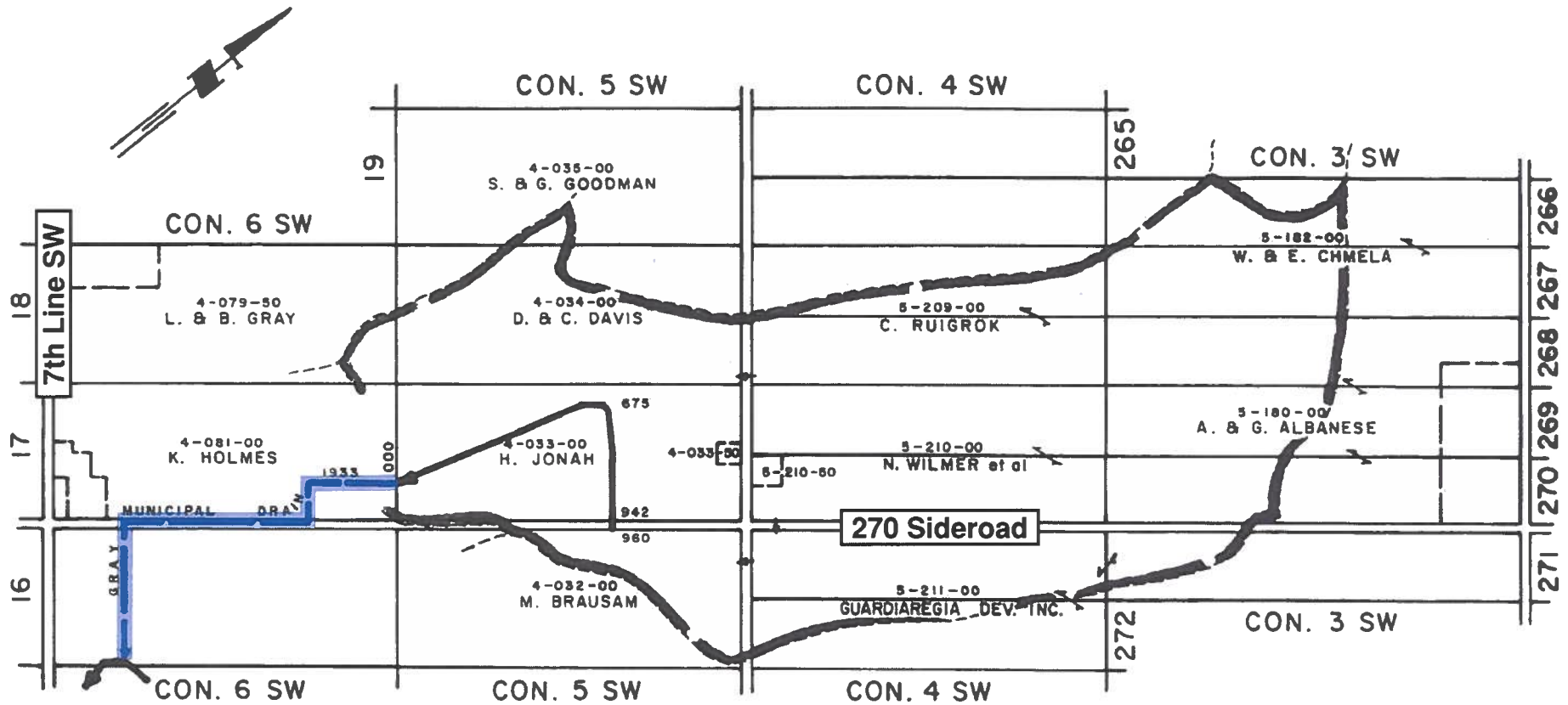
Notice filed this 9th day of July 20 24

Name of Clerk (Last Name, First Name)

Holmes, Denise

Signature of Clerk

A handwritten signature in cursive script that reads "Denise E. Holmes". The signature is written in black ink and is positioned in the right-hand column of the form, directly below the "Signature of Clerk" label.



Gray Municipal Drain - Location Plan

DRAFT RESOLUTION

Gray Municipal Drain

Be it resolved that: *“Council accept the notification for maintenance and repair of the Gray Municipal Drain under Section 74 and 79(1) of the Drainage Act, 1990, signed by Kenneth (Ken) Holmes, owner of Pt. Lot 17, Concession 6 SW. We direct Tom Pridham, P.Eng., Drainage Superintendent to investigate and report back to Council on his findings and recommendations.”*



July 2, 2024

Via: Email

Denise Holmes, A.M.C.T.
CAO/Clerk
Township of Melancthon
157101 Highway 10
Melancthon ON L9V 2E6

Dear Denise:

**Re: Stewart Drainage Works
By-Law No. 32-1993
File No. D-ME-SUP
Project No.: MSO019743.2024**

On April 18, 2024, Council accepted a notification for maintenance and repair of the Stewart Drainage Works signed by Leonard (Leo) and Alice Blydorp, owners of Lot 271-273, Concession 3 and 4 SW. Council subsequently directed that we investigate and report back with our findings and recommendations.

The Stewart Drainage Works originates at the junction with the Mud Creek in Lot 15, Concession 7 SW and continues upstream, terminating on the south-side of the 270 Sideroad at the Concession 1 SW / Concession 2 SW lot line, as shown on the attached plan. The total length of the drain is 7,151 m (23,461 ft.). The drain was last repaired and improved under a 1993 report adopted by By-law No. 32-1993. Little work has been done on the drain over the last 30 years other than trapping and removal of beaver dams at various locations.

Our field investigation found that the Drain was obstructed by an accumulation of sediment as well as extensive vegetation and tree growth at various locations. Based on our field investigation and discussions with the directly affected owners, we recommend that the entire length of the drain be cleaned out.

The estimated cost of the work is \$65,000.00 plus H.S.T. This cost is assessable to the watershed in accordance with Section 74 of the Drainage Act. No costs will be levied until 2025 as the excavated material will require some time to dry out before levelling. We recommend that Demmans Excavating Inc. be retained on an hourly basis to complete the work. Mr. Demmans completed the work under the 1993 report and has provided excellent work on other clean-outs in the same area.

Should you have any questions, or if we can be of any further assistance, please call.

Yours truly,

R.J. Burnside & Associates Limited

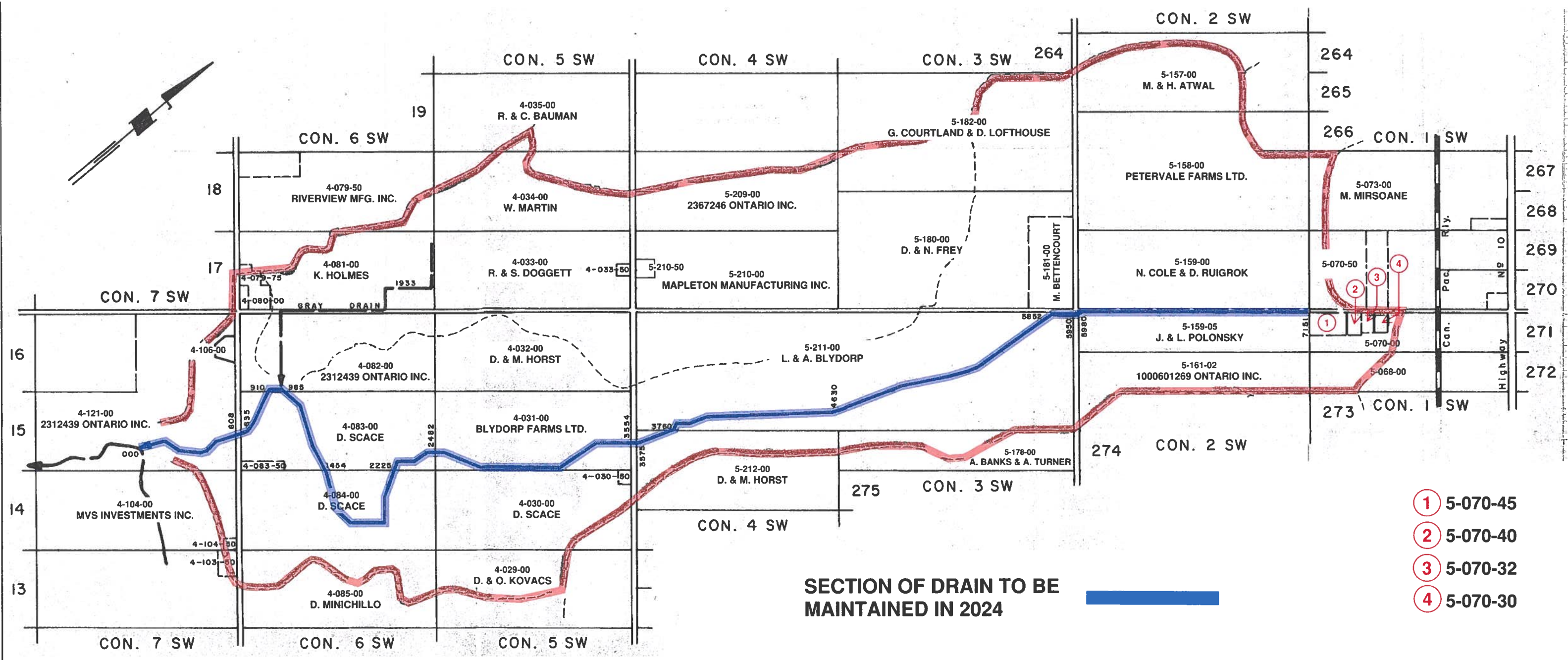
A handwritten signature in black ink, appearing to read 'Tom Pridham', written over a horizontal line.

T.M. Pridham, P.Eng.
Drainage Engineer
TMP:ao

Enclosure(s) Stewart Drainage Works Location Plan

Other than by the addressee, copying or distribution of this document, in whole or in part, is not permitted without the express written consent of R.J. Burnside & Associates Limited.

240702_DHolmes Stewart Drainage Works_019743.2024
28/06/2024 1:54 PM



Stewart Drainage Works - Location Plan

R.J. Burnside & Associates Limited
 Drainage Superintendent
 July 2024

Denise Holmes

From: Denise Holmes
Sent: Wednesday, July 10, 2024 9:40 AM
To: Denise Holmes
Subject: County of Dufferin Economic Development Strategy

From: Yaw Ennin <yennin@dufferincounty.ca>
Sent: Tuesday, July 9, 2024 8:41 PM
To: Denise Holmes <dholmes@melancthontownship.ca>
Subject: RE: Follow up

Hi Denise,

Thanks for the follow up. To confirm, I was hoping you would be able to pose a couple of questions to your Council and provide a summary of their responses. The questions are as follows:

1. What does a successful and thriving Melancthon look like in 10 years?
2. What are the tangible and intangible assets in our community that can leveraged?
3. What needs to be in place to achieve this 10-year vision?
 - Which of these would need to be prioritized (3-5 maximum)

Happy to provide further clarification if needed.

Regards,

Yaw Ennin, Manager | Economic Development | County of Dufferin

Phone: 519-942-7131 | yennin@dufferincounty.ca | 30 Centre Street, Orangeville, ON L9W 2X1

DufferinCounty.ca | JoininDufferin | DufferinMuseum.com

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON

BY-LAW NUMBER _____ - 2024

**BEING A BY-LAW TO AUTHORIZE THE EXECUTION OF A
MUNICIPAL FUNDING AGREEMENT ON THE CANADA
COMMUNITY-BUILDING FUND**

WHEREAS the Township of Melancthon wishes to enter into an Agreement in order to participate in the Canada Community-Building Fund;

AND WHEREAS to receive funding under the Agreement, the Council of the Township of Melancthon must authorize the execution of a Municipal Funding Agreement with the Association of Municipalities of Ontario;

NOW THEREFORE THE CORPORATION OF THE TOWNSHIP OF MELANCTHON BY THE MUNICIPAL COUNCIL THEREOF ENACTS AS FOLLOWS:

1. THAT the Mayor and Clerk are hereby authorized to execute the Municipal Funding Agreement on the Canada Community-Building Fund between the Association of Municipalities of Ontario and the Township of Melancthon, in the same form or substantially the same form, as attached hereto as Schedule "A" to this By-law.

BY-LAW READ A FIRST AND SECOND TIME THIS 18TH DAY OF JULY, 2024.

BY-LAW READ A THIRD TIME AND PASSED THIS 18TH DAY OF JULY, 2024.

MAYOR

CLERK

MUNICIPAL FUNDING AGREEMENT ON THE CANADA COMMUNITY-BUILDING FUND

BETWEEN:

THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO

(referred to herein as “**AMO**”)

AND:

THE TOWNSHIP OF MELANCTHON

(a municipal corporation pursuant to the *Municipal Act, 2001*, referred to herein as the “**Recipient**”)

WHEREAS the Government of Canada, the Government of Ontario, AMO, and the City of Toronto are signatories to the Administrative Agreement on the Canada Community-Building Fund effective April 1, 2024 (the “**Administrative Agreement**”), which governs the transfer and use of the Canada Community-Building Fund (“**CCBF**”) in Ontario;

AND WHEREAS AMO is responsible for the administration of CCBF funding made available to all Municipalities in Ontario – except the City of Toronto – under the Administrative Agreement, and will therefore undertake (and require the Recipient to undertake) certain activities as set out in this Agreement;

AND WHEREAS the Recipient wishes to enter into this Agreement to access CCBF funding;

NOW THEREFORE the Parties agree as follows:

1. DEFINITIONS AND INTERPRETATIONS

1.1 **Definitions.** For the purposes of this Agreement, the following terms shall have the meanings ascribed to them below:

“Annual Report” means the duly completed report to be prepared and delivered to AMO as described in Section 6.1.

“Asset Management” is a principle/practice that includes planning processes, approaches, plans, or related documents that support an integrated lifecycle approach to the effective stewardship of infrastructure assets to maximize benefits and effectively manage risk.

“Canada” means the Government of Canada, as represented by the Minister of Housing, Infrastructure and Communities.

“Canada Community-Building Fund” or “CCBF” means the program established under section 161 of the *Keeping Canada’s Economy and Jobs Growing Act*, S.C. 2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33, as the Gas Tax Fund and renamed the Canada Community-Building Fund in section 199 of *Budget Implementation Act, 2021, No. 1*.

“Contract” means an agreement between the Recipient and a Third Party whereby the latter agrees to supply a product or service to an Eligible Project in return for financial consideration.

“Eligible Expenditure” means an expenditure described as eligible in Schedule B or deemed eligible by Canada in accordance with Section 4.2.

“Eligible Investment Category” means an investment category listed in Schedule A or deemed eligible by Canada in accordance with Section 3.2.

“Eligible Project” means a project that fits within an Eligible Investment Category.

“Event of Default” has the meaning given to it in Section 13.1 of this Agreement.

“Funds” mean the funds made available to the Recipient through the CCBF or any other source of funding as determined by Canada. Funds are made available pursuant to this Agreement and includes any interest earned on the said Funds. Funds transferred to another Municipality in accordance with Section 5.3 of this Agreement are to be treated as Funds by the Municipality to which the Funds are transferred; and Funds transferred to a non-municipal entity in accordance with Section 5.4 of this Agreement shall remain as Funds under this Agreement for all purposes and the Recipient shall continue to be bound by all provisions of this Agreement with respect to such transferred Funds.

“Housing Needs Assessment” or **“HNA”** means a report informed by data and research describing the current and future housing needs of a Municipality or community according to guidance provided by Canada.

“Ineligible Expenditures” means those expenditures described as ineligible in Schedule C or deemed ineligible by Canada in accordance with Section 4.2.

“Infrastructure” means tangible capital assets that are primarily for public use or benefit in Ontario – whether municipal or regional, and whether publicly or privately owned.

“Lower-Tier Municipality” means a Municipality that forms part of an Upper-Tier Municipality for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001, c. 25.

“Municipal Fiscal Year” means the period beginning January 1st of a year and ending December 31st of the same year.

“Municipality” and **“Municipalities”** means every municipality as defined under the *Municipal Act, 2001*, S.O. 2001, c. 25.

“Non-Municipal Transfer By-law” means a by-law passed by Council of the Recipient pursuant to Section 5.4 of this Agreement.

“Parties” means AMO and the Recipient.

“Prior Agreement” means the municipal funding agreement for the transfer of federal gas tax funds entered into by AMO and the Recipient, effective April 2014 and with an expiry date of March 31, 2024.

“Single-Tier Municipality” means a Municipality, other than an Upper-Tier Municipality, that does not form part of an Upper-Tier Municipality for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001 c. 25.

“Third Party” means any person or legal entity, other than the Parties to this Agreement, who participates in the implementation of an Eligible Project by means of a Contract.

“Transfer By-law” means a by-law passed by Council of the Recipient pursuant to Section 5.3 of this Agreement.

“Unspent Funds” means the amount reported as unspent by the Recipient as of December 31, 2023 in the Recipient’s 2023 Annual Report (as defined under the Prior Agreement).

“Upper-Tier Municipality” means a Municipality of which two or more Lower-Tier Municipalities form part for municipal purposes, as defined under the *Municipal Act, 2001*, S.O. 2001 c. 25.

1.2 Interpretations

- a) **“Agreement”** refers to this agreement as a whole, including the cover and execution pages and all of the schedules hereto, and all amendments made hereto in accordance with the provisions hereof.
- b) The words **“herein”**, **“hereof”** and **“hereunder”** and other words of similar import refer to this Agreement as a whole and not any particular schedule, article, section, paragraph or other subdivision of this Agreement.
- c) The term **“including”** or **“includes”** means including or includes (as applicable) without limitation or restriction.
- d) Any reference to a federal or provincial statute is to such statute and to the regulations made pursuant to such statute as such statute and regulations may at any time be amended or modified and in effect and to any statute or regulations that may be passed that have the effect of supplementing or superseding such statute or regulations.

2. TERM OF THE AGREEMENT

- 2.1 **Term.** Subject to any extension or termination of this Agreement or the survival of any of the provisions of this Agreement pursuant to the provisions contained herein, this Agreement shall come into effect as of April 1, 2024 up to and including March 31, 2034.
- 2.2 **Review.** This Agreement will be reviewed by AMO by June 30, 2027.
- 2.3 **Amendment.** This Agreement may be amended at any time in writing as agreed to by AMO and the Recipient.
- 2.4 **Notice.** Any of the Parties may terminate this Agreement on two (2) years written notice.
- 2.5 **Prior Agreement.** The Parties agree that the Prior Agreement, including Section 15.5 thereof, is hereby terminated. Notwithstanding the termination of the Prior Agreement, including Section 15.5, the reporting and indemnity obligations of the Recipient thereunder with respect to expended Funds governed by the Prior Agreement as set forth in Sections 5, 7, 10.3, 10.4 and 10.5 of the Prior Agreement shall survive the said termination.

3. ELIGIBLE PROJECTS

- 3.1 **Eligible Projects.** Eligible Projects are those that fit within an Eligible Investment Category. Eligible Investment Categories are listed in Schedule A.
- 3.2 **Discretion of Canada.** The eligibility of any investment category not listed in Schedule A is solely at the discretion of Canada.
- 3.3 **Recipient Fully Responsible.** The Recipient is fully responsible for the completion of each Eligible Project in accordance with Schedule A and Schedule B.

4. ELIGIBLE EXPENDITURES

- 4.1 **Eligible Expenditures and Ineligible Expenditures.** Eligible Expenditures are described in Schedule B. Ineligible Expenditures are described in Schedule C.
- 4.2 **Discretion of Canada.** The eligibility of any item not listed in Schedule B or Schedule C to this Agreement is solely at the discretion of Canada.
- 4.3 **Reasonable Access.** The Recipient shall allow AMO and Canada reasonable and timely access to all documentation, records and accounts and those of their respective agents or Third Parties related to the receipt, deposit and use of Funds and Unspent Funds, and any interest earned thereon, and all other relevant information and documentation requested by AMO or Canada or their respective designated representatives for the purposes of audit, evaluation, and ensuring compliance with this Agreement.
- 4.4 **Retention of Receipts.** The Recipient will keep proper and accurate accounts and records of all Eligible Projects including invoices and receipts for Eligible Expenditures for at least six (6) years after the completion of the project.
- 4.5 **Contracts.** The Recipient will award and manage all Contracts in accordance with its relevant policies and procedures and, if applicable, in accordance with any domestic or international trade agreements, and all other applicable laws. The Recipient will ensure any of its Contracts for the supply of services or materials to implement its responsibilities under this Agreement will be awarded in a way that is transparent, competitive, consistent with value for money principles and pursuant to its adopted procurement policy.

5. FUNDS

- 5.1 **Use of Funds.** The Recipient acknowledges and agrees the Funds are intended for and shall be used only for Eligible Expenditures in respect of Eligible Projects.

- 5.2 **Unspent Funds.** Any Unspent Funds, and any interest earned thereon, will be subject to the terms and conditions of this Agreement, and will no longer be governed by the terms and conditions of the Prior Agreement.
- 5.3 **Transfer of Funds to a Municipality.** Where a Recipient decides to allocate and transfer Funds to another Municipality (the “Transferee Municipality”):
- a) The allocation and transfer shall be authorized by a Transfer By-law. The Transfer By-law shall be passed by the Recipient’s council and submitted to AMO as soon thereafter as practicable. The Transfer By-law shall identify the Transferee Municipality and the amount of Funds the Transferee Municipality is to receive for the Municipal Fiscal Year(s) specified in the Transfer By-law.
 - b) The Recipient is still required to submit an Annual Report in accordance with Section 6.1 hereof with respect to the Funds transferred.
 - c) No transfer of Funds pursuant to this Section 5.3 shall be effected unless and until the Transferee Municipality has either (i) entered into an agreement with AMO on substantially the same terms as this Agreement, or (ii) has executed and delivered to AMO a written undertaking to assume all of the Recipient’s obligations under this Agreement with respect to the Funds transferred, such as undertaking in a form satisfactory to AMO.
- 5.4 **Transfer of Funds to a Non-Municipal Entity.** Where a Recipient decides to support an Eligible Project undertaken by a non-municipal entity (whether a for profit, non-governmental, or not-for profit organization):
- a) The provision of such support shall be authorized by a Transfer By-law (a “Non-Municipal Transfer By-law”). The Non-Municipal Transfer By-law shall be passed by the Recipient’s council and submitted to AMO as soon as practicable thereafter. The Non-Municipal Transfer By-law shall identify the non-municipal entity, and the amount of Funds the non-municipal entity is to receive for that Eligible Project.
 - b) The Recipient shall continue to be bound by all the provisions of this Agreement notwithstanding any such transfer.
 - c) No transfer of Funds pursuant to this Section 5.4 shall be effected unless and until the non-municipal entity receiving the Funds has executed and delivered to AMO a written undertaking to assume all of the Recipient’s obligations under this Agreement with respect to the Funds transferred, in a form exclusively satisfactory to AMO.
- 5.5 **Payout of Funds.** Subject to Sections 5.14 and 5.15, AMO will transfer Funds twice yearly, on or before the dates agreed upon by Canada and AMO.

- 5.6 **Deposit of Funds.** The Recipient will deposit the Funds in:
- a) An interest-bearing bank account; or
 - b) An investment permitted under:
 - i. The Recipient's investment policy; and
 - ii. Provincial legislation and regulation.
- 5.7 **Interest Earnings and Investment Gains.** Interest earnings and investment gains will be:
- Proportionately allocated to the CCBF when applicable; and
 - Applied to Eligible Expenditures for Eligible Projects.
- 5.8 **Funds Advanced.** Funds shall be spent (in accordance with Sections 3 and 4) or transferred (in accordance with Sections 5.3 or 5.4) within five (5) years after the end of the year in which Funds were received. Unexpended Funds shall not be retained beyond such five (5) year period without the documented consent of AMO. AMO reserves the right to declare that unexpended Funds after five (5) years become a debt to Canada which the Recipient will reimburse forthwith on demand to AMO for transmission to Canada.
- 5.9 **Expenditure of Funds.** The Recipient shall expend all Funds by December 31, 2038.
- 5.10 **HST.** The use of Funds is based on the net amount of harmonized sales tax to be paid by the Recipient net of any applicable tax rebates.
- 5.11 **Limit on Canada's Financial Commitments.** The Recipient may use Funds to pay up to one hundred percent (100%) of Eligible Expenditures of an Eligible Project.
- 5.12 **Federal Funds.** The Recipient agrees that any Funds received will be treated as "federal funds" for the purpose of other federal infrastructure programs.
- 5.13 **Stacking.** If the Recipient is receiving federal funds under other federal infrastructure programs in respect of an Eligible Project to which the Recipient wishes to apply Funds, the maximum federal contribution limitation set out in any other federal infrastructure program agreement made in respect of that Eligible Project shall continue to apply.
- 5.14 **Withholding Payment.** AMO may, in its exclusive discretion, withhold Funds where the Recipient is in default of compliance with any provisions of this Agreement.
- 5.15 **Insufficient Funds Provided by Canada.** Notwithstanding the provisions of Section 2, if Canada does not provide sufficient funds to continue the Funds for any Municipal

Fiscal Year during which this Agreement is in effect, AMO may immediately terminate this Agreement on written notice to the Recipient.

6. REPORTING REQUIREMENTS

- 6.1 **Annual Report.** The Recipient shall submit a report to AMO by April 30th each year, or as otherwise notified by AMO. The report shall be submitted in an electronic format deemed acceptable by AMO and shall contain the information described in Schedule D.
- 6.2 **Project List.** The Recipient shall ensure that projects are reported in advance of construction. Information required is as noted in Section 2.3 of Schedule E.

7. ASSET MANAGEMENT

- 7.1 **Implementation of Asset Management.** The Recipient will develop and implement an Asset Management plan, culture, and methodology in accordance with legislation and regulation established by the Government of Ontario (e.g., O. Reg. 588/17).
- 7.2 **Asset Data.** The Recipient will continue to improve data describing the condition of, long-term cost of, levels of service provided by, and risks associated with infrastructure assets.

8. HOUSING NEEDS ASSESSMENT

- 8.1 **Requirement.** While an HNA is encouraged for all Municipalities, the Recipient must complete a HNA if it had a population of 30,000 or more on the 2021 Census of Canada and is a Single-Tier Municipality or a Lower-Tier Municipality.
- 8.2 **Content of the HNA.** The Recipient will prepare the HNA in accordance with the guidance provided from time to time by Canada.
- 8.3 **Use of HNA.** The Recipient is expected to prioritize projects that support the growth of the housing supply. The HNA is to be used by Municipalities to prioritize, where possible, Infrastructure or capacity building projects that support increased housing supply where it makes sense to do so.
- 8.4 **Publication of the HNA.** The Recipient will publish the HNA on its website.
- 8.5 **HNA reporting requirements.** The Recipient will send to AMO by March 31, 2025, unless otherwise agreed upon:
- a) A copy of any HNA it is required to complete in accordance with Section 8.1; and

- b) The URL to the published HNA on the Recipient's website.

9. COMMUNICATIONS REQUIREMENTS

- 9.1 The Recipient will comply with all communication requirements outlined in Schedule E.

10. RECORDS AND AUDIT

- 10.1 **Accounting Principles.** All accounting terms not otherwise defined herein have the meanings assigned to them; all calculations will be made and all financial data to be submitted will be prepared in accordance with generally accepted accounting principles ("GAAP") in effect in Ontario. GAAP will include, without limitation, those principles approved or recommended for local governments from time to time by the Public Sector Accounting Board or the Chartered Professional Accountants of Canada or any successor institute, applied on a consistent basis.
- 10.2 **Separate Records.** The Recipient shall maintain separate records and documentation for the Funds and keep all records including invoices, statements, receipts, and vouchers in respect of Funds expended on Eligible Projects in accordance with the Recipient's municipal records retention by-law. Upon reasonable notice by AMO or Canada, the Recipient shall submit all records and documentation relating to the Funds for inspection or audit.
- 10.3 **External Auditor.** AMO or Canada may request, upon written notice to Recipient, an audit of Eligible Project(s) or Annual Report(s). AMO shall retain an external auditor to carry out an audit and ensure that any auditor who conducts an audit pursuant to this Agreement or otherwise, provides a copy of the audit report to the Recipient.

11. INSURANCE AND INDEMNITY

- 11.1 **Insurance.** The Recipient shall put in effect and maintain in full force and effect or cause to be put into effect and maintained for the term of this Agreement all the necessary insurance with respect to each Eligible Project, including any Eligible Projects with respect to which the Recipient has transferred Funds pursuant to Section 5 of this Agreement, that would be considered appropriate for a prudent Municipality undertaking similar Eligible Projects, including, where appropriate and without limitation, property, construction, and liability insurance, which insurance coverage shall identify Canada and AMO as additional insureds for the purposes of the Eligible Projects.
- 11.2 **Certificates of Insurance.** Throughout the term of this Agreement, the Recipient shall have a valid certificate of insurance that confirms compliance with the requirements

of Section 11.1. The Recipient shall produce such certificate of insurance on request, including as part of any AMO or Canada audit.

11.3 **AMO Not Liable.** In no event shall Canada or AMO be liable for:

- Any bodily injury, death or property damages to the Recipient, its employees, agents, or consultants or for any claim, demand or action by any Third Party against the Recipient, its employees, agents, or consultants, arising out of or in any way related to this Agreement; or
- Any incidental, indirect, special, or consequential damages, or any loss of use, revenue or profit to the Recipient, its employees, agents, or consultants arising out of any or in any way related to this Agreement.

11.4 **Recipient to Compensate Canada.** The Recipient will ensure that it will not, at any time, hold the Government of Canada, its officers, servants, employees or agents responsible for any claims or losses of any kind that the Recipient, Third Parties or any other person or entity may suffer in relation to any matter related to the Funds or an Eligible Project and that the Recipient will, at all times, compensate Canada, its officers, servants, employees and agents for any claims or losses of any kind that any of them may suffer in relation to any matter related to CCBF funding or an Eligible Project.

11.5 **Recipient to Indemnify AMO.** The Recipient hereby agrees to indemnify and hold harmless AMO, its officers, servants, employees or agents (each of which is called an “**Indemnitee**”), from and against all claims, losses, damages, liabilities and related expenses including the fees, charges and disbursements of any counsel for any Indemnitee incurred by any Indemnitee or asserted against any Indemnitee by whomsoever brought or prosecuted in any manner based upon, or occasioned by, any injury to persons, damage to or loss or destruction of property, economic loss or infringement of rights caused by or arising directly or indirectly from:

- The Funds;
- The Recipient’s Eligible Projects, including the design, construction, operation, maintenance, and repair of any part or all of the Eligible Projects;
- The performance of this Agreement or the breach of any term or condition of this Agreement by the Recipient, its officers, servants, employees, and agents, or by a Third Party, its officers, servants, employees, or agents; and
- Any omission or other wilful or negligent act of the Recipient or Third Party and their respective officers, servants, employees, or agents.

12. TRANSFER AND OPERATION OF MUNICIPAL INFRASTRUCTURE

- 12.1 **Reinvestment.** The Recipient will invest into Eligible Projects, any revenue that is generated from the sale, lease, encumbrance, or other disposal of an asset resulting from an Eligible Project where such disposal takes place within five (5) years of the date of completion of the Eligible Project.
- 12.2 **Notice.** The Recipient shall notify AMO in writing 120 days in advance and at any time during the five (5) years following the date of completion of an Eligible Project if it is sold, leased, encumbered, or otherwise disposed of.
- 12.3 **Public Use.** The Recipient will ensure that Infrastructure resulting from any Eligible Project that is not sold, leased, encumbered, or otherwise disposed of, remains primarily for public use or benefit.

13. DEFAULT AND TERMINATION

- 13.1 **Event of Default.** AMO may declare in writing that an Event of Default has occurred when the Recipient has not complied with any condition, undertaking or term in this Agreement. AMO will not declare in writing that an Event of Default has occurred unless it has first consulted with the Recipient. For the purposes of this Agreement, each of the following events shall constitute an “Event of Default”:
- Failure by the Recipient to deliver in a timely manner an Annual Report or respond to questionnaires or reports as required;
 - Delivery of an Annual Report that discloses non-compliance with any condition, undertaking or material term in this Agreement;
 - Failure by the Recipient to co-operate in an external audit undertaken by Canada, AMO or their agents;
 - Delivery of an external audit report that discloses non-compliance with any condition, undertaking or term in this Agreement; and
 - Failure by the Recipient to expend Funds in accordance with the terms of this Agreement, including Section 5.8.
- 13.2 **Waiver.** AMO may withdraw its notice of an Event of Default if the Recipient, within thirty (30) calendar days of receipt of the notice, either corrects the default or demonstrates, to the satisfaction of AMO in its sole discretion that it has taken such steps as are necessary to correct the default.
- 13.3 **Remedies on Default.** If AMO declares that an Event of Default has occurred under Section 13.1, after thirty (30) calendar days from the Recipient’s receipt of the notice

of an Event of Default, it may immediately terminate this Agreement or suspend its obligation to pay the Funds. If AMO suspends payment, it may pay suspended Funds if AMO is satisfied that the default has been cured.

- 13.4 **Repayment of Funds.** If AMO declares that an Event of Default has not been cured to its exclusive satisfaction, AMO reserves the right to declare that prior payments of Funds become a debt to Canada which the Recipient will reimburse forthwith on demand to AMO for transmission to Canada.

14. CONFLICT OF INTEREST

- 14.1 **No Conflict of Interest.** The Recipient will ensure that no current member of the AMO Board of Directors and no current or former public servant or office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies will derive direct benefit from the Funds, the Unspent Funds, and any interest earned thereon, unless the provision of receipt of such benefits is in compliance with such legislation, guidelines, policies or codes.

15. NOTICE

- 15.1 **Notice.** Any notice, information or document provided for under this Agreement will be effectively given if in writing and if delivered by hand, or overnight courier, mailed, postage or other charges prepaid, or sent by email to the addresses in Section 15.3. Any notice that is sent by hand or overnight courier service shall be deemed to have been given when received; any notice mailed shall be deemed to have been received on the eighth (8) calendar day following the day on which it was mailed; any notice sent by email shall be deemed to have been received on the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgment), provided that in the case of a notice sent by email, if it is not given on a business day before 4:30 p.m. Eastern Standard Time, it shall be deemed to have been given at 8:30 a.m. on the next business day for the recipient.
- 15.2 **Representatives.** The individuals identified in Section 15.3 of this Agreement, in the first instance, act as AMO's or the Recipient's, as the case may be, representative for the purpose of implementing this Agreement.
- 15.3 **Addresses for Notice.** Further to Section 15.1 of this Agreement, notice can be given at the following addresses:

- If to AMO:

Executive Director
Canada Community-Building Fund Agreement
Association of Municipalities of Ontario
155 University Avenue, Suite 800
Toronto, ON M5H 3B7

Telephone: 416-971-9856
Email: ccbf@amo.on.ca

- If to the Recipient:

Treasurer
The Township of Melancthon
157101 Highway 10
Melancthon, ON L9V 2E6

16. MISCELLANEOUS

- 16.1 **Counterpart Signature.** This Agreement may be signed (including by electronic signature) and delivered (including by facsimile transmission, by email in PDF or similar format or using an online contracting service designated by AMO) in counterparts, and each signed and delivered counterpart will be deemed an original and both counterparts will together constitute one and the same document.
- 16.2 **Severability.** If for any reason a provision of this Agreement that is not a fundamental term is found to be or becomes invalid or unenforceable, in whole or in part, it will be deemed to be severable and will be deleted from this Agreement, but all the other terms and conditions of this Agreement will continue to be valid and enforceable.
- 16.3 **Waiver.** AMO may waive any right in this Agreement only in writing, and any tolerance or indulgence demonstrated by AMO will not constitute waiver of rights in this Agreement. Unless a waiver is executed in writing, AMO will be entitled to seek any remedy that it may have under this Agreement or under the law.
- 16.4 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in Ontario.
- 16.5 **Survival.** The Recipient agrees that the following sections and provisions of this Agreement shall extend for seven (7) years beyond the expiration or termination of this Agreement: Sections 4, 5.8, 5.9, 6.1, 11.4, 11.5, 12, 13.4 and 16.8.
- 16.6 **AMO, Canada and Recipient Independent.** The Recipient will ensure its actions do not establish or will not be deemed to establish a partnership, joint venture, principal-

agent relationship, or employer-employee relationship in any way or for any purpose whatsoever between Canada and the Recipient, between AMO and the Recipient, between Canada and a Third Party or between AMO and a Third Party.

- 16.7 **No Authority to Represent.** The Recipient will ensure that it does not represent itself, including in any agreement with a Third Party, as a partner, employee, or agent of Canada or AMO.
- 16.8 **Debts Due to AMO.** Any amount owed under this Agreement will constitute a debt due to AMO, which the Recipient will reimburse forthwith, on demand, to AMO.
- 16.9 **Priority.** In the event of a conflict, the part of this Agreement that precedes the signature of the Parties will take precedence over the Schedules.
- 16.10 **Complementarity.** The Recipient is to use the CCBF to complement, without replacing or displacing, other sources of funding for municipal infrastructure.
- 16.11 **Equity.** The Recipient is to consider Gender Based Analysis Plus (“**GBA+**”) lenses when undertaking a project.

17. SCHEDULES

- 17.1 This Agreement, including:

Schedule A	Eligible Investment Categories
Schedule B	Eligible Expenditures
Schedule C	Ineligible Expenditures
Schedule D	The Annual Report
Schedule E	Communications Requirements

constitute the entire agreement between the Parties with respect to the subject matter contained in this Agreement and supersedes all prior oral or written representations and agreements.

18. SIGNATURES

IN WITNESS WHEREOF, AMO and the Recipient have respectively executed, and delivered this Agreement, effective April 1, 2024.

THE TOWNSHIP OF MELANCTHON

By: _____

Name:	_____	Date	_____
Title:	_____		

_____	_____	_____	_____
Name:		Date	
Title:			

THE ASSOCIATION OF MUNICIPALITIES OF ONTARIO

By: _____

Name:	_____	Date	_____
Title: Executive Director			

_____	_____	_____	_____
Witness:		Date	
Title:			

SCHEDULE A: ELIGIBLE INVESTMENT CATEGORIES

1. **Broadband connectivity** – investments in the construction, material enhancement, or renewal of infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities.
2. **Brownfield redevelopment** – investments in the remediation or decontamination of a brownfield site within municipal boundaries – provided that the site is being redeveloped to construct a public park for municipal use, publicly owned social housing, or Infrastructure eligible under another investment category listed in this schedule.
3. **Capacity-building** – investments that strengthen the Recipient’s ability to develop long-term planning practices as described in Schedule B, item 2.
4. **Community energy systems** – investments in the construction, material enhancement, or renewal of infrastructure that generates energy or increases energy efficiency.
5. **Cultural infrastructure** – investments in the construction, material enhancement, or renewal of infrastructure that supports the arts, humanities, or heritage.
6. **Drinking water** – investments in the construction, material enhancement, or renewal of infrastructure that supports drinking water conservation, collection, treatment, and distribution systems.
7. **Fire halls** – investments in the construction, material enhancement, or renewal of fire halls and fire station infrastructure.
8. **Local roads and bridges** – investments in the construction, material enhancement, or renewal of roads, bridges, tunnels, highways, and active transportation infrastructure.
9. **Public transit** – investments in the construction, material enhancement, or renewal of infrastructure that supports a shared passenger transport system that is available for public use.
10. **Recreational infrastructure** – investments in the construction, material enhancement, or renewal of recreational facilities or networks.
11. **Regional and local airports** – investments in the construction, material enhancement, or renewal of airport-related infrastructure (excluding infrastructure in the National Airports System).
12. **Resilience** – investments in the construction, material enhancement, or renewal of built and natural infrastructure assets and systems that protect and strengthen the resilience

of communities and withstand and sustain service in the face of climate change, natural disasters, and extreme weather events.

13. **Short-line rail** – investments in the construction, material enhancement, or renewal of railway-related infrastructure for carriage of passengers or freight.
14. **Short-sea shipping** – investments in the construction, material enhancement, or renewal of infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean.
15. **Solid waste** – investments in the construction, material enhancement, or renewal of infrastructure that supports solid waste management systems (including the collection, diversion, and disposal of recyclables, compostable materials, and garbage).
16. **Sport infrastructure** – investments in the construction, material enhancement, or renewal of amateur sport infrastructure (facilities housing professional or semi-professional sports teams are ineligible).
17. **Tourism infrastructure** – investments in the construction, material enhancement, or renewal of infrastructure that attracts travelers for recreation, leisure, business, or other purposes.
18. **Wastewater** – investments in the construction, material enhancement, or renewal of infrastructure that supports wastewater and storm water collection, treatment, and management systems.

Note: Investments in health infrastructure (e.g., hospitals, long-term care facilities, convalescent centres, and senior centres) are not eligible.

SCHEDULE B: ELIGIBLE EXPENDITURES

Eligible Expenditures will be limited to the following:

1. **Infrastructure investments** – expenditures associated with acquiring, planning, designing, constructing, or renovating a tangible capital asset and any related debt financing charges specifically identified with that asset.
2. **Capacity-building costs** – for projects eligible under the capacity-building category only, expenditures associated with the development and implementation of:
 - Capital investment plans, integrated community sustainability plans, integrated regional plans, housing needs assessments, or asset management plans;
 - Studies, strategies, systems, software, third-party assessments, plans, or training related to asset management;
 - Studies, strategies, systems, or plans related to housing or land use;
 - Studies, strategies, or plans related to the long-term management of infrastructure; and
 - Other initiatives that strengthen the Recipient's ability to improve local and regional planning.
3. **Joint communications and signage costs** – expenditures directly associated with joint federal communication activities and with federal project signage.
4. **Employee costs** – the costs of the Recipient's employees for projects eligible under the capacity-building category only – provided that the costs, on an annual basis, do not exceed the lesser of:
 - 40% of the Recipient's annual allocation (i.e., the amount of CCBF funding made available to the Recipient by AMO under Section 5.5 of this Agreement); or
 - \$80,000.

SCHEDULE C: INELIGIBLE EXPENDITURES

The following are deemed Ineligible Expenditures:

1. **Costs incurred before the Fund was established** – project expenditures incurred before April 1, 2005.
2. **Costs incurred before categories were eligible** – project expenditures incurred:
 - Before April 1, 2014 – under the broadband connectivity, brownfield redevelopment, cultural infrastructure, disaster mitigation (now resilience), recreational infrastructure, regional and local airports, short-line rail, short-sea shipping, sport infrastructure, and tourism infrastructure categories; and.
 - Before April 1, 2021 – under the fire halls category.
3. **Internal costs** – the Recipient's overhead costs (including salaries and other employment benefits), operating or administrative costs (related to planning, engineering, architecture, supervision, management, and other activities normally carried out by the Recipient's staff), and equipment leasing costs – except in accordance with Eligible Expenditures described in Schedule B.
4. **Rebated costs** – taxes for which the Recipient is eligible for a tax rebate and all other costs eligible for rebates.
5. **Land costs** – the purchase of land or any interest therein and related costs.
6. **Legal fees.**
7. **Routine repair or maintenance costs** – costs that do not result in the construction, material enhancement, or renewal of a tangible capital asset.
8. **Investments in health infrastructure** – costs associated with health infrastructure or assets (e.g., hospitals, long-term care facilities, convalescent centres, and senior centres).
9. **Investments in professional or semi-professional sports facilities** – costs associated with facilities used by professional or semi-professional sports teams.

SCHEDULE D: ANNUAL REPORT

The Annual Report may include – but is not necessarily limited to – the following information pertaining to the previous fiscal year:

1. **Financial information** – and particularly:
 - Interest earnings and investment gains – in accordance with Section 5.7;
 - Proceeds from the disposal of assets – in accordance with Section 12.1;
 - Outgoing transfers – in accordance with Sections 5.3 and 5.4;
 - Incoming transfers – in accordance with Section 5.3; and
 - Amounts paid – in aggregate for Eligible Expenditures on each Eligible Project.
2. **Project information** – describing each Eligible Project that started, ended, or was ongoing in the reporting year.
3. **Results** – and particularly:
 - Expected outputs and outcomes for each ongoing Eligible Project;
 - Outputs generated and outcomes achieved for each Eligible Project that ended construction in the reporting year; and
 - Housing outcomes resulting from each Eligible Project that ended construction in the reporting year, and specifically:
 - i. The number of housing units enabled, supported, or preserved; and
 - ii. The number of affordable housing units enabled, supported, or preserved.
4. **Other information** – such as:
 - Progress made in the development and implementation of asset management plans and systems; and
 - The impact of the CCBF on housing pressures tied to infrastructure gaps, the housing supply, and housing affordability.

SCHEDULE E: COMMUNICATIONS REQUIREMENTS

1. COMMUNICATIONS ACTIVITIES

- 1.1 **Scope.** The provisions of this Schedule apply to all communications activities related to any Funds and Eligible Projects.
- 1.2 **Definition.** Communications activities may include (but are not limited to) public or media events, news releases, reports, web articles, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, award programs, and multi-media products.

2. INFORMATION SHARING REQUIREMENTS

- 2.1 **Notification requirements.** The Recipient must report all active Eligible Projects to AMO in advance of construction each year. Reports must be submitted in an electronic format deemed acceptable by AMO.
- 2.2 **Active Eligible Projects.** Active Eligible Projects are those Eligible Projects that either begin in the current calendar year or are ongoing in the current calendar year.
- 2.3 **Information required.** The report must include, at a minimum, the name, category, description, expected outcomes, anticipated CCBF contribution, anticipated start date, and anticipated end date of each active Eligible Project.

3. PROJECT SIGNAGE REQUIREMENTS

- 3.1 **Installation requirements.** Unless otherwise approved by Canada, the Recipient must install a federal sign to recognize federal funding for each Eligible Project in accordance with design, content, and installation guidelines provided by Canada.
- 3.2 **Permanent signs, plaques, and markers.** Permanent signage, plaques, and markers recognizing municipal or provincial contributions to an Eligible Project must also recognize the federal contribution and must be approved by Canada.
- 3.3 **Responsibilities.** The Recipient is responsible for the production and installation of Eligible Project signage in accordance with Section 3 of this Schedule E, except as otherwise agreed upon.
- 3.4 **Reporting requirements.** The Recipient must inform AMO of signage installations in a manner determined by AMO.

4. DIGITAL COMMUNICATIONS REQUIREMENTS

- 4.1 **Social media.** AMO maintains accounts dedicated to the CCBF on several social media networks. The Recipient must @mention the relevant account when producing content that promotes or communicates progress on one or more Eligible Projects. AMO's CCBF-dedicated social media accounts are identified on www.buildingcommunities.ca.
- 4.2 **Websites and webpages.** Websites and webpages created to promote or communicate progress on one or more Eligible Projects must recognize federal funding using either:
- a) A digital sign; or
 - b) The Canada wordmark and the following wording (as applicable):
 - i. "This project is funded in part by the Government of Canada"; or
 - ii. "This project is funded by the Government of Canada".

The Canada wordmark or digital sign must link to www.infrastructure.gc.ca. Guidelines describing how this recognition is to appear and language requirements are posted at <http://www.infrastructure.gc.ca/pub/signage-panneaux/intro-eng.html>.

5. REQUIREMENTS FOR MEDIA EVENTS AND ANNOUNCEMENTS

- 5.1 **Definitions.** Media events and announcements include, but are not limited to, news conferences, public announcements, and the issuing of news releases to communicate the funding of Eligible Projects or achievement of key milestones (such as groundbreaking ceremonies, grand openings, and completions).
- 5.2 **Authority.** Canada, AMO, or the Recipient may request a media event or announcement.
- 5.3 **Notification requirements.** Media events and announcements must not proceed without the prior knowledge and agreement of AMO, Canada, and the Recipient.
- 5.4 **Notice.** The requester of a media event or announcement must provide at least fifteen (15) business days' notice to other parties of their intention to undertake such an event or announcement. If communications are proposed through a news release with no supporting event, Canada additionally requires five (5) business days with the draft news release to secure approvals and confirm the federal representative's quote.
- 5.5 **Date and location.** Media events and announcements must take place at a date and location that is mutually agreed to by the Recipient, AMO and Canada.

- 5.6 **Representatives.** The Recipient, AMO, and Canada will have the opportunity to participate in media events and announcements through a designated representative. Each Party will choose its own designated representative.
- 5.7 **Responsibilities.** AMO and the Recipient are responsible for coordinating all onsite logistics for media events and announcements unless otherwise agreed on.
- 5.8 **No unreasonable delay.** The Recipient must not unreasonably delay media events and announcements.
- 5.9 **Precedence.** The conduct of all joint media events, announcements, and supporting communications materials (e.g., news releases, media advisories) will follow the [Table of Precedence for Canada](#).
- 5.10 **Federal approval.** All joint communications material related to media events and announcements must be approved by Canada and recognize the funding of all contributors.
- 5.11 **Federal policies.** All joint communications material must reflect Canada's Policy on Official Languages and the Policy on Communications and Federal Identity.
- 5.12 **Equal visibility.** The Recipient, Canada, and AMO will have equal visibility in all communications activities.

6. PROGRAM COMMUNICATIONS

- 6.1 **Own communications activities.** The Recipient may include messaging in its own communications products and activities with regards to the use of Funds.
- 6.2 **Funding acknowledgements.** The Recipient must recognize the funding of all contributors when undertaking such activities.

7. OPERATIONAL COMMUNICATIONS

- 7.1 **Responsibilities.** The Recipient is solely responsible for operational communications with respect to the Eligible Projects, including but not limited to, calls for tender, construction, and public safety notices. Operational communications as described above are not subject to the federal official languages policy.
- 7.2 **Federal funding acknowledgement.** Operational communications should include, where appropriate, the following statement (as appropriate):
- a) "This project is funded in part by the Government of Canada"; or
 - b) "This project is funded by the Government of Canada".

- 7.3 **Notification requirements.** The Recipient must share information promptly with AMO should significant emerging media or stakeholder issues relating to an Eligible Project arise. AMO will advise the Recipient, when appropriate, about media inquiries received concerning an Eligible Project.

8. COMMUNICATING SUCCESS STORIES

- 8.1 **Participation requirements.** The Recipient must work with Canada and AMO when asked to collaborate on communications activities – including, but not limited to, Eligible Project success stories (including positive impacts on housing), Eligible Project vignettes, and Eligible Project start-to-finish features.

9. ADVERTISING CAMPAIGNS

- 9.1 **Responsibilities.** The Recipient may, at its own cost, organize an advertising or public information campaign related to the use of the Funds or Eligible Projects, provided that the campaign respects the provisions of this Agreement.
- 9.2 **Notice.** The Recipient must inform Canada and AMO of its intention to organize a campaign no less than twenty-one (21) working days prior to the launch of the campaign.



The Corporation of

THE TOWNSHIP OF MELANCTHON

157101 Highway 10, Melancthon, Ontario, L9V 2E6

REPORT TO COUNCIL

TO: MAYOR WHITE AND MEMBERS OF COUNCIL

FROM: DENISE B. HOLMES, AMCT, CAO/CLERK

SUBJECT: MUNICIPAL FUNDING AGREEMENT – CANADA COMMUNITY-BUILDING FUND

MEETING DATE: JULY 18, 2024

RECOMMENDATION

That Council receives this Report and authorizes the adoption of the By-law to authorize the Mayor and CAO/Clerk to sign the Funding Agreement.

BACKGROUND AND DISCUSSION

The Canada Community-Building Fund (CCBF), formerly known as Gas Tax provides funding to municipalities for use on infrastructure projects. The CCBF Agreement outlines the terms and conditions for the use of the funds by municipalities and these Agreements are for a 10-year Term. The current Agreement expires this year and CCBF has sent a new Agreement for review and execution. The terms of the Agreement have been negotiated by the Association of Municipalities of Ontario and as a result the form and content of the Agreement are not subject to negotiation. Any changes to the Agreement, other than the inclusion of signatures, are null and void.

Financial Impact

The annual funding from CCBF will continue once the Agreement is signed.

Respectfully submitted,

Denise B. Holmes, AMCT
CAO/Clerk

Denise Holmes

From: AMO's CCBF Team <ccbf@amo.on.ca>
Sent: Friday, June 14, 2024 11:27 AM
To: Denise Holmes; Sarah Culshaw
Subject: Funding Agreement for the Renewed Canada Community-Building Fund, 2024-2034
Attachments: The Township of Melancthon.docx

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Denise Holmes and Sarah Culshaw,

We are pleased to submit to you the renewed 10-year Municipal Funding Agreement (MFA) for the administration of the Canada Community-Building Fund (CCBF). This is made possible due to the renewal of the Administrative Agreement found [here](#).

Actions required

As soon as possible, please:

1. Pass a municipal by-law authorizing the MFA;
2. Have the appropriate officers sign the MFA (section 18, page 15); and
3. Submit the signed MFA and by-law to ccbf@amo.on.ca.

CCBF funds will not be distributed to your community until these three actions have been completed.

Webinar

We will provide a webinar to go over the agreement and answer any questions you might have. The session will be recorded. The webinar will be offered at two times:

- [11:00 a.m. to 12:00 p.m. on Tuesday, June 18th](#); and
- [1:00 p.m. to 2:00 p.m. on Wednesday, June 19th](#).

Please forward the registration link to anyone from your municipality involved in the administration of the CCBF.

Changes to the MFA - requirements around housing

The CCBF will continue to provide predictable funding – without a need for application – to be invested into priority infrastructure projects.

The Government of Canada [previously committed](#) to tie federal infrastructure funding to actions that increase the housing supply where it makes sense to do so. Under the CCBF's renewed agreement, single-tier and lower-tier municipalities with a 2021 Census population of 30,000 or more must complete a Housing Needs Assessment by March 2025. Other municipalities with housing pressures are encouraged to develop one.

AMO is here to help. We have been working with Infrastructure Canada to streamline the data requirements. More information will be provided shortly.

Allocations

Allocations for the 2024-2028 period were shared in 2023 and can be found [here](#).

Agreement in final form

Please note that as with previous agreements, the form and content of this Agreement are not subject to negotiation. Any changes - other than the inclusion of signatures - are null and void.

If you have any questions or need clarification, please do not hesitate to reach out to this email address and a member of AMO's CCBF team will get back to you as soon as possible.

Sincerely,

AMO's CCBF Team

ccbf@amo.on.ca

www.buildingcommunities.ca

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON

BY-LAW NUMBER _____ - 2024

**BEING A BY-LAW TO AUTHORIZE THE SIGNING OF A
MEMORANDUM OF UNDERSTANDING BETWEEN THE
CORPORATION OF THE COUNTY OF DUFFERIN AND THE
CORPORATION OF THE TOWNSHIP OF MELANCTHON FOR
HEALTH AND SAFETY SERVICES**

**NOW THEREFORE THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
BY THE MUNICIPAL COUNCIL THEREOF ENACTS AS FOLLOWS:**

1. **THAT** the Chief Administrative Officer is hereby authorized and directed to sign the Memorandum of Understanding, in substantially the same form as the Memorandum of Understanding, attached hereto as Schedule "A", between the Corporation of the County of Dufferin and the Corporation of the Township of Melancthon for the purposes of establishing the terms and conditions under which the County of Dufferin will provide Health and Safety Advisor Services and Support to Melancthon.

BY-LAW READ A FIRST AND SECOND TIME THIS 18TH DAY OF JULY, 2024.

BY-LAW READ A THIRD TIME AND PASSED THIS 18TH DAY OF JULY, 2024.

MAYOR

CLERK



TOWNSHIP OF
Melancthon

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CORPORATION OF THE COUNTY OF DUFFERIN AND
THE CORPORATION OF THE TOWNSHIP OF MELANCTHON**

1. Parties

This Memorandum of Understanding (hereinafter referred to as "MOU") prepared on May 1, 2024 is made and entered into by and between the Corporation of the County of Dufferin, hereafter referred to as "Dufferin", whose address is 30 Centre St, Orangeville, ON L9W 2X1, and the Corporation of the Township of Melancthon hereafter called Melancthon, whose address is 157101 Highway 10, Melancthon, ON L9V 2E6.

2. Term of MOU

This MOU is effective upon the date last signed and executed by the duly authorized representatives of the parties to this MOU and the governing bodies of the parties' respective organizations and shall remain in full force until terminated.

3. Purpose

The purpose of this MOU is to establish the terms and conditions under which County of Dufferin will provide Health and Safety Advisor services and support to Melancthon.

4. Roles of County of Dufferin

- Maintain job description and complement for Full Time Permanent Health and Safety Advisor
- Provide approximately 104 hours of health and safety support to Melancthon, annually
- Provide health and safety consultation and support via in-person, email or telephone during business hours
- Provide information regarding legislative updates, industry trends and Ministry of Labour, Immigration, Training and Skills Development (MLITSD) initiatives
- Support Melancthon Health and Safety Representative(s) and Joint Health and Safety Committee(s)
- Support reporting incidents, injuries, or illnesses to the MLITSD

- Support with compliance measures if the MLITSD issues an order
- Provide support for internal incident reporting and investigations
- Sharing relevant County of Dufferin health and safety documentation and information
- Aid in developing and reviewing workplace health and safety policies
- Provide safety talk resources and information
- Assist with organizing health and safety related training sessions - these sessions may be joined with other Municipalities
- Facilitate general Health and Safety Orientation

5. Roles of Melancthon

- Contact the Health and Safety Advisor and submit documentation to:

Email: healthandsafety@dufferincounty.ca

Phone: 519-941-2816 extensions 2521, or cell: 519-939-2789

- Record keeping & tracking of employee certification expiration dates
- Review incident reports
- Conduct investigations
- Liaise with MLITSD inspectors
- Payment of invoices for Health and Safety services and support
- Manage the Internal Responsibility System pursuant to Occupational Health and Safety Act for the Municipality

6. Service Fees

- Billing will occur quarterly and be based on budget with a reconciliation to actuals completed by end of February of the following year. Quarterly invoices will be sent January 1, April 1, July 1 and October 1.
- Dufferin will charge Melancthon 5.7% (104 hours divided by 1820 hours worked) of the Health and Safety Advisor's annual salary and benefits plus a 10% administration fee. This equates to \$8,506.11 for 2024. The amount will be adjusted annually to reflect any salary and/or benefits changes. The updated amount will be communicated annually following the approval of the County budget.
- Training and material costs will be invoiced back to Melancthon, per unit used by Melancthon or employees of Melancthon.
- Invoices submitted by Dufferin to Melancthon are due within 30 days of receipt.

7. Review and Amendments

The MOU will be reviewed by both parties annually. Either party may request changes to this MOU. Any changes, modifications, revisions, or amendments to this MOU which are mutually agreed upon by and between the parties to this MOU shall be incorporated by written instrument, and effective when executed and signed by all parties to this MOU.

8. Termination

This agreement may be terminated by either party within one year written notice.

9. Signatures

In witness whereof, the parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this MOU as set forth herein.

The effective date of this MOU is the date of the signature last affixed to this page.

CORPORATION OF THE COUNTY OF DUFFERIN

Darren White, Warden

Date MM/DD/YYYY

Michelle Dunne, County Clerk

Date MM/DD/YYYY

Denise Holmes,
Chief Administrative Officer

Date MM/DD/YYYY

Denise Holmes

From: Denise Holmes
Sent: Tuesday, July 9, 2024 2:18 PM
To: Denise Holmes
Subject: Motion for our next Council meeting

From: James McLean <jmclean@melancthontownship.ca>
Sent: Monday, July 8, 2024 10:28 AM
To: Denise Holmes <dholmes@melancthontownship.ca>
Subject: Motion for our next Council meeting

Whereas River Road runs through both Melancthon and Mulmur

And whereas River Road receives a significant amount of traffic in the warmer months

And whereas residents who live on the road are negatively impacted by dangerous driving and excess noise from the increased traffic.

And whereas neither municipality can address these issues alone

Now, be it therefore resolved that Melancthon Council requests Mulmur Township's support in developing a traffic calming and enforcement strategy to reduce dangerous driving, speeding and noise on River Road



James McLean | Deputy Mayor | Township of Melancthon
| jmclean@melancthontownship.ca | PH: 519-217-2509 | FX: 519-925-1110 |
www.melancthontownship.ca



The Corporation of
THE TOWNSHIP OF MELANCTHON
157101 Highway 10, Melancthon, Ontario, L9V 2E6

**NOTICE OF STATUTORY PUBLIC MEETING
ZONING BY-LAW AMENDMENT**

RECEIPT OF COMPLETE APPLICATION

TAKE NOTICE that the Township of Melancthon has received a complete application for a Zoning By-law Amendment for the lands legally described as Part of Lot 23, Concession 2 OS and municipally referred to as 518156 County Road 124, Melancthon.

AND PURSUANT to Section 34 of the *Planning Act*, the application file is available for review at the Municipal Office. Please visit the Township's website or contact the Clerk to arrange to review this file.

PUBLIC MEETING: The Council for the Corporation of the Township of Melancthon will be holding a public meeting described below under Section 34 of the *Planning Act*, R.S.O. 1990, C.P.13 as amended, to allow the public to comment on a proposed Zoning By-law Amendment.

DATE AND LOCATION OF PUBLIC MEETING

Date and Time Thursday, July 18, 2024, at 5:20 p.m.
Location Council Chambers – 157101 Highway 10 or Virtual via Zoom

If you wish to attend virtually, please email the Clerk prior to the day of the public meeting so you can be provided with the link to the meeting.

THE PURPOSE of the application is to rezone the subject lands as a requirement of the Consent Application for File B4/23 to recognize the existing non-compliant structures and lot size of the Rural Residential (RR) zone on the severed lot, and to rezone the retained lands for agricultural purposes only, such that no dwelling or habitable building shall be constructed on the retained lands.

FURTHER INFORMATION AND MAP OF LAND SUBJECT TO THE APPLICATION

A key map has been appended (see *Appendix A*) that identifies the lands that are subject to the Zoning By-law amendment application.

Additional information and materials regarding the proposed Zoning By-law Amendment application are available for review by contacting the Township Office by telephone at 519-925-5525, by email to the Clerk at dholmes@melancthontownship.ca, or by visiting the Township Office located at 157101 Highway 10, Melancthon, ON during regular business hours Monday – Friday, 8:30 a.m. – 4:30 p.m. (the Office is closed between 12:00 p.m. and 1:00 p.m.).

IF YOU WISH TO BE NOTIFIED of the decision of the Council for the Corporation of the Township of Melancthon in respect to the proposed amendment, you must submit a written request to the Clerk of the Township of Melancthon at 157101 Highway 10, Melancthon, Ontario, L9V 2E6, email - dholmes@melancthontownship.ca.

If a person or public body does not make oral submissions at a public meeting or make written submissions to Council before the proposed amendments are approved, the person or public



The Corporation of
THE TOWNSHIP OF MELANCTHON
157101 Highway 10, Melancthon, Ontario, L9V 2E6

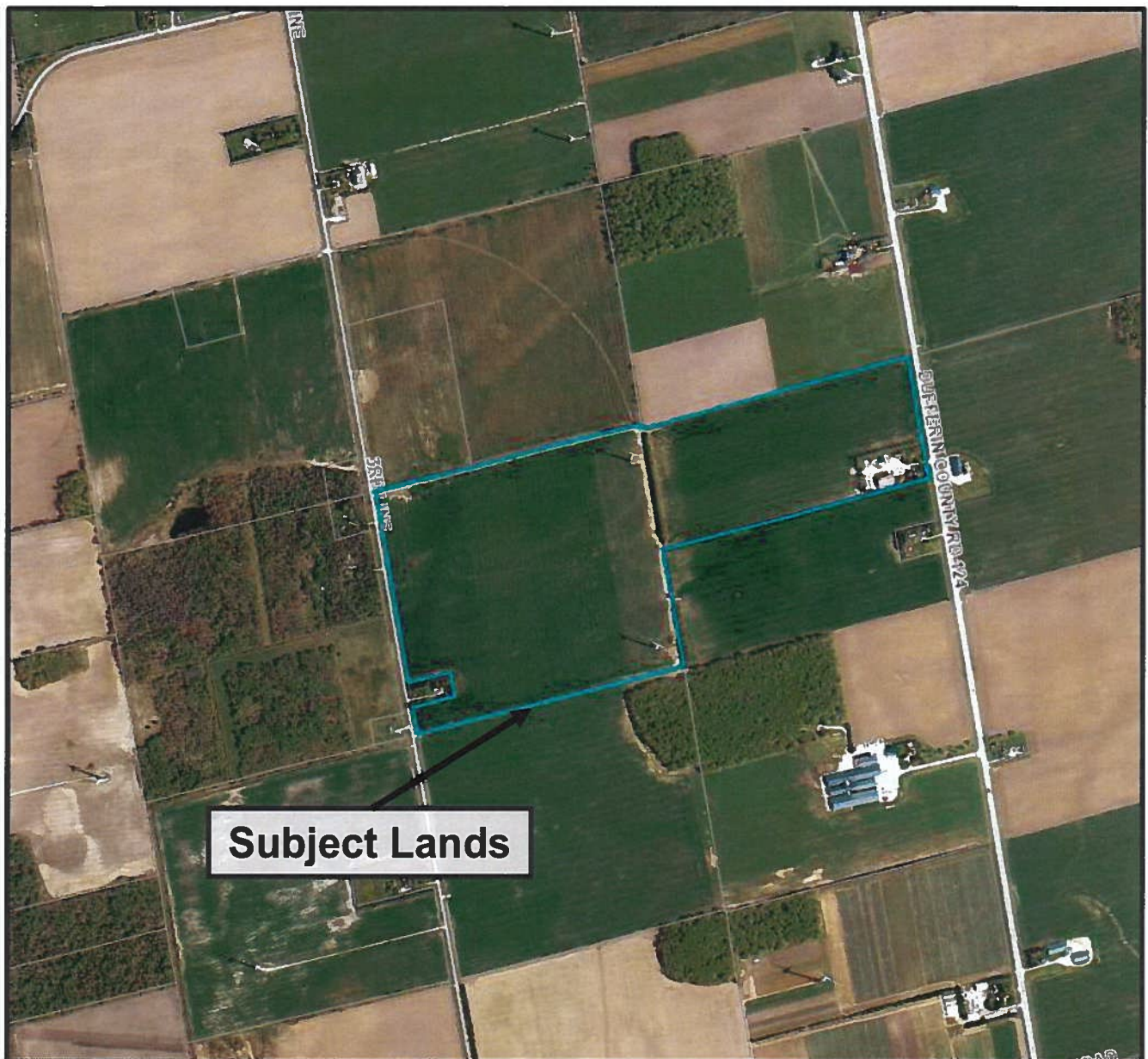
body is not entitled to appeal the decision of Council to the Ontario Land Tribunal.

If a person or public body does not make oral submissions at a public meeting or make written submissions to Council before the proposed amendments are approved, the person or public body may not be added as a party to the hearing of an appeal before the Ontario Land Tribunal unless, in the opinion of the Tribunal, there are reasonable grounds to do so.

Mailing Date of this Notice: Friday, June 21st, 2024.

Denise B. Holmes, AMCT
CAO/Clerk
Township of Melancthon

Appendix A – Lands Subject to Zoning By-law Amendment Application





**CORPORATION OF THE TOWNSHIP OF MELANCTHON
APPLICATION FOR AMENDMENT TO ZONING BY-LAW**

Township of Melancthon
157101 Highway 10
Melancthon, Ontario
L9V 2E6
Attention: CAO/Clerk

The undersigned hereby applies to the Township of Melancthon for an amendment to the Zoning By-law for lands shown in Schedule A attached hereto.

It is hereby agreed that pursuant to By-law No. 15-2023 the applicant shall bear all the costs of the application, including internal review, administrative services, costs of circulation, holding public meetings, in-house professional services by the Township's Planning Consultant, external professional services, independent professional peer reviews, studies, plans and such other expenditures as are incurred by the municipality in order to properly administer, process and evaluate the application, appeal proceedings to the Ontario Land Tribunal (OLT) and Court action.

The following is to be completed by the applicant. Please use a separate sheet of paper if there is insufficient room to answer any question.

1. **APPLICANT AND OWNERSHIP INFORMATION**

Applicant's Name Lundy Land Co - Alan Lundy

Applicant's Address PO Box 635, Alliston ON L9R 1V8

Applicant's Phone Number 705-623-5839 Fax No.

Applicant's Email Address alanlundy1@gmail.com

Date of Application December 8, 2023

Applicant's interest in subject lands:

Registered Owner Prospective Purchaser Mortgagor/Mortgagee

Neighbouring Owner Other

Agent: Bonnie Tang, Thorstone Consulting Services Inc.
bonnie@thorstoneconsulting.ca
647-786-8992
P.O. Box 116, Sutton ON L0E 1R0

If applicant is not the registered owner, he/she must attach a letter from the registered owner authorizing this application

Registered Owner's Name _____

Address _____

Phone Number _____ Fax No. _____

Any mortgages, charges, or other encumbrances in respect of the subject land: Yes ___
No ___. If yes, please provide the following information:

Name _____

Address _____

Name _____

Address _____

2. INFORMATION REGARDING THE SUBJECT LAND(S)

Location of Subject Land(s)

Lot _____ OS Pt Lot 23 _____

Concession _____ 2 _____

Registered Plan No. _____ Lot No. _____

Reference Plan No. _____ Part No. _____

Emergency Number/Street Name _____ 518156 County Road 124 _____

Total Lot Area (Metric Units) _____ 60 hectares _____

Frontage (metric units) _____

Depth (metric units) _____

Date lands acquired _____

3. OFFICIAL PLAN

Present Land Use Designation _____ Agricultural _____

How does the application conform to the Official Plan _____

Surplus Dwelling Unit severance is permitted within the Township Official Plan _____

4. **ZONING BY-LAW**

Present Zone General Agriculture (A1)

Nature and Extent of Zoning Requested _____

To rezone the retained lands to prohibit future residential uses. To rezone severed lands to permit front yard setback of 16.7m and to permit maximum lot coverage of 17.5%

Reasons for change (detailed description) _____

Both the County and Township Official Plans require that the retained lands be rezoned to prohibit future residential uses and the site-specific provisions for the severed lands are due to the location of existing buildings

5. Is the subject land within an area where the municipality has predetermined the minimum and maximum density requirements? Yes _____ No x

If the answer is yes, please provide a statement of those requirements

6. Is the application to implement an alteration to the boundary of an area of settlement or to implement a new area of settlement? Yes _____ No x

If the answer is yes, please provide details of the Official Plan or Official Plan Amendment that deals with the matter

7. Is the application to remove land from an area of employment? Yes _____ No x

If the answer is yes, please provide the details of the Official Plan or Official Plan Amendment that deals with the matter

8. Is the subject land within an area where zoning with conditions may apply?

Yes _____ No x

Please give an explanation of how the application conforms to the Official Plan policies relating to zoning with conditions _____

9. **ACCESS TO THE SUBJECT LANDS:**

Provincial Highway _____

Municipal Road (maintained all year round) _____

County Road _____ County Road 124 and 3 Line

Right of Way _____

By Water _____

If access by water only, what parking and docking facilities to be used or will be used and what is the approximate distance of these facilities from the subject land and the nearest public road?

10. **USE OF SUBJECT LANDS**

Existing Land Uses (detailed description) _____ Agricultural and rural residential

Proposed Land Uses (detailed description) _____ Retained lot - Agricultural
Severed lot - Rural residential

If known, what is the length of time that the existing uses of the subject land have continued?

Since existing

11. **STRUCTURES ON SUBJECT LANDS**

Are there any structures or buildings on the subject lands? yes

If the answer is yes, please provide the following information:

Type of Building/Structure four accessory buildings, one residential dwelling and two wind turbines
all buildings/structures shown on attached survey

Setbacks from (in metric units):

Front Lot Line 16.78m

Rear Lot Line 8.00m

Side Lot Lines 6.62m

Height of the Building/Structure Unknown

Dimensions Please see attached survey

Floor Area Please see attached survey

If known, what is the date any existing building or structures were constructed?

Unknown

*Please use a separate sheet for additional buildings/structures

12. Are there any buildings/structures proposed to be built on the subject land?
Yes No x

If the answer is yes, please provide the following information:

Type of building or structure _____

Setbacks from (in metric units):

Front Lot Line _____

Rear Lot Line _____

Side Lot Lines _____

Height of the Building/Structure _____

Dimensions _____

Floor Area _____

*Please use a separate sheet for additional buildings/structures

13. **ENVIRONMENTAL INFORMATION**

Source of Water:

Publicly Owned and Operated Piped System _____

Privately Owned and Operated Individual Well _____ yes

Communal Well _____

Other Water Body/other means _____

Sewage Disposal:

Publicly Owned and Operated sanitary sewage system _____

Privately owned and operated individual septic system _____ yes

Communal System _____

Privy or other means _____

Would more than 4,500 Litres (990 Gallons) of effluent be produced per day?

Yes _____ No

If the answer is yes, please provide a Servicing Options Report and a Hydrogeological Report.

Storm Drainage

Sewers _____ Ditches _____ Swales _____ Other N/A

14. **SUPPLEMENTARY INFORMATION**

Has the subject land ever been the subject of an application under the Planning Act for approval of a Plan of Subdivision of a consent?

Yes _____ No

If the answer is yes, what is the File Number and the status of the application?

Has the subject land ever been the subject of an application under Section 34 of the Planning Act before?

Yes _____ No

Has the subject land ever been the subject of a Minister's Zoning Order and if known, the Regulation number of that order?

No _____

Is the application for amendment to the zoning by-law consistent with policy statements issued under subsection 3 (1) of the Planning Act?

Yes _____ x _____ No _____

Is the subject land within an area of land designated under any Provincial Plan or Plans?

Yes _____ x _____ No _____

If the answer is yes, does the application conform to or does not conflict with the applicable provincial plan or plans?

Application conforms with policies regarding Prime Agricultural Areas

If this application involves the creation of a non-farm lot within approximately 500 metres of livestock facilities and/or permanent manure storage facilities, a completed MDS I calculation form must be submitted with this application. If this application involves a new or expanded livestock facility and/or permanent manure storage facility, a completed MDS II calculation form must be submitted with this zoning amendment application.

15. **SKETCH OF PROPERTY**

The sketch, to be marked Schedule "A" or shown on the attached Schedule "A", must show the following (in metric units):

- the boundaries and dimensions of the subject lands
- the location, size and type of all existing and proposed buildings and structures on the subject land, indicating their distance from the front lot line, rear lot line and side lot lines
- the approximate location of all natural and artificial features (for example, buildings, railways, roads, watercourses, drainage ditches, banks of rivers or streams, wetlands, wooded areas, wells and septic tanks), that
 - are located on the subject land and on land that is adjacent to it, and
 - in the applicant's opinion, may affect the application
- the current uses of land that is adjacent to the subject land
- the location, width and name of any roads within or abutting the subject land, indicating whether it is an unopened road allowance, a public travelled road, a private road or a right of way
- if access to the subject land will be by water only, the location of the parking and docking facilities to be used, and
- the location and nature of any easement affecting the subject land

16. **STATUTORY DECLARATION**

I/we, _____ of _____

solemnly declare that:

All above statements and the information contained in this application including Schedule "A" transmitted herewith are true and I make this solemn declaration conscientiously believing it to be true and knowing that it is the same force and effect as if made under oath by virtue of The Canada Evidence Act.

Signature of Applicant

Signature of Applicant

Declared before me at the _____

in the _____ this _____ day of

_____, 20 _____.

A Commissioner, etc.

Planning Fees and Charges - By-law 15-2023

	<u>Fee</u>	<u>Deposit</u>
Zoning By-law Amendment - Minor	\$2,000	\$3,000
Zoning By-law Amendment - Major	\$5,000	\$5,000
Zoning By-law Amendment to Implement Consent Condition	\$1,000	\$2,000
Zoning By-law Amendment to Remove a Hold	\$1,000	\$2,000

SCHEDULE "A"

Authorizations:

If the applicant is not the owner of the land that is the subject of this application, the written authorization of the owner that the applicant is authorized to make the application on his/her behalf, must be included with this form or the authorization set out below must be completed.

**Authorization of Owner for Agent to Make Application
and for Agent to Provide Personal Information**

I, Lundy Land Co c/o Alan Lundy, am the owner of the land that is the subject of this Application for Zoning By-law Amendment and I authorize Bonnie Tang of Thorstone Consulting Services Inc. to act as my agent for the purpose of this application and for the purposes of the **Freedom of Information and Protection of Privacy Act**, I authorize my agent to provide any of my personal information that will be included in this application or collected during the processing of this application.

Date

Signature of Owner

Consent of the Owner to the Use and Disclosure of Personal Information

I, Lundy Land Co c/o Alan Lundy, am the owner of the land that is the subject of this consent application and for the purposes of the **Freedom of Information and Protection of Privacy Act**, I authorize and consent to the use by or the disclosure to any person or public body of any personal information that is collected under the authority of the Planning Act for the purposes of processing this application.

Date

Signature of Owner



The Corporation of
THE TOWNSHIP OF MELANCTHON
157101 Highway 10, Melancthon, Ontario, L9V 2E6

MEMORANDUM

To: Mayor White and Members of Council
Copy: Ms. Denise Holmes, CAO/Clerk
From: Liam Morgan, Development Planner
Date: July 18th, 2024
Re: Planning Report – Zoning By-law Amendment – 518156 County Road 124

1.0 RECOMMENDATIONS

That Planning Report – Zoning By-law Amendment – 518156 County Road 124 be received;
And that Zoning By-law Amendment Application – 518156 County Road 124 be **APPROVED**.

2.0 BACKGROUND

The Township received an application from Thorstone Consulting Services (herein referred to as the 'applicant') on behalf of Alan Lundy of Lundy Land Co. (herein referred to as the 'Owner') seeking an amendment to the Township Zoning By-law 12-1979. The proposed amendment is a condition of approval for a previously submitted, and subsequently Council approved, consent to sever (File #: B4-23). The application is twofold in nature. First, the amendment aims to implement an exception for the retained *General Agricultural (A1)* parcel that will prohibit any future residential uses. In addition, the amendment also seeks to rezone the severed parcel to *Rural Residential (RR)* with site specific exceptions to certain regulations under the *RR zone*.

In May 2023, the applicant submitted a pre-consultation application, which was then followed by a pre-consultation meeting that was conducted on June 27th, 2023. Comments were received from the County of Dufferin, Township of Melancthon Engineering consultant, and the Nottawasaga Valley Conservation Authority (NVCA). Upon receipt of all comments and the Township's Record of Pre-Consultation, the applicant submitted a consent application on December 18th, 2023. The application was brought forth to Township Council on February 15th, 2024, where it was subsequently approved subject to certain conditions being addressed. The



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Zoning By-law amendment application was one of those conditions and was submitted by the applicant on April 22nd, 2024; however, a complete application was only finalized as of May 1st, 2024. A circulation of the submitted materials for comments by internal and external agencies was conducted by Township of Melancthon Planning staff on May 28th, 2024. To date, comments have been received from three agencies, which are further outlined in section 9.0.

The purpose of the following report is to provide Council with a recommendation on whether the proposed zoning by-law amendment application should be approved or denied. It is the aim of this report to provide Council with a detailed analysis of the proposed application and determination on whether it in fact represents 'good planning'. Using this report Council will be tasked to conclude if the proposed application should be accepted or refused.

3.0 DESCRIPTION OF SUBJECT LANDS

The lands subject to the Zoning By-law amendment application are municipally known as 518156 County Road 124 and legally described as Con 2 OS PT Lot 23 (Roll Number: 221900000203700).

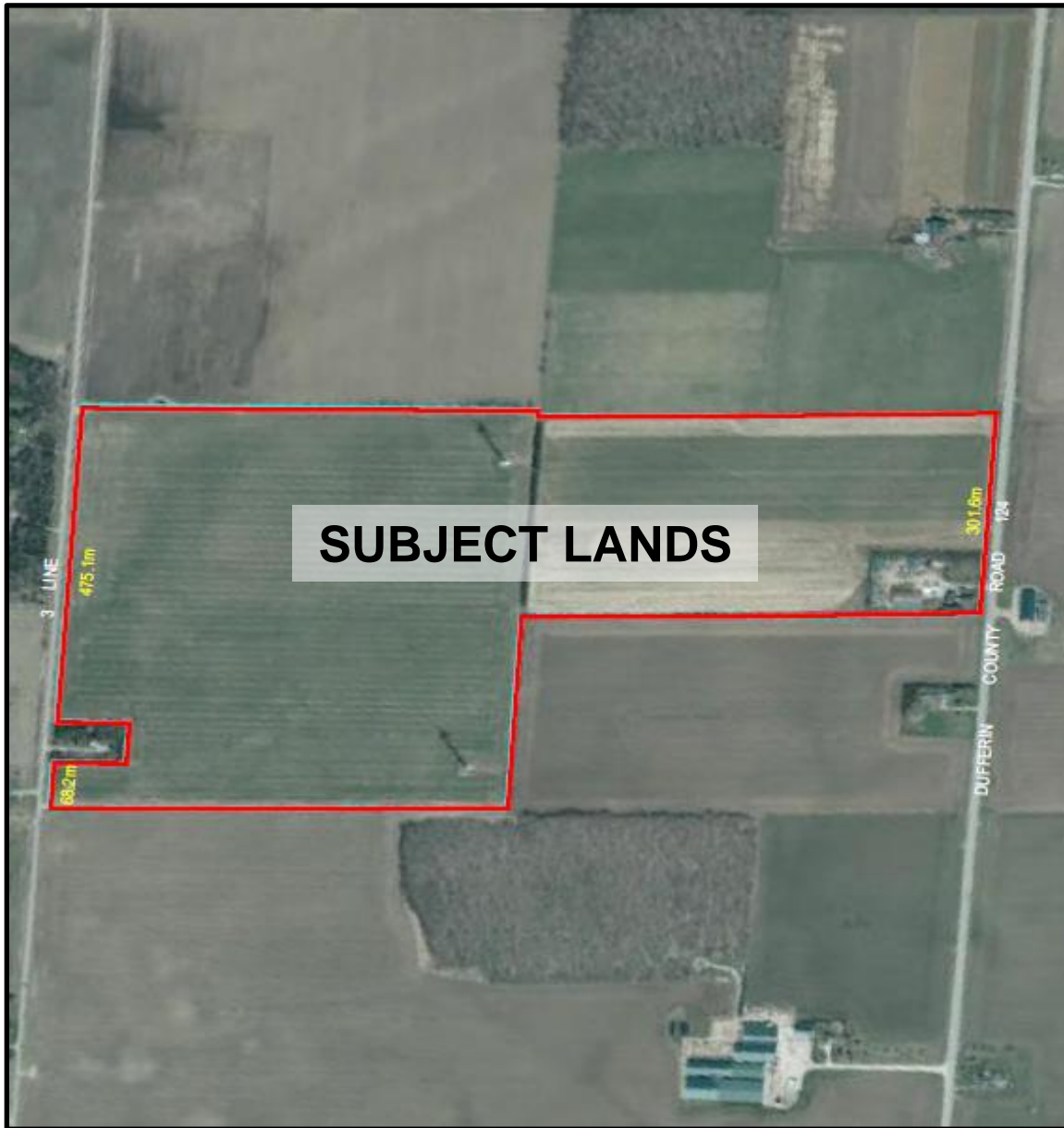
The lands are approximately 60.45 hectares (149.4 acres) in size and have a lot frontage of approximately 300 metres onto County Road 124 and approximately 500 metres onto 3rd Line. Presently on the subject lands are agricultural lands, a single-family detached home, and five (5) accessory buildings that include a shop, drive shed, and two barns, one of which is proposed for demolition. Surrounding land uses include predominately agricultural lands and single-family detached rural residential homes.

An aerial of the subject lands has been provided for reference below in Figure 1.



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Figure 1: Aerial of Subject Lands



4.0 PROPONENT APPLICATION

It is the intent of this application to amend certain zoning provisions on the subject lands to address the condition of approval set out under Township Council's approval order for the consent application. As noted in section 2.0, the first part of the amendment seeks rezone the



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retained agricultural lands as *General Agricultural (A1) Exception* with the exception being the prohibiting of future residential uses on the lands. The second part aims to rezone the severed lands from *A1* to *Rural Residential (RR) Exception* with the exception addressing certain zoning regulations that are not conformed with as a result of the consent application.

An illustration of the proposed zoning changes has been provided below in Figure 2.

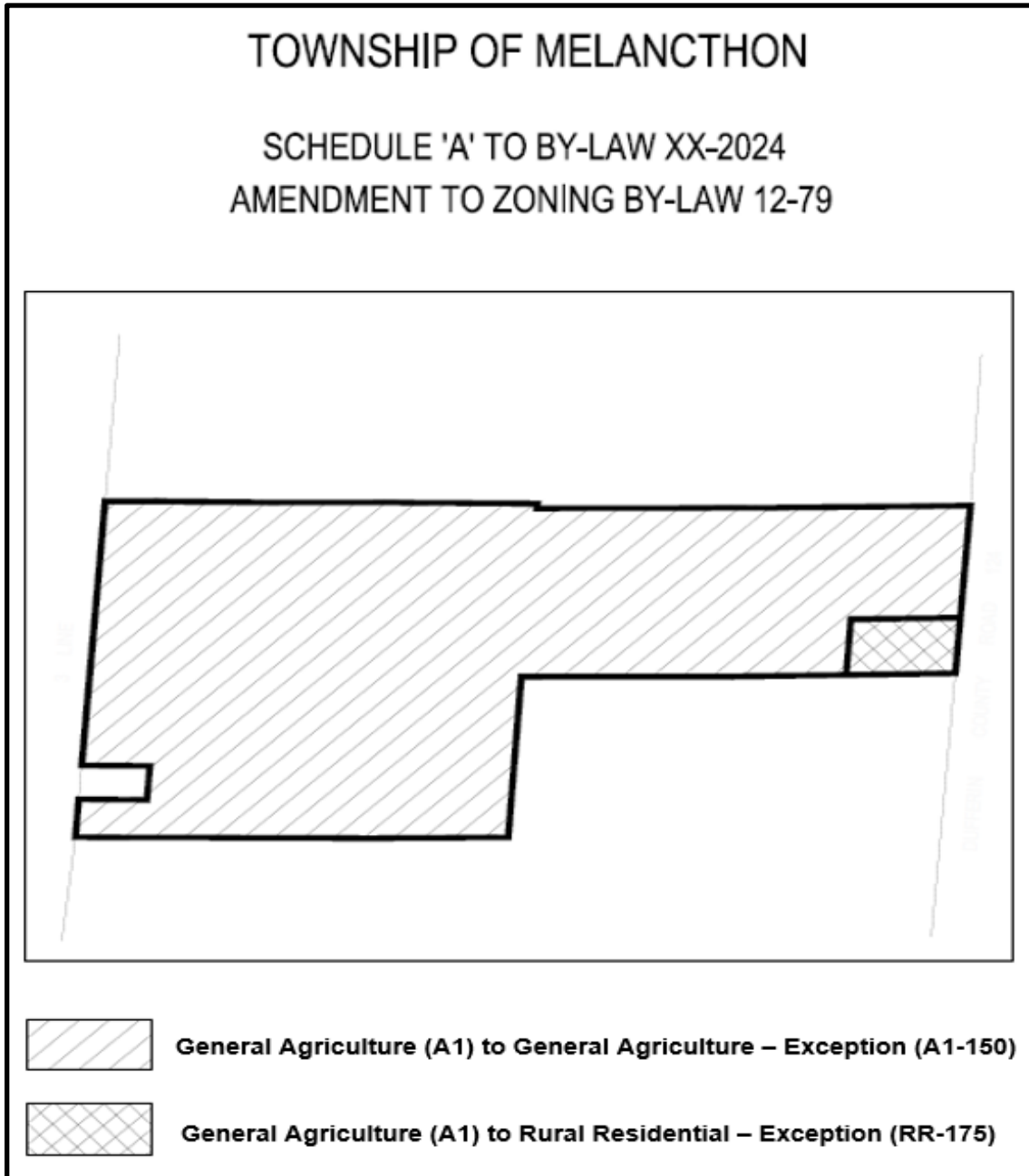
Figure 2: Zoning Changes for Subject Lands



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5.0 POLICY OVERVIEW

Provincial Policy Statement (2020)



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The Provincial Policy Statement (herein referred to as the 'PPS') provides numerous overarching policies that are of relevance to the proposed zoning by-law amendment application.

Section 2.3.1 states that *"prime agricultural areas shall be protected for long-term use for agriculture.*

Section 2.3.4.1(c) states that *"lot creation in prime agricultural areas is discouraged and may only be permitted for a residence surplus to a farming operation as a result of farm consolidation, provided that:*

- 1. The new lot will be limited to a minimum size needed to accommodate the use and appropriate sewage and water services; and,*
- 2. The planning authority ensures that new residential dwellings are prohibited on any remnant parcel of farmland created by the severance. The approach used to ensure that no new residential dwellings are permitted on the remnant parcel may be recommended by the Province, or based on municipal approaches which achieve the same objective".*

Section 2.3.4.3 states that *"the creation of new residential lots in prime agricultural areas shall not be permitted, except in accordance with policy 2.3.4.1(c)".*

County of Dufferin Official Plan

The in-effect County Official Plan (2017) designates the subject lands as *Agricultural*. Permitted uses include agricultural uses, agricultural related-uses, on-farm diversified uses, home occupations, home industries, residential dwellings, forestry, conservation, wildlife and fisheries management, passive recreational uses, watershed management, and flood and erosion control projects. As it relates to residential dwellings, section 4.2.2 (c) of the County Official Plan states that *one single residential dwelling is permitted per lot, subject to the policies of the local municipal official plan and zoning by-law.*

There are no notable natural heritage features on the subject lands under the in-effect County Official Plan.



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The Council adopted County Official Plan (2024) designates the subject lands as *Prime Agricultural*. Permitted uses under this designation are identical to those under the in-effect County Official Plan (2017). Similarly, section 4.2.2 (c) also remains consistent across both the in-effect and Council adopted County Official Plan. The Council adopted County Official Plan (2024) also illustrates that there are no notable natural heritage features on the subject lands.

Township of Melancthon Official Plan

The subject lands are designated as both *Agricultural* and *Environmental Protection* under the Township Official Plan. It must be noted, however, that the area where the proposed development is proposed to occur is strictly designated as *Agricultural* and, as such, the policies of that designation will apply. Permitted uses include, agricultural uses, agricultural-related uses, on-farm diversified uses, farm related tourism, single detached dwellings, wayside pits, and infrastructure.

Specific policies relevant to the proposed application include the following:

Section 5.2.2(c) states that "*agricultural uses shall be given priority over all other uses with the exception of:*

- i. *Existing and new dwellings permitted on existing lots of record in accordance with the applicable policies of this Plan.*

Section 5.2.5.b (iii) states that "*the only type of new residential lot permitted is a lot which accommodates a residence surplus to a farming operation as a result of farm consolidation provided there is compliance with the following policies.*

- *The new lot for the existing residence will be limited to the minimum size needed to accommodate the use and any required individual onsite water service and individual on-site sewage service.*
- *Such lots are permitted only if the approval authority ensures that a new residence is prohibited on any remnant parcel created by the land division through the application of appropriate zoning controls or other equivalent measures.*



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- *Where these residential lots would be located in close proximity to agricultural buildings on the property that is the subject of the consent application, MDS formulae shall be met, or those buildings shall be removed as a condition of the granting of the consent for the land severance”.*

Township of Melancthon Zoning By-law 12-1979

The subject lands are zoned as *General Agricultural (A1)* under Zoning By-law 12-1979. Permitted uses include a farm, kennel, riding stable, nursery or commercial greenhouse, animal hospital, forestry or conservation uses, wayside pit, home occupation, single family detached home, and accessory uses.

The proposed zoning by-law amendment seeks to maintain the *A1* zone for the retained agricultural lands, while including a provision that prohibits future residential development. In addition, the severed parcel is to be rezoned *Rural Residential (RR)* to align with the residential nature of the severed parcel, as well as consent policies under both the Township (sec. 5.2.5.b) and County (sec. 4.2.5.c) Official Plans.

6.0 POLICY ANALYSIS

Township Planning staff have undertaken an extensive analysis of the overarching policy regulations associated with subject lands. Staff have determined the following findings as it relates to all overarching planning policies.

- The application complies with the policies, especially those relating to lands created as a result of a consent application, set out under the PPS 2020.
- The application conforms to, as well as maintains the overall intent of, both the in-effect (2017) and Council approved (2024) County Official Plans.
- The application is consistent with the policies under the Township Official Plan, especially as it relates to residences deemed surplus to a farming operation.

7.0 PROPOSED ZONING AMENDMENTS



The Corporation of
THE TOWNSHIP OF MELANCTHON
 157101 Highway 10, Melancthon, Ontario, L9V 2E6

The following table provides an overview of the amendments currently being proposed under this application.

Zoning	In-Effect Zoning Regulation	Proposed Zoning Regulation
General Agricultural (A1)	All zoning regulations proposed to remain the same. Following exception proposed to be added. i. Residential Uses are prohibited	
Rural Residential (RR)	Min. Front Yard = 25 m	Min. Front Yard = 16.7 m
	Max. Lot Coverage = 10%	Max. Lot Coverage = 14.7%

8.0 SUMMARY OF TECHNICAL REPORTS SUBMITTED

The planning consultant has submitted the following technical reports and information to the Township in support of the proposed Zoning By-law amendment:

1. *Application Form – ZBA (Consultant: Thorstone Consulting Services)*
2. *Deposited R-Plan (Consultant: Van Harten Land Surveyors-Engineers)*
3. *Draft Zoning By-law Amendment (Consultant: Thorstone Consulting Services)*
4. *Minimum Distance Separation Report (Consultant: Thorstone Consulting Services)*
5. *Planning Justification Letter (Consultant: Thorstone Consulting Services)*
6. *Plan of Survey (Consultant: Van Harten Land Surveyors-Engineers)*

9.0 SUMMARY OF COMMENTS RECEIVED

To date, comments have been provided by three (3) agencies. Those agencies, and a high-level summary of their respective comments, are further outlined below.

9.1. Township of Melancthon Engineer (RJ Burnside)

The Township Engineer provided comments on June 17th, 2024. In their comments they noted that they had engineering concerns with the proposed rezoning application.



The Corporation of

THE TOWNSHIP OF MELANCTHON

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However, they did have two comments regarding lot coverage, which are further outlined below.

1. The Thorstone Report dated December 18, 2023, shows a proposed severance area of 1.4ha in Figure 6 but an area of 1.68 ha in Figure 6A. Presumably the actual area was determined at the time of the consent and the correct number should be used when calculating the lot coverage. (If the enclosed Van Harten survey does in fact show the final boundaries of "Part 2" then it would confirm that the larger number is the correct one).
2. The material indicates that the maximum permitted coverage is 10% while the existing buildings represent a coverage of 17.5%. However, that coverage includes a barn that is required to be demolished. That barn is about 7% of the coverage, so the remaining coverage will be a little less than 10.5%. I think it would be preferable to rezone to this number, if possible. This would likely require the use of a Holding provision in the zoning.

9.2. *Nottawasaga Valley Conservation Authority (NVCA)*

The NVCA submitted comments to Township Planning staff on June 6th, 2024. Upon their review of the application, they indicated that no objections or concerns with the proposed application were present. NVCA staff did note, however, should any development or site alteration occur in the regulated portions of the property a permit under the *Conservation Authorities Act* will be required.

9.3. *Enbridge Gas*

Comments were provided by Enbridge Gas on June 27th, 2024. This external agency indicated that they did not object to the proposed application; however, they do reserve the right to amend or remove development conditions.

10.0 RECOMMENDATION



The Corporation of

THE TOWNSHIP OF MELANCTHON

157101 Highway 10, Melancthon, Ontario, L9V 2E6

If Council concurs with the conclusion of this report the following recommendation is provided for consideration:

1. *That the application for Zoning By-law Amendment submitted by Thorstone Consulting Services be received together with this report and **APPROVED** by Township of Melancthon Council.*

Prepared by:

A handwritten signature in black ink, appearing to be "LM".

Liam Morgan

Development Planner

Township of Melancthon

Approved by:

A handwritten signature in blue ink, appearing to be "SY".

Silva Yousif

Senior Planner

Township of Melancthon

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON

BY-LAW NO. _____

Being a By-law to amend By-law No. 12-79, as amended, the Zoning By-law for the Township of Melancthon as it affects property known municipally as 518156 County Road 124, Melancthon Township and legally described as Part of Lot 23, Concession 2 OS, as shown on attached Schedule "A".

WHEREAS the Council of the Corporation of the Township of Melancthon is empowered to pass By-laws to regulate the use of land pursuant to Section 34 of the Planning Act, 1990, as amended;

AND WHEREAS the owner of the subject lands has requested a zoning by-law amendment;

AND WHEREAS the Council of the Corporation of the Township of Melancthon deems it advisable to amend By-Law 12-79, as amended;

NOW THEREFORE the Council of the Corporation of the Township of Melancthon enacts as follows:

1. Schedule 'A' to Zoning By-law No. 12-79, as amended, is further amended by zoning lands described legally as Part of Lot 23, Concession 2 OS, in the Township of Melancthon, from the *General Agriculture (A1)* to the *General Agriculture – Exception (A1-150)* and the *Rural Residential – Exception (RR-175)* zone on Schedule A attached hereto, which forms part of this By-law.
2. The provisions of Zoning By-law No. 12-79, as amended, shall continue to apply to those lands zoned *General Agriculture – Exception (A1-150)* on Schedule A with the exception of the following:
 - i. Residential uses are prohibited.
3. The provisions of Zoning By-law No. 12-79, as amended, shall continue to apply to those lands zoned *Rural Residential – Exception (RR-175)* on Schedule A with the exception of the following:
 - i. That notwithstanding Section 8.3(c), the minimum front yard shall be 16.7 m.
 - ii. That notwithstanding Section 8.3(i), the maximum lot coverage shall be 14.7 percent.

This By-law shall come into force and effect in accordance with the provisions and regulations pursuant to Section 34 of the *Planning Act*.

BY-LAW read a first and second time this 18th day of July, 2024.

BY-LAW read a third time and finally passed this 18th day of July 2024.

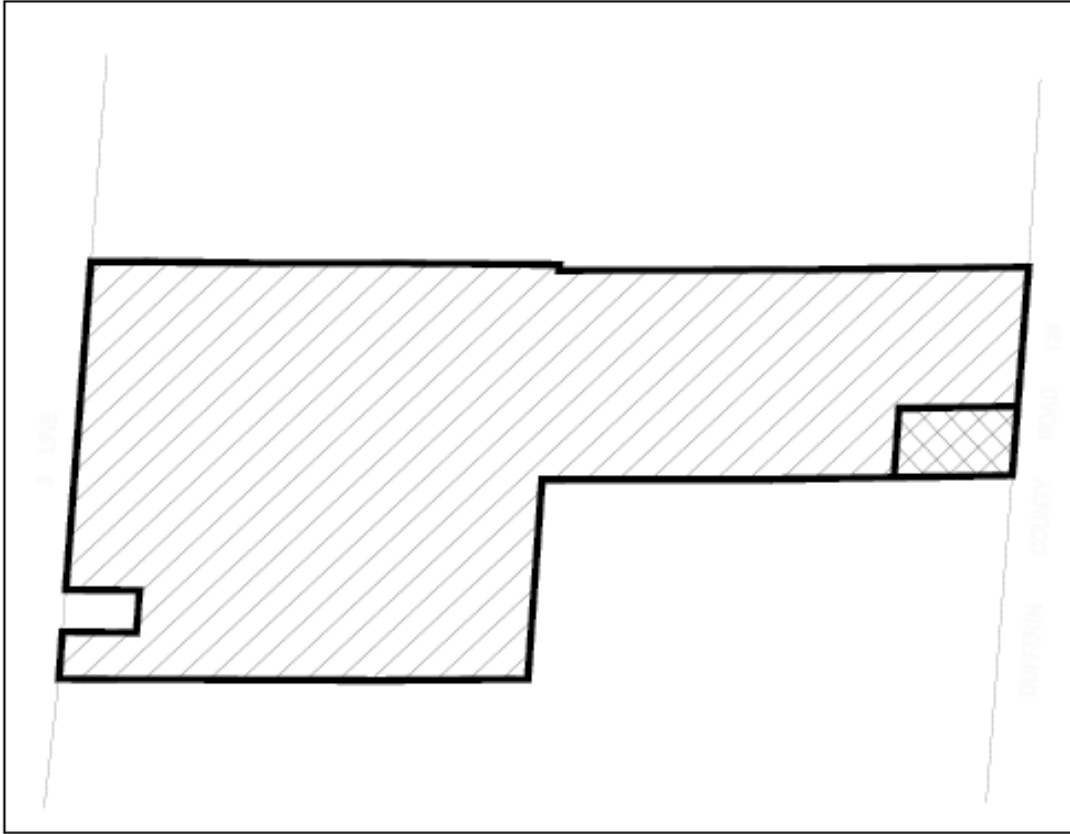
MAYOR

CLERK

SCHEDULE A – LANDS TO BE REZONED

TOWNSHIP OF MELANCTHON

**SCHEDULE 'A' TO BY-LAW XX-2024
AMENDMENT TO ZONING BY-LAW 12-79**



General Agriculture (A1) to General Agriculture – Exception (A1-150)



General Agriculture (A1) to Rural Residential – Exception (RR-175)



BURNSIDE

Township of Melancthon 2024 Asset Management Plan



Arunas Kalinauskas – Business Manager
Asset Management / GIS
Dan Wilson – Financial Strategy Specialist

Agenda

- Asset Management Plan Requirement
- Project Outline
- State of Local Infrastructure
- Levels of Service
- Asset Strategy Capital Needs
- Financial Strategy
- Recommendations
- Questions



BURNSIDE

Asset Management Requirement

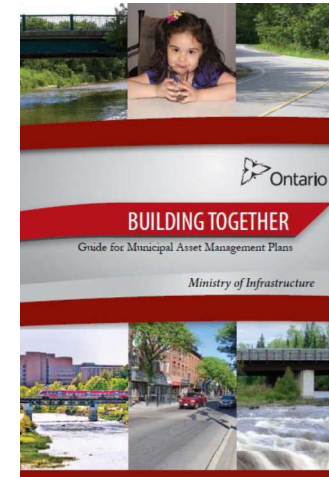
- Applying for Provincial Funding
 - Plans are now part of grant applications
- Federal Gas Tax Agreement
 - Require asset management plan with identified priority projects
- Development Charges Act
 - Consideration for the municipality in the future
- Bill 6 Infrastructure for Jobs Prosperity Act
 - Makes asset management planning a requirement
 - Regulation 588/17 (Dec. 2017, and Amendment 2021)

Asset Management Internal Benefits

- Great tool for Infrastructure planning
 - Identify capital priorities
 - Tie to budget & capital forecast, other strategic planning documents
 - Long term financial plan
- A living document:
 - Only useful if it is kept up to date
 - **Updates according to Reg 588/17 and then every 5 years after fulfilling 2025 regulation requirements and when priorities change**
 - Reg 588/17 next required update for all Township assets July, 2029.

Ontario Regulation 588/17

- Regulation requires Report to follow Ontario Building Together Guide, plus:
 - Additional Information on Levels of Service
 - Information on Infrastructure Implications due to Climate Change
- Components of information and analysis that are required to be included in a municipality's asset management plan
 1. Executive Summary
 2. Introduction
 3. State of Local Infrastructure
 4. Expected Levels of Service
 5. Asset Management Strategy
 6. Financing Strategy



Click on image to access Guide

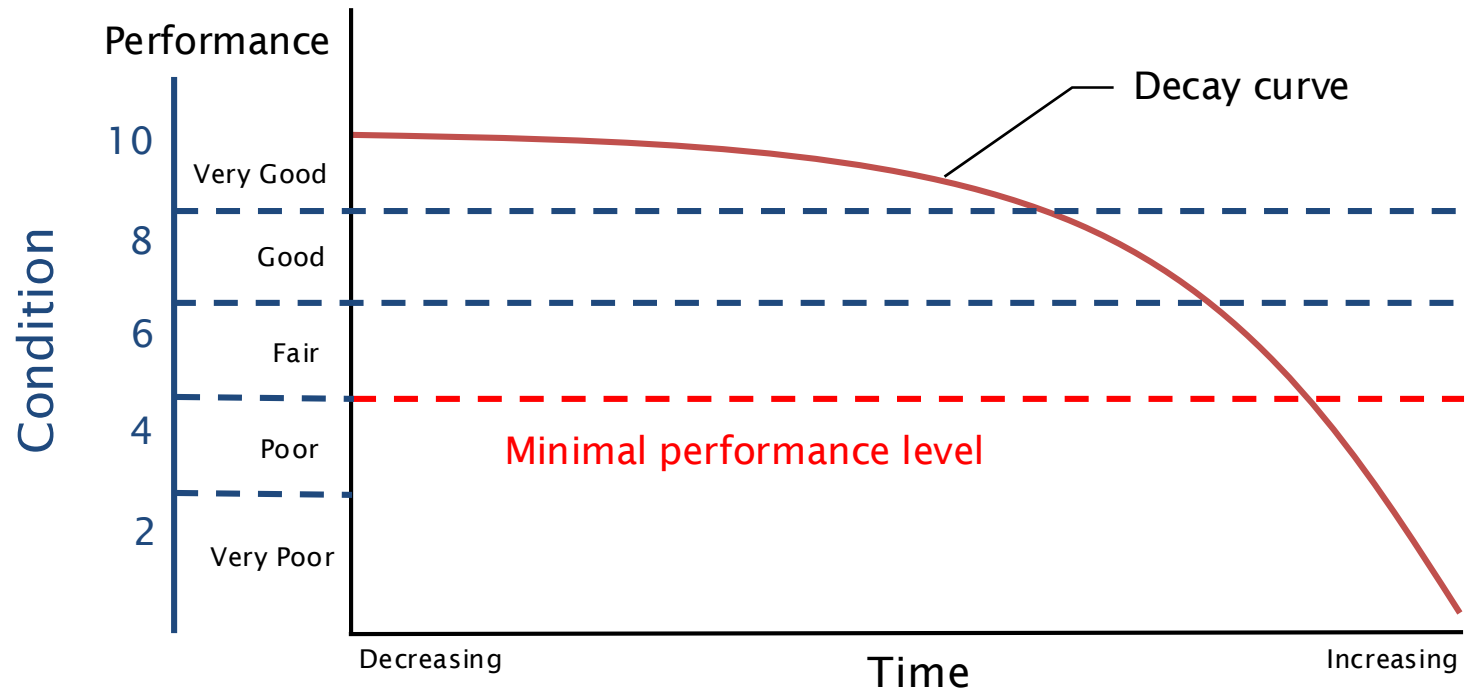
Asset Management Plan

- Review
 - Roads; - Facilities
 - Bridges / Culverts; - Equipment
 - Storm Water; - Land Improvements;
 - Information Technology Assets; and
 - Vehicles
- Extract / Estimate conditions and lifecycle needs
- Level of service and Risk/criticality assessment
- Compile an Asset Management Strategy

State of Local Infrastructure

- Good data is key
- Asset inventory based on municipality's data as well as Township Staff input
- Asset conditions were obtained from the following:
 - Road Study(2019)
 - Bridge Inspections (2023)
 - Various Township documents
 - Township Staff

Asset Condition



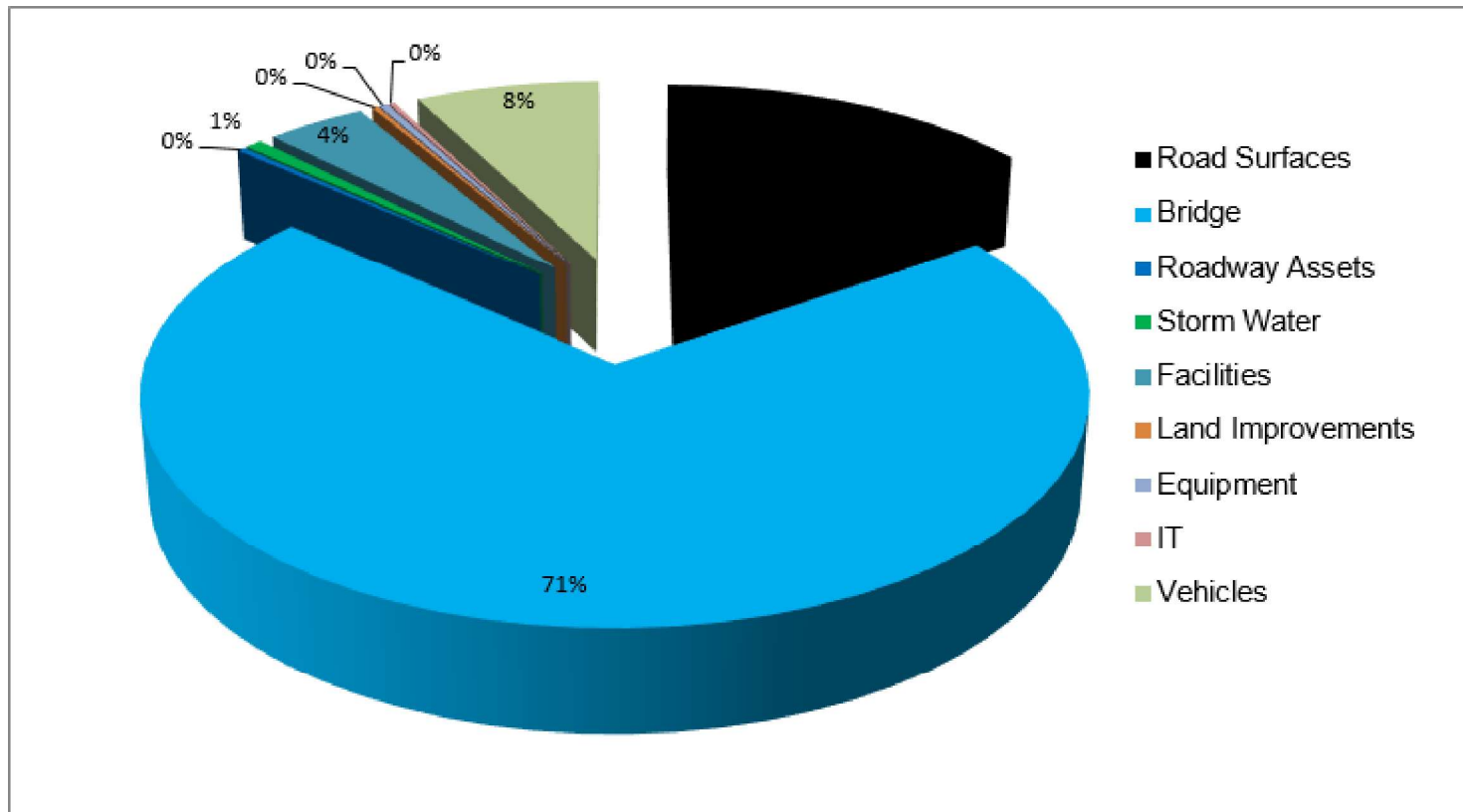
- To gain better understanding of Remaining Service Life

Township Asset Summary

Asset Type	Asset Sub-Type	Condition (weighted average)	Risk (weighted average)	Useful Life (UL) - Weighted Average	Remaining Service Life (RSL) - Weighted Average	RSL as a % of UL
Road Base	Base	N/A	Low	75	11	15%
Road Surface	Asphalt	Average	Moderate	25	9	36%
	Gravel	Average	Low	3	2	67%
Roadway Assets	Sidewalks	Average	Low	40	1	3%
	Signs	Poor	Moderate	10	2	20%
	Guardrails	Good	Low	30	20	67%
	Street Lights	Good	Moderate	40	30	75%
Bridge & Culverts	Bridges & Culverts	Good	Moderate	70	31	44%
Storm Water	Storm Mains	Good	Low	100	71	71%
	Catch Basins	Average	Moderate	50	21	42%
	Crossroad Culverts	Very Good	Low	50	44	88%
Facilities & Components	Facilities	Good	Moderate	68	35	51%
Land Improvements	Land Improvements	Good	Low	37	17	46%
Equipment	Equipment	Average	Low	24	10	42%
IT Hardware and Software	IT	Average	Moderate	8	4	50%
Vehicles	Vehicles	Average	Moderate	17	5	29%

- Over all **Good** Condition (weighted average)
- \$177.5 million replacement cost
- Useful Life 58 years (weighted average)
- 24 years Remaining Life (weighted average)
- Moderate Risk

Replacement Cost Distribution

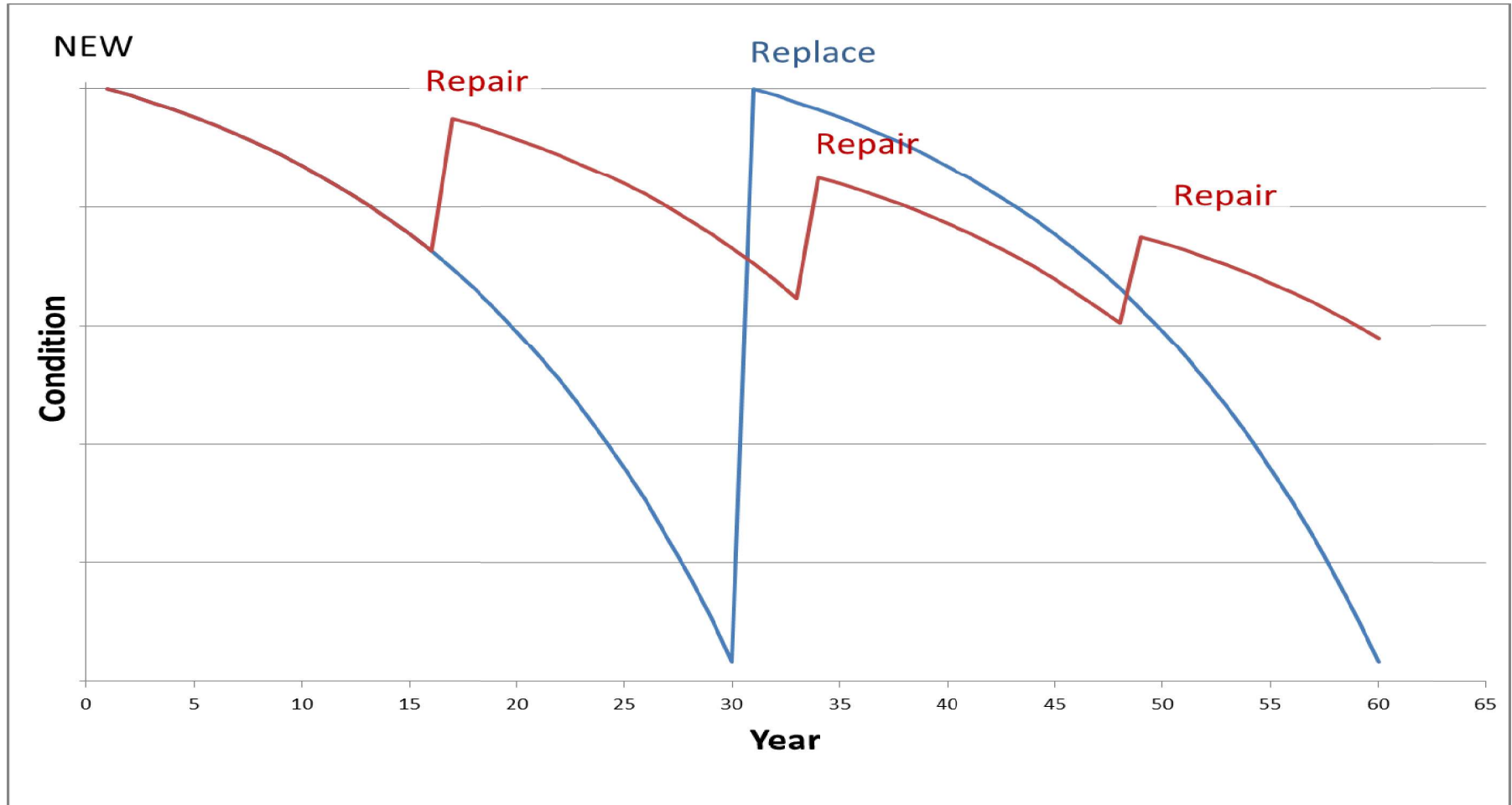


Without Road Bases included

Levels of Service

- Levels of Service (LOS) Requirements:
 - Performance measures, targets and timeframes illustrating defined levels of service;
 - External trends or issues that may affect desired levels of service or the municipality's ability to meet them; and
 - Show current performance relative to established targets
- Compare: Current LOS to Expected LOS
- Typically describes
 - How much effort to maintain service levels
 - Minimum acceptable service levels
 - What are the risks of not maintaining service levels
 - How frequently action needs to be taken to maintain service levels

Levels of Service



Asset Management Strategy

- Recommended actions (i.e. long term forecast) to move towards a sustainable position while delivering expected levels of service in a cost effective manner
 - Non-infrastructure solutions & Maintenance activities
 - Renewal/rehabilitation activities
 - Replacement activities
 - Expansion activities
- Strategy Analysis
- Risk Assessment

Risk / Criticality Ratings

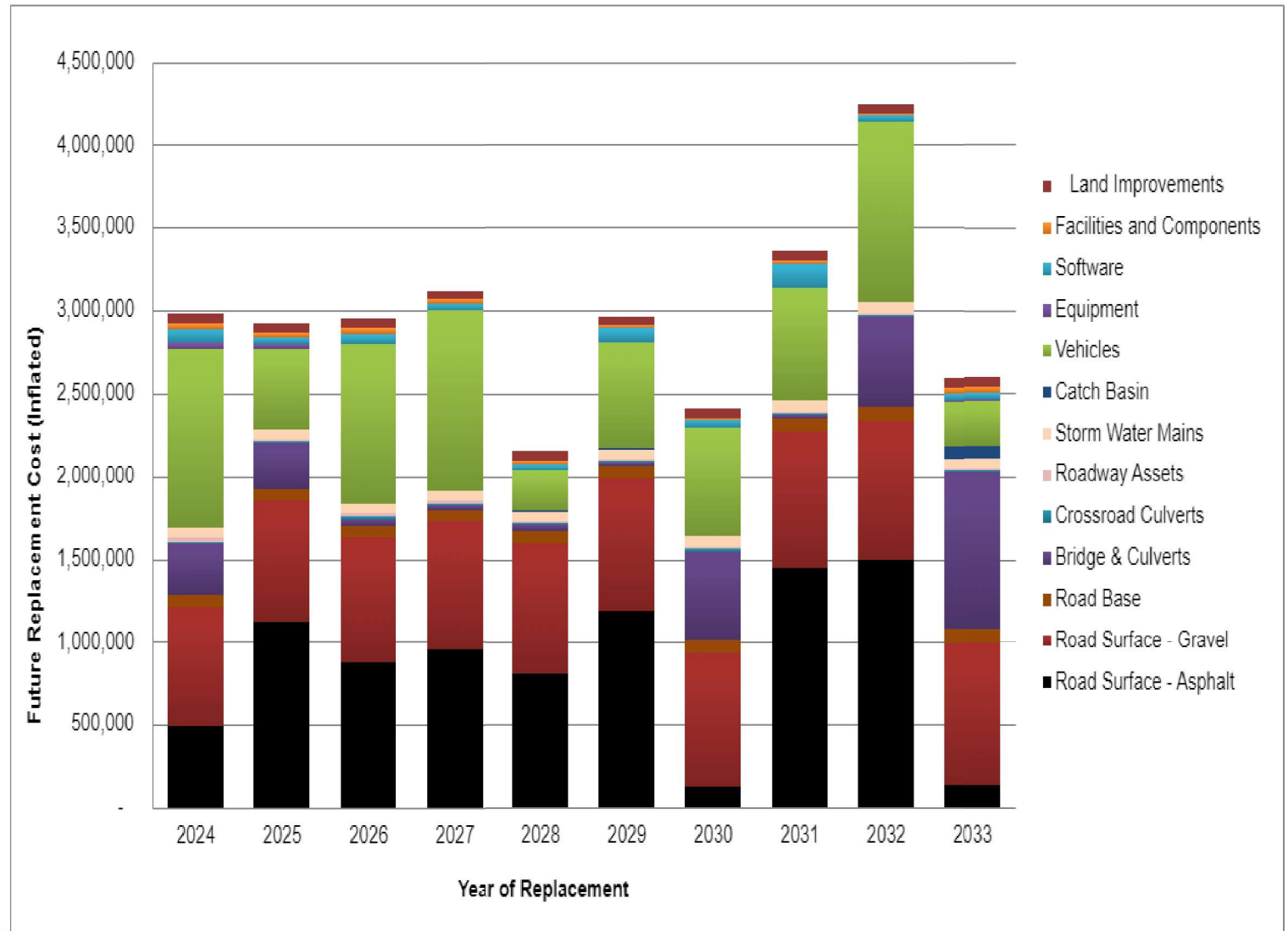
Risk of Asset Failure = Probability of Failure X Consequence of Failure

	Cost	Social	Environmental	Service Delivery
Significant	Significant Cost – Difficult to Recover	Death, Serious Injury	Long-term Impact – Permanent	Major Interruptions
Major	Substantial Cost – Multi-year Budget Impacts	Major Injury	Long-term Impact – Fixable	Significant Interruptions
Moderate	Considerable Cost – Requires Revisions to Budget	Moderate Injury	Medium-term Impact – Fixable	Moderate Interruptions
Minor	Small/Minor Cost – within Budget Allocations	Minor Injury	Short-term/Minor Impact – Fixable	Minor Interruptions
Insignificant	Negligible or Insignificant Cost	No Injury	No Impact	No Interruptions

Probability of Failure	Consequence of Failure				
	Significant	Major	Moderate	Minor	Insignificant
Almost Certain	E	E	H	H	M
Likely	E	H	H	M	M
Possible	H	H	M	M	L
Unlikely	H	M	M	L	L
Rare	M	M	L	L	L

Asset Management Strategy

**\$29.7 million
Capital needs
over 10 years
(inflated)**



Financing Strategy

- Historical Asset Capital Investment

Funding Type - Tax Supported Assets	2022	2023	2024
Canada Community Building Fund (Gas Tax)	95,399	99,547	98,470
OCIF Funding	108,537	100,000	100,000
Transfer from Operating to fund Capital (Includes gravel resurface)	371,963	762,000	405,000
Transfer to: Equipment Replacement Reserve	150,000	150,000	220,000
Transfer to: Roads Capital Reserve	-	-	50,000
Transfer to: Building Maintenance Reserve	10,000	-	-
Transfer to: Environmental Rehabilitation Reserve	10,000	10,000	10,000
Total Asset Investment - Capital (Sustainable)	745,899	1,121,547	883,470

* Excludes the Safe Restart and OMPF grants as they are operating in nature.

** Excludes the use of debt and existing reserve balances.

Financing Strategy

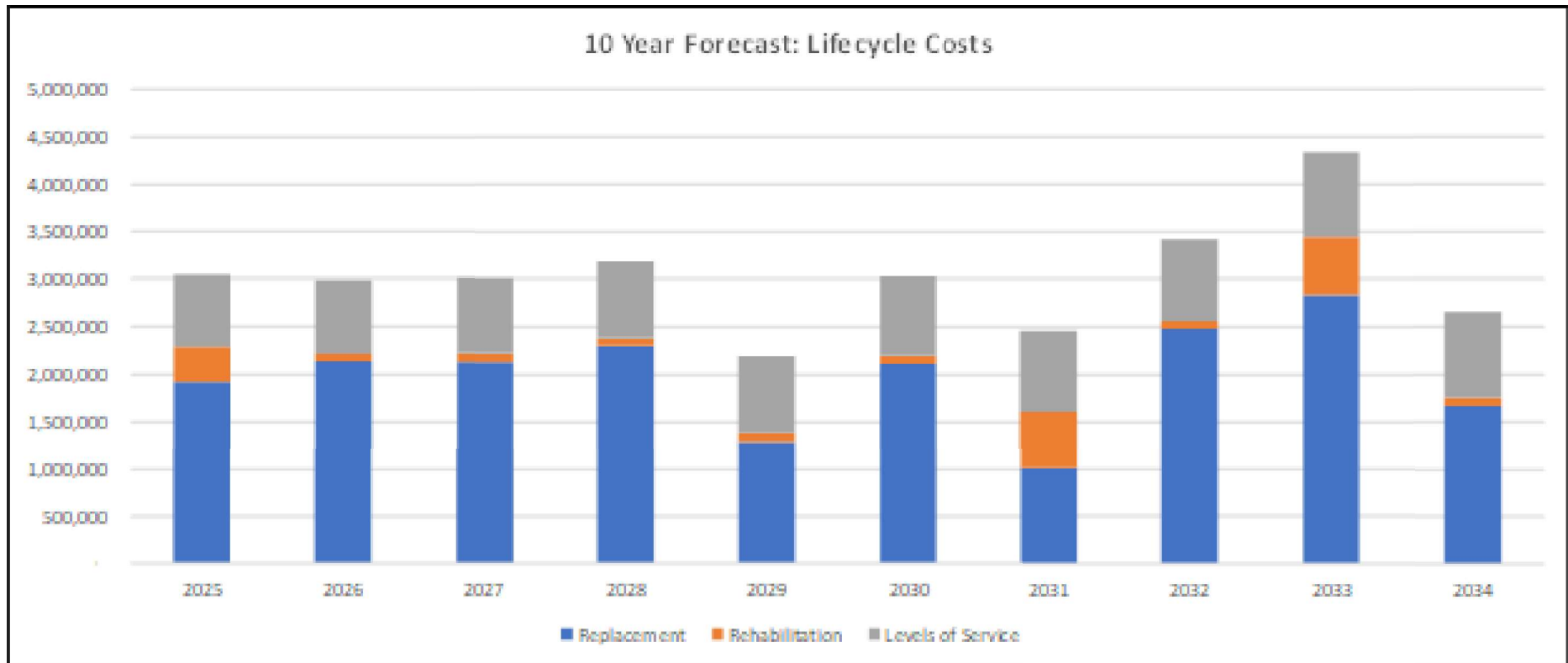
- Optimal Investment

Tax Supported Assets	Replacement Cost	Weighted Average Useful Life	Annual Replacement Investment (2024)
Road Surface - Asphalt	8,143,476	25	325,700
Road Surface - Gravel	1,932,901	3	644,300
Road Base**	112,451,524	75	20,000
Bridge & Culverts	46,225,750	70	660,400
Crossroad Culverts	145,702	50	2,900
Sidewalks	11,000	40	300
Signs	49,465	10	4,900
Barriers	4,538	30	200
Street Lights	146,000	40	3,700
Storm Sewers	183,701	100	1,800
Catch Basin	132,549	50	2,700
Water (Wells)	77,000	28	2,800
Wastewater Assets (Septic)	106,500	25	4,300
Vehicles	4,930,000	17	290,000
Equipment	233,025	24	9,700
Software	151,990	23	6,600
Facilities and Components	2,651,922	68	39,000
Land Improvements	156,193	37	4,200
Total	177,733,236		2,023,500

** Road Base annual investment for maintenance only.

Financing Strategy

- Forecast



Financing Strategy

- Contributions to Reserves and Use of Grants

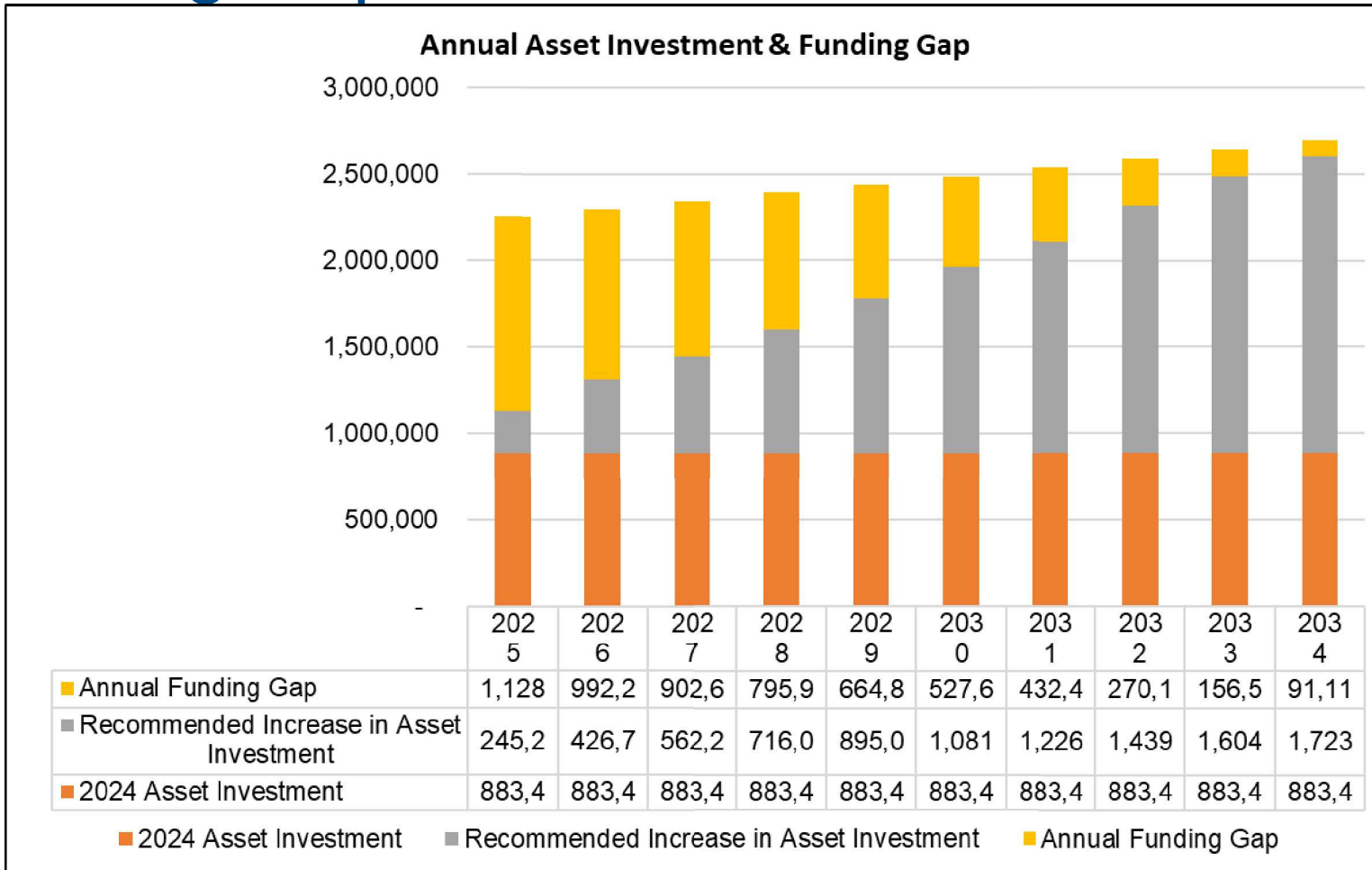
Funding Type - Tax Supported As	Forecast									
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Transfer to Reserves for Asset Management	192,824	324,051	403,290	502,702	677,606	859,520	1,000,212	1,209,091	1,370,053	1,483,872
Total	192,824	324,051	403,290	502,702	677,606	859,520	1,000,212	1,209,091	1,370,053	1,483,872
Transfer from Operations to Capital	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000
Transfer from/(to) Capital Reserves - 2024 Existing	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000
Canada Community Building Fund (Gas Tax)	102,573	102,573	106,676	106,676	106,676	106,676	106,676	106,676	106,676	106,676
OCIF Funding	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Asset Investment	1,080,397	1,211,624	1,294,966	1,394,378	1,569,282	1,751,196	1,891,888	2,100,767	2,261,729	2,375,548

- Increase in Funding Summary:

Increase in Funding	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Increase (Decrease) in Transfers to Reserves	192,824	131,227	79,239	99,411	174,905	181,913	140,692	208,880	160,962	113,819
Increase (Decrease) in Operating - LOS	48,300	50,300	52,200	54,300	4,100	4,200	4,300	4,400	4,400	4,500
Increase (Decrease) in Operating - Debt	-	71,653	134,400	125,420	114,083	33,070	85,150	28,370	88,370	148,100
Total Impact on Annual Tax Supported Budget	241,124	253,180	265,839	279,131	293,088	219,183	230,142	241,650	253,732	266,419
Estimated Taxation Impact: 1% in 2024 = \$33,042	6.95%	6.95%	6.95%	6.95%	6.95%	4.95%	4.95%	4.95%	4.95%	4.95%

Financing Strategy

- Funding Gap



Recommendations

- That Council receive and approve the 2024 Township of Melancthon Asset Management Plan;
- That Council consider the 2024 Asset Management Plan during annual budget deliberations;
- That the Plan be updated as required and as Township's priorities change.

Questions



For more information please contact:

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Business Manager – Asset Management / GIS

R.J. Burnside & Associates Limited

519-941-5331



BURNSIDE

Asset Management Plan

Township of Melancthon
157101 Highway 10
Melancthon, ON L9V 2E6



BURNSIDE

Asset Management Plan

Township of Melancthon

**157101 Highway 10
Melancthon, ON L9V 2E6**

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**July 11, 2024
300058044.0000**



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Record of Revisions

Revision	Date	Description
-	July 8, 2024	Draft Report to Township of Melancthon
-	July 11, 2024	Final Report to Township of Melancthon

R.J. Burnside & Associates Limited**Report Prepared By:**

Arunas Kalinauskas
Business Manager – Asset Management / GIS
AK:ao

Executive Summary

This report contains the Asset Management Plan for the Township of Melancthon (Township) capital assets. The report has been organized as follows:

- Section 1: Introduction
- Section 2: State of Local Infrastructure
- Section 3: Expected Levels of Service
- Section 4: Asset Management Strategy
- Section 5: Financial Strategy
- Section 6: Recommendations

The State of Local Infrastructure Section provides an overview of the capital assets owned by the Township. This includes detailed information on asset inventory, including asset attributes, accounting valuations, replacement costs, useful life, age, and asset condition. This information provides the foundation for other sections of the asset management plan.

Based on data provided by the Township and discussions with Township staff, it is believed that the Township's assets, based on weighted average condition (with the weighting based on asset replacement cost), are as follows:

Tax Based Assets

- Road assets – **Average** condition
- Bridge and Culvert assets – **Good** condition
- Roadway assets – **Good** condition
- Storm Water assets – **Good** condition
- Facility assets – **Good** condition
- Vehicles – **Average** condition
- Equipment – **Average** condition
- Information Technology Software & Hardware – **Average** condition
- Land Improvements – **Good** condition

As outlined in the following summary assets table, please note that weighted average conditions do not fully reflect the many assets that need to have capital improvement investments but provide an overall high-level perspective of all the assets found in that asset grouping / network at present time.

Looking at a weighted average of remaining life as a percentage of useful life can provide a quick estimate of how quickly the Township may be looking to invest in either capital improvements or asset replacement. It is important to view the Remaining Service Life percentages not as absolutes but as triggers to seek more information about an asset type. For example, Township sidewalks show a 3% Remaining Service Life percentage (RSL). In discussion with Township Staff, it is understood that the Township owns only 220 meters of sidewalk in Horning's Mills, and that this sidewalk does not

have many users. However, it is still important to ensure that sidewalks are inspected annually and well maintained, until the Township decides to replace this asset. Township vehicles is another example of low RSL 29%, and Average weighted average condition. In discussion with the Public Works Superintendent vehicles have been delayed for replacement as the older vehicles were outperforming the newer vehicles. This has delayed the replacement of the older vehicles but now even the older vehicles need to be replaced. The weighted average condition is Average due to the active maintenance program used to keep the vehicles running.

Bridges and Culverts is another example of an asset type that is showing just under 50% remaining life. The Township has worked hard at upgrading their bridges and culverts with some major investments over the last several years. This investment is providing a Good weighted average condition. The bridges are reviewed regularly by professional engineers who provide maintenance and capital improvement recommendations which provide the most appropriate levels of service to the public. So weighted averages are good high-level values that may require some additional detailed information for clarity.

Asset Type	Asset Sub-Type	Condition (weighted average)	Risk (weighted average)	Useful Life (UL) - Weighted Average	Remaining Service Life (RSL) - Weighted Average	RSL as a % of UL
Road Base	Base	N/A	Low	75	11	15%
Road Surface	Asphalt	Average	Moderate	25	9	36%
	Gravel	Average	Low	3	2	67%
Roadway Assets	Sidewalks	Average	Low	40	1	3%
	Signs	Poor	Moderate	10	2	20%
	Barriers	Good	Low	30	20	67%
	Streetlights	Good	Moderate	40	30	75%
Bridge & Culverts	Bridges & Culverts	Good	Moderate	70	31	44%
Storm Water	Storm Mains	Good	Low	100	71	71%
	Catch Basins	Average	Moderate	50	21	42%
	Crossroad Culverts	Very Good	Low	50	44	88%
Facilities & Components	Facilities	Good	Moderate	68	35	51%
Land Improvements	Land Improvements	Average	Low	37	17	46%
Equipment	Equipment	Average	Low	24	10	42%
IT Hardware and Software	IT	Average	Moderate	8	4	50%
Vehicles	Vehicles	Average	Moderate	17	5	29%

Expected Levels of Service compares the current level of service provided by the Township, and the recommended levels of service that will help extend the life of the above-mentioned asset types. The Township takes great care in the service levels they offer their constituents and public. This report has made a few additional Levels of Service (LOS) recommendations that can potentially extend the life of the Township's capital assets; therefore, reducing the total lifecycle costs of these assets.

The Asset Management Strategy provides a ten-year operating and capital forecast for asset-related costs, indicating the requirements for maintaining, rehabilitating, replacing / disposing, and expanding the Township's assets, while moving towards the specified expected levels of service identified above. The goal of the asset management strategy is to have the Township moving towards a more sustainable asset management position over the forecast period. We have also taken into consideration the potential risk of each asset by identifying the asset consequence of failure and probability of failure. Asset risk was assessed based on the asset's age, condition, consequence of failure, and probability of failure.

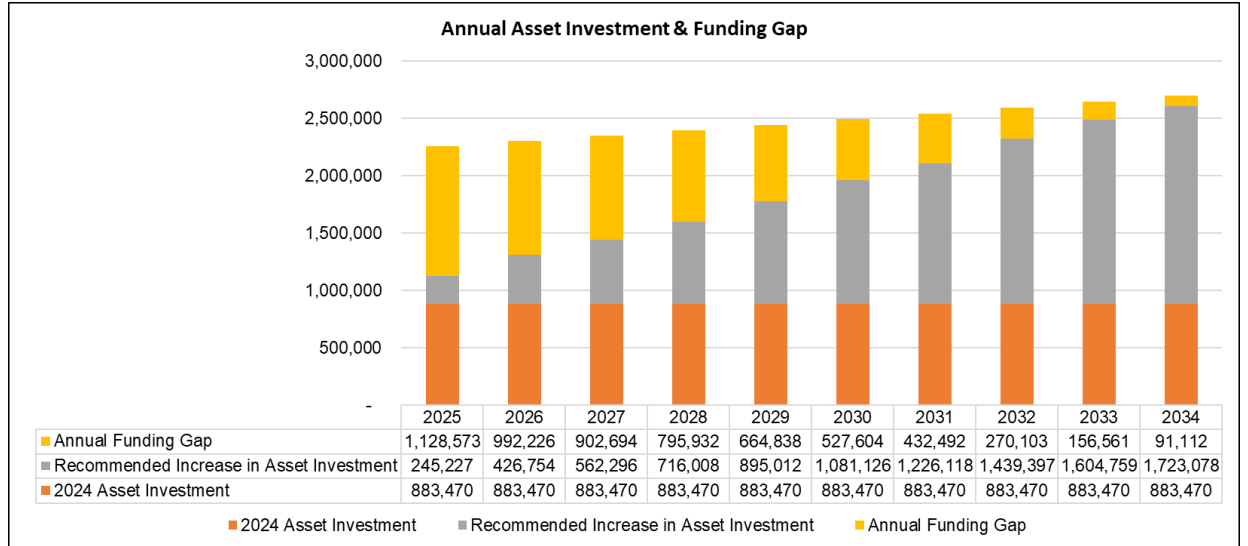
Great efforts were undertaken by Township staff and Burnside to create a complete asset dataset. For the facilities where limited information was identified, some assumptions were made based on the age of the buildings. It will be useful to review the asset useful life values over time as this will better reflect a more truthful lifecycle timeline for some Township assets. It is recommended that Township staff review the working data spreadsheets provided and update information as it becomes available. As assets are reviewed, the asset inventory can be updated creating an improved dataset annually.

Adding up the total costs of identified projects over the ten-year forecast period and comparing this to the Township's past capital funding investments shows a growing gap in infrastructure funding, which is found not only in the Township of Melancthon but throughout Ontario, and across Canada. See the graphic representation below that identifies the Township's funding gap. The Township has been making steps to close this funding gap and working hard to seek available funding grants to help close the gap. However, more needs to be done to ensure that the Township can offer appropriate levels of service to the public now and into the future.

We have recommended that detailed inspections of the Township's crossroad culverts are undertaken to provide an inventory and asset condition, remaining life, potential risk of failure, and future levels of service requirements.

The "financing strategy" described in Section 5 of this report identifies a funding plan for the recommended asset management strategy, including a review of historical results and recommendations with respect to the required amounts and types of funding

(revenue) annually over the forecast period. Also, any infrastructure funding gaps are identified, and recommendations are made regarding potential approaches to reduce and mitigate these gaps over the 10-year forecast period.



In summary, at a very high level we have found that the Township requires approximately \$2.7 million annually to fund long-term asset management planning needs.

Overall, this asset management plan is a tool to be used by the Township for capital and financial decision making. It can be tied to various existing reports (such as budget, official plan, and strategic planning reports) to ensure the asset management plan can be updated to reflect any changes in the Township’s priorities.

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Disclaimer

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In the preparation of the various instruments of service contained herein, R.J. Burnside & Associates Limited was required to use and rely upon various sources of information (including but not limited to reports, data, drawings, observations) produced by parties other than R.J. Burnside & Associates Limited. For its part R.J. Burnside & Associates Limited has proceeded based on the belief that the third-party/parties in question produced this documentation using accepted industry standards and best practices and that all information was therefore accurate, correct and free of errors at the time of consultation. As such, the comments, recommendations and materials presented in this instrument of service reflect our best judgment in light of the information available at the time of preparation. R.J. Burnside & Associates Limited, its employees, affiliates and subcontractors accept no liability for inaccuracies or errors in the instruments of service provided to the client, arising from deficiencies in the aforementioned third-party materials and documents.

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1.0 Introduction

1.1 Overview

R.J. Burnside & Associates Limited (Burnside) was retained by the Township of Melancthon (Township) to prepare an asset management plan for all Township capital assets. The asset management plan is intended to be a tool for the Township to use during various decision-making processes, including the annual budget process and Provincial / Federal capital grant application processes. This plan will serve as a road map towards sustainable infrastructure planning going forward.

Assets included in this asset management plan are the following:

- Roads (Asphalt and Gravel).
- Bridges/Culverts (over 3 m diameter).
- Roadway Assets (Sidewalks, Guiderails, Lights, Signs).
- Storm Water (Mains, Crossroad Culverts, Catch Basins).
- Facilities
 - Administration Office.
 - Works Yard (Works Garage, Sand Dome, Equipment Storage).
 - Horning's Mills Hall.
- Vehicles.
- Equipment.
- IT Hardware and Software.
- Land Improvements.

It is recommended that this plan be updated on an annual basis to ensure that it is kept up to date. All assets listed above, are tax supported and are discussed more thoroughly in this report.

1.2 Plan Objectives

The Township's goals and objectives, with respect to their capital assets, relate to the level of service being provided to the Township's residents and visitors. Services are provided at current levels of service. This asset management plan provides a few recommended service additions that will improve the asset lifecycles for these Township assets. The Township's infrastructure and other capital assets are anticipated to be maintained at condition levels that provide for a safe and functional environment for its residents and visitors. Therefore, the asset management plan and its implementation will be evaluated based on the Township's ability to meet these goals and objectives.

1.3 Plan Development

The development of the Township's asset management plan was based on the steps summarized below:

- Develop a complete listing of all Township capital assets, to be included in the plan, including attributes such as useful life, age, accounting valuation, and current replacement valuation. Update the replacement cost of assets to 2023 dollars, and where required, use applicable inflationary indices.
- Assess current condition of the assets, based on a combination of the following:
 - Existing reports.
 - Road Needs Study.
 - Bridge and Culvert Inspection reports.
 - Burnside desktop assessments based on reports.
 - Staff assessments.
 - Asset age analysis.
- Assess the risk of asset failure for each asset, based on determining the probability of each asset failing, as well as the consequence of the asset failing. This risk analysis is one of the components used to identify priority projects for inclusion in the asset management plan, as well as asset risk levels that require mitigation.
- Determine current levels of service, based on standard practices and discussions with Township staff. Further analysis of the maintenance practices and identification of additional measures that can be applied to the assets to extend their lifecycle and potentially provide a lower asset total lifecycle cost.
- Prepare an asset management strategy (i.e., operating, and capital forecast) based on the asset inventory, identified priorities, and level of service analysis discussed above.
- Prepare a final report, summarizing the process, strategy, and results of the asset management plan.

1.4 Maintaining the Asset Management Plan

The asset management plan should be updated as the capital needs and priorities of the Township changes. This can be accomplished in conjunction with the Township's budget process. With the delivery of this project's working spreadsheet file, the Township will have the tools available to perform updates to the plan when needed.

When updating the asset management plan, note that the state of local infrastructure, expected levels of service, and asset management strategy are integrated and impact each other. The asset management strategy illustrates the costs required to maintain expected levels of service at a sustainable level. The expected levels of service component summarize and link each service area to specific assets contained in the

State of Local Infrastructure Section and thus determines how these assets will be used to provide expected service levels.

This report covers a forecast period of 10-years; however, it is suggested that more focus and attention be put on the first five years of the asset management plan, to ensure accurate capital planning in the short term. It is also recommended that the Township start moving towards 50-year forecasts. This longer-term vision will ensure that future infrastructure investments are not lost in the shorter 10-year forecast window.

1.5 Plan Integration

The municipal environment is continually changing and demanding when it comes to legislation and other responsibilities. Integrating the asset management plan with the Township's budget process, as well as Public Standards Accounting Board Handbook Section 3150 (tangible capital asset) requirements can make updates in all three areas more efficient.

With respect to integrating the Township's budget process with asset management planning, the Township requires a projection of capital and operating costs over a future period. The budget outlines total operating and capital requirements for the Township, while the asset management plan focuses in on specific asset related requirements. With this link to the annual budget, the budget update process can also become an asset management plan update process.

Both asset management and PSAB 3150 require a complete and accurate asset inventory. The significant difference between the two lies in valuation approaches (PSAB 3150 requires historical cost valuation, while asset management requires future replacement cost valuation). Using a single asset inventory, as developed in the asset management spreadsheets for the Township assets (delivered to the Township as working documents for Township staff), containing both historic and current replacement valuation methods is an effective approach to maintaining the Township's asset data.

2.0 State of Local Infrastructure

2.1 Scope and Process

This section of the plan provides an opportunity to develop a greater understanding of the capital assets owned by the Township. The state of local infrastructure analysis includes:

- An asset inventory documenting asset types, sub-types including quantities, materials, and other similar asset attributes (where available).
- Financial accounting valuation (where available).
- Replacement cost valuation.
- Asset age distribution analysis and asset age as a proportion of expected useful life.
- Asset condition information (mostly based on report and / or staff assessment as well as the age of the asset).
- Documentation of assumptions made in creating the asset inventory.

Burnside developed a detailed asset inventory listing for the Township which was used as a starting point in fulfilling the requirements for this report. This inventory provides current financial accounting valuations (i.e., historical cost, accumulated amortization, and net book value) as well as attributes such as replacement cost, useful life, and age. With respect to replacement cost, the Township provided various recent valuations, which were inflated in order to estimate current 2023 replacement costs. Other valuations were made using a current 2023 replacement cost and deflating the value to the year or estimated year that the asset was constructed and / or acquired.

The following data and reports were used extensively to develop the Township's asset inventory during this project:

- Township PSAB 3150 asset inventory;
- Township 2020 Road Needs Study spreadsheets;
- Township 2023 Bridge Inspection Report;
- Recent purchase information from the Township; and,
- Discussions with Township staff.

Some adjustments to asset useful lives have been made but further analysis may reveal that the Township will want to update some useful life values in the tangible capital asset financial reporting so that they better reflect the lifecycle and remaining life of the Township's assets. Burnside engineers have reviewed the useful lives of the Township assets identified in this project and believe they now better reflect the conditions, maintenance practices, and management of the Township's assets.

2.2 Asset Condition

Each asset was tracked based on estimated total useful life and remaining service life. Using this data, along with staff information, and age analysis of the Township's assets assisted in identifying potential areas of focus where inspected asset condition was not available. We want to state that asset condition is always best defined via engineering best practices. Engineering based condition assessments can provide more realistic estimates of an asset's remaining service life, which can then be used to establish asset rehabilitation and / or replacement schedules. Age related condition values can be problematic if the asset's useful life is not appropriately defined. For example, if a useful life of an asset is defined shorter than the assets true performance, this will result in a lower / poorer age assessed condition rating. This method of condition approximation was only used when inspected conditions were not available.

A rating out of 10 was established for all assets and was based on a combination of past reported physical inspections, current inspections, staff assessment, and asset age analysis. This rating was then converted to a condition description of "Very Good" to "Very Poor" as shown in Table 2.1.

Table 2.1: Asset Condition Format for all Assets

Condition (Value 0 to 10)	Condition
9 to 10	Very Good
7 to 8	Good
5 to 6	Average
3 to 4	Poor
1 to 2	Very Poor

The condition of the assets is an important element of any lifecycle assessment process. This process also identifies maintenance and operating practices that can be applied to ensure appropriate service levels, as well as extending the life of the asset to its maximum service life.

A high-level summary of the average conditions for the Township's assets are shown in Table 2.2. The conditions listed in Table 2.2 were calculated using weighted average conditions. The weighting factor used was the asset replacement costs so that the greater the cost the greater the weighting of that asset's condition used to determine the average. Using this method provides more emphasis on the more expensive to replace assets. However, please note that averages are a composition of many assets in a group. Averages can be misleading with respect to immediate needs as the new assets offset the old assets requiring urgent replacement.

2.3 Capital Asset Overview

The Township presently owns capital assets with a 2023 replacement value of approximately \$177.5 million, broken out in Table 2.2 and summarized as follows:

- \$1,69.2 million Core tax supported assets (Roads, Bridges, Storm Water).
- \$8.3 million Non-core tax supported assets (Facilities, Roadway Assets, Equipment, IT Hardware and Software, Land Improvements, Vehicles)

All of the assets studied in this project are tax supported assets. Over 63% of the total replacement value is contained in Road Base assets (\$112.5 million) which then results in the remaining replacement asset value of \$65.1 million. Table 2.2, Figure 2.1, and Figure 2.2 outline the breakdown of these totals into the Township's asset categories.

Table 2.2: Tax Supported Asset Assessment Summary

Asset Type	Asset Sub-Type	Historic Cost	2021 Accumulated Amortization	2021 Net Book Value	2021 Replacement Cost	Condition (weighted average)		Useful Life (years)	Age (weighted average)	Remaining Life (weighted average)	Risk (weighted average)	
						Value	Text				Value	Text
Roads	Base	\$4,366,446	\$2,715,151	\$1,651,295	\$112,451,524	N/A	N/A	75	141	11	N/A	Low
	Asphalt Surface	\$5,475,281	\$2,369,069	\$3,106,212	\$8,143,476	6.0	Average	25	21	9	2	Moderate
	Gravel Surface	\$1,511,034	\$714,810	\$824,297	\$1,932,901	6.0	Average	3	2	2	1	Low
Bridges & Culverts	Bridges & Culverts	\$7,714,635	\$3,105,270	\$4,609,366	\$46,225,750	8.0	Good	70	40	31	2	Moderate
Roadway Assets	Sidewalks	\$4,073	\$3,916	\$157	\$11,000	5.0	Average	40	39	1	2	Moderate
	Signs	\$36,465	\$17,224	\$19,241	\$49,465	4.0	Poor	10	8	2	2	Moderate
	Barriers	\$3,247	\$584	\$2,663	\$4,538	7.0	Good	30	10	20	2	Moderate
	Street Lights	\$44,372	\$9,902	\$34,469	\$146,000	8.0	Good	40	10	30	1	Low
Storm Water	Storm Mains	\$86,104	\$18,146	\$67,958	\$183,701	7.0	Good	100	29	71	1	Low
	Catch Basins	\$47,368	\$15,561	\$31,807	\$132,549	6.1	Average	50	29	21	2	Moderate
	Crossroad Culverts	\$112,261	\$11,559	\$100,702	\$145,702	9.0	Very Good	50	6	44	1	Low
Facilities & Components	Facilities	\$1,104,801	\$431,450	\$673,351	\$2,651,922	8.0	Good	68	34	35	2	Moderate
Land Improvements	Land Improvements	\$101,830	\$31,650	\$70,179	\$156,193	7.0	Average	37	24	17	1	Low
Equipment	Equipment	\$157,410	\$92,903	\$64,507	\$233,025	6.0	Average	24	17	10	1	Low
IT Hardware and Software	IT	\$117,212	\$65,044	\$52,168	\$151,990	6.0	Average	8	8	4	2	Moderate
Vehicles	Vehicles	\$2,590,668	\$1,584,401	\$1,006,267	\$4,930,000	6.0	Average	17	15	5	2	Moderate
Total		\$23,473,208	\$11,186,642	\$12,314,639	\$177,549,735	6.0	Average	49	43	19	1	Low
Total without Road Base Replacement Costs					\$65,098,211	7.5	Good	58	34	24	2	Moderate

Figure 2.1: Township Assets Replacement Costs (2023)

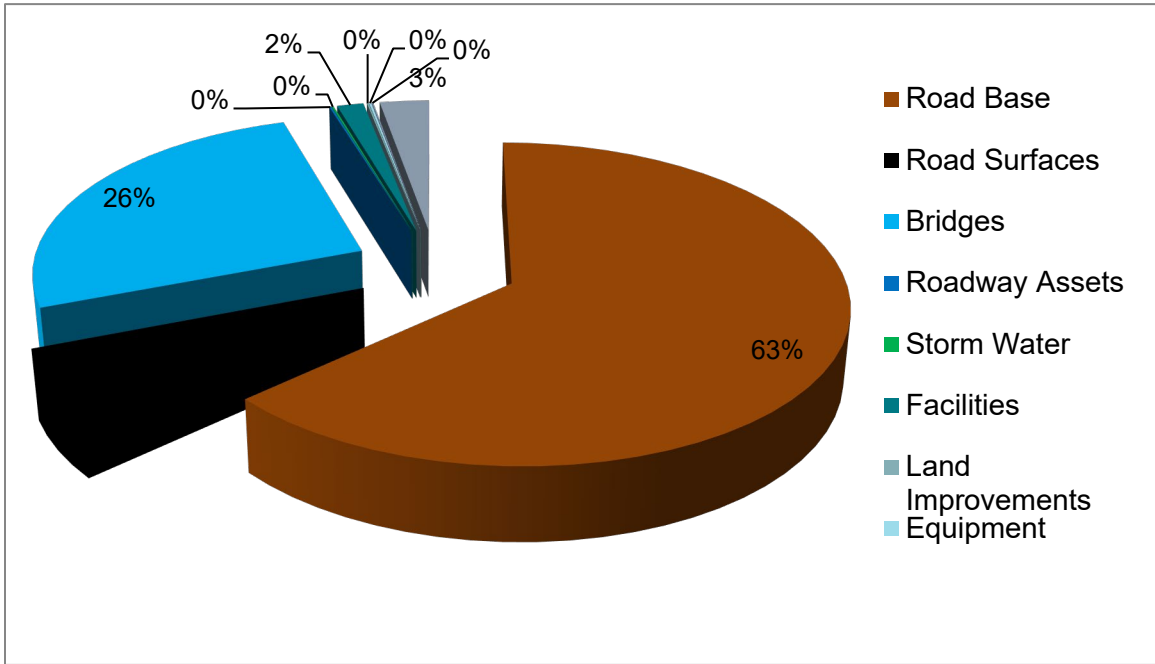
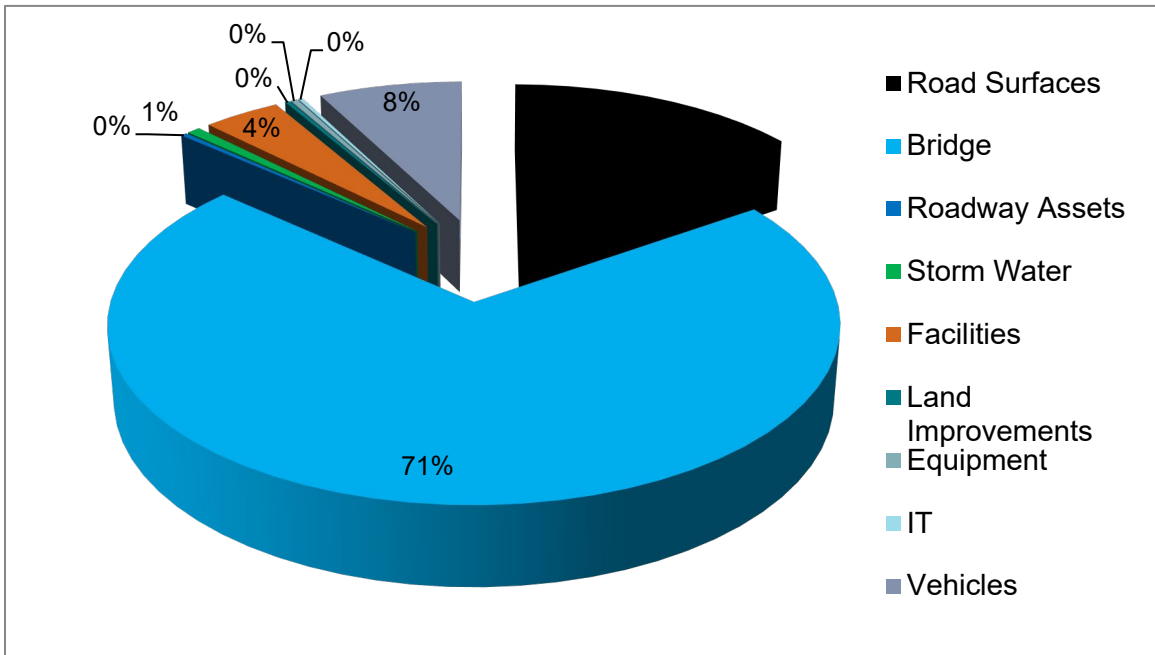


Figure 2.2: Township Assets Replacement Costs (2023) without Road Bases



The capital asset inventory was organized in a Microsoft Excel spreadsheet and delivered to the Township in digital form as working documents for Township staff to continue to use and update as required. Each of the asset types were assessed for their age, condition (where available) and for data accuracy and completeness.

Table 2.2 shows the Township's financial accounting valuation summary by asset type for all tax supported assets. Since 2009, municipalities across Canada have been required under the Public Sector Accounting Board Handbook Section 3150 (PSAB 3150) to maintain asset listings complete with historical cost (i.e., the original cost to purchase or construct an asset), accumulated amortization and net book value. These values were to be reported on the Township's audited financial statements each year. Burnside has done the additional work of developing the 2023 cost for assets that were not part of the Township's Financial asset inventory and added them to the delivered spreadsheet asset inventory.

Including all the Township's assets studied in this project, the total tangible capital asset historical cost is approximately \$23.5 million. This is approximately 13.2% of the total replacement cost, or 29.4% excluding road base historic/replacement costs. It is expected that historical cost totals are less than replacement cost totals, given inflationary adjustments that would occur between the original asset purchase/construction date and 2023. Total accumulated amortization for the Township's project assets is approximately \$11.2 million or 48% of the total asset historical cost and \$8.5 million or 44% without road base costs included. This represents the proportion of tangible capital assets that have been amortized (i.e., used up) to date from a financial valuation perspective. This also leads one to understand that the Township's assets are approaching their half life of their lifecycle, understanding that asset replacement usually occurs before the asset is at 70% amortized to ensure appropriate asset levels of service are being provided.

Clearly the Township owned road assets have the greatest percentage (69%) replacement cost if the road base values were included in the calculation (see Table 2.1). Road bases are considered assets that will never be totally replaced but will from time to time be improved and in spot locations reconstructed on an as needed basis. Therefore, by excluding road base asset values (see Figure 2.2), the Township's bridges percentage replacement costs are 71% of the asset types studied in this project. The following asset types are the assets studied in this project (percentages are excluding road bases):

- Roads – 15.5% of the total Township's asset replacement costs.
- Bridges and Culverts – 71.0% of the total Township's asset replacement costs.
- Other Roadway Assets – 0.3% of the total Township's asset replacement costs
- Storm Water – 0.7% of the total Township's asset replacement costs
- Facilities – 4.1% of the Township's asset replacement costs.
- Vehicles – 7.6% of the Township's asset replacement costs

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- Equipment – 0.4% of the Township's asset replacement costs
- Information Technology Hardware and Software – 0.2% of the Township's asset replacement costs
- Land Improvements – 0.2% of the Township's asset replacement costs

Please note that the Township does not have a complete inventory of crossroad culverts. The crossroad culvert value documented in this project are those that the Township has replaced over the past 10 years. It is assumed that the value of the crossroad culverts has been incorporated in the approximate costs of the road sections.

A more in-depth discussion of the asset types follows below.

2.4 Road Environment Assets

The Township's Road assets make up a key service that reflects the economic and social development of the community. The road environment assets studied in this project and are made up of the following asset types:

- Road Surface Asphalt – 4.8% of the total Township's asset replacement costs;
- Road Surface Gravel – 1.1% of the total Township's asset replacement costs;
- Road Bases – 66.6% of the total Township's asset replacement costs;
- Bridges – 27.4% of the total Township's asset replacement costs;
- Roadway Assets – 0.1% of the total Township's asset replacement costs; and

Figure 2.3 and Figure 2.4 outline the replacement cost distribution of the Road Environment assets with and without Road Base values included.

Figure 2.3: Road Environment Asset Distribution Replacement Costs (2023)

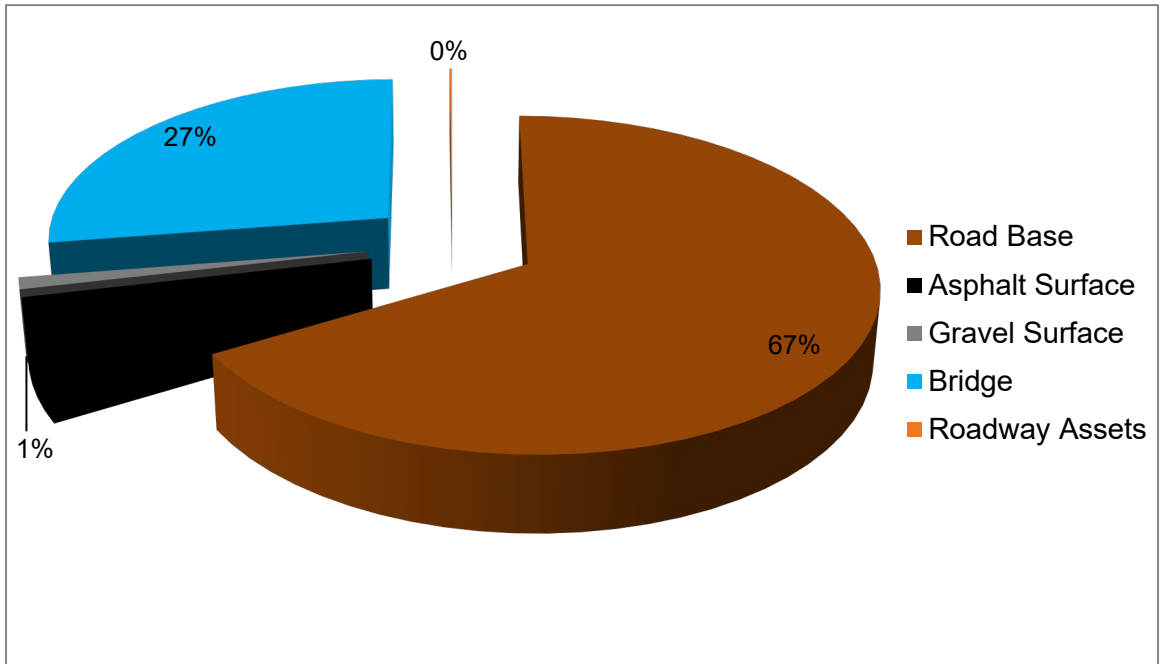
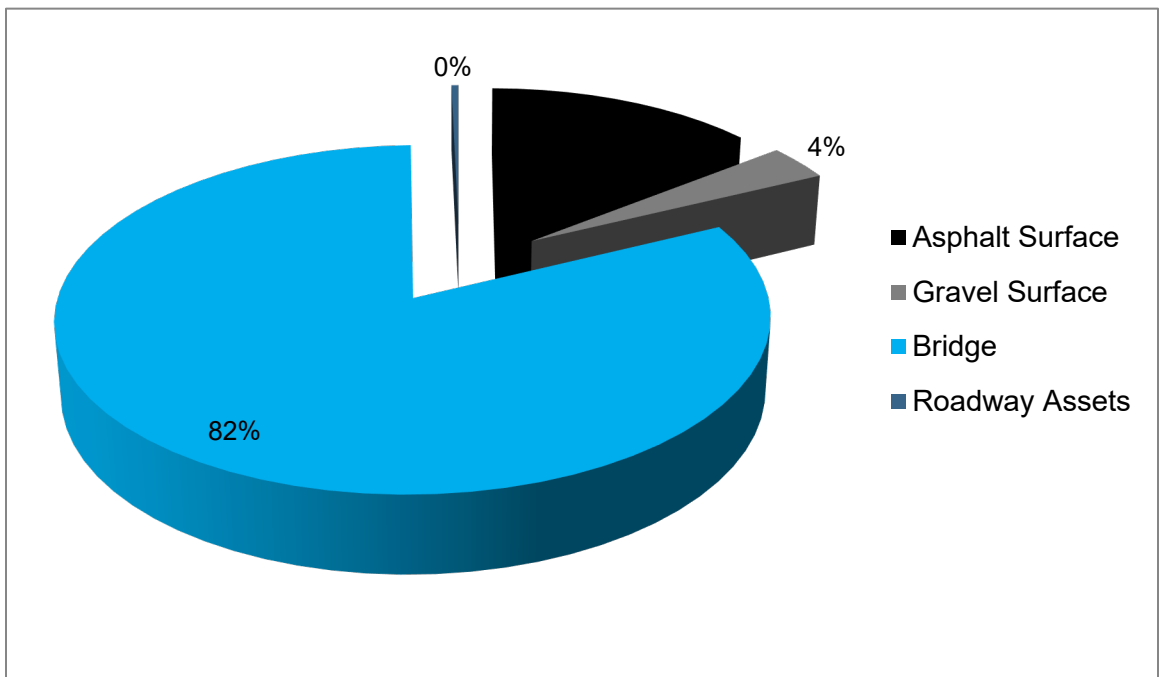


Figure 2.4: Road Environment Asset Distribution Replacement Costs (2023) without Road Bases



Below we provide more detail on the asset groups in the Road Environment group of assets.

2.4.1 Roads

At the current replacement cost the road assets account for \$122.5 million dollars and without Road Bases included \$10.1 million or 69% of the assets studied in this project. The composition of the road surfaces is outlined in Table 2.3.

Table 2.3: Road Asset Summary

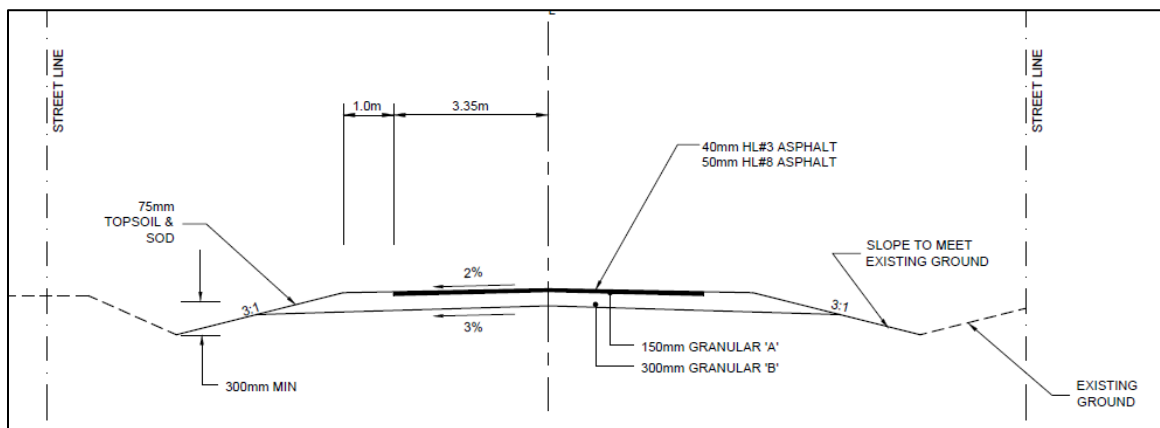
Road Surface	Road Class	Surface Length (m)	Condition (weighted average)	Condition (Text)	Useful Life (UL) - Weighted Average	Remaining Service Life (RSL) - Weighted Average	RSL as a % of UL	Replacement Cost
Asphalt	Rural	64,061	6.0	Average	25	9	36%	\$7,497,219
	Semi-Urban	4,175	5.0	Average	25	6	24%	\$500,944
	Urban	1,211	8.0	Good	25	14	56%	\$145,313
Gravel	Rural	181,760	7.0	Good	3	2	67%	\$1,932,901
Total		251,206	6.0	Average	21	8	38%	\$10,076,378

The Township had completed a Road Management Plan study in 2019 and established the prioritization of both capital and operational maintenance programs for the Township. The Township has fallen behind in many of the recommendations from the Road Management Plan. As a result, it is recommended that another study for the asphalt roads be completed to identify a current road surface condition and new plan for Township hardtop roads.

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Key to all roads is the road base on which they are built. These road bases in most cases have been established many years ago. Asphalt road surface roads provide the longest life cycle with best level of service when constructed on excellent road bases. Once the road base becomes soft it cannot economically support a hardtop road surface and it can be best to convert it to a gravel road until funding is made available and the base has been reinforced. Figure 2.5 provides a typical road cross-section diagram. This can be applied for all surface types as asphalt (shown in figure), and without asphalt for gravel road surfaces. Please note that the Township has some roads located in challenging wet areas, which require more specific localized engineering design.

Figure 2.5: Typical Asphalt Road Surface Cross-Section



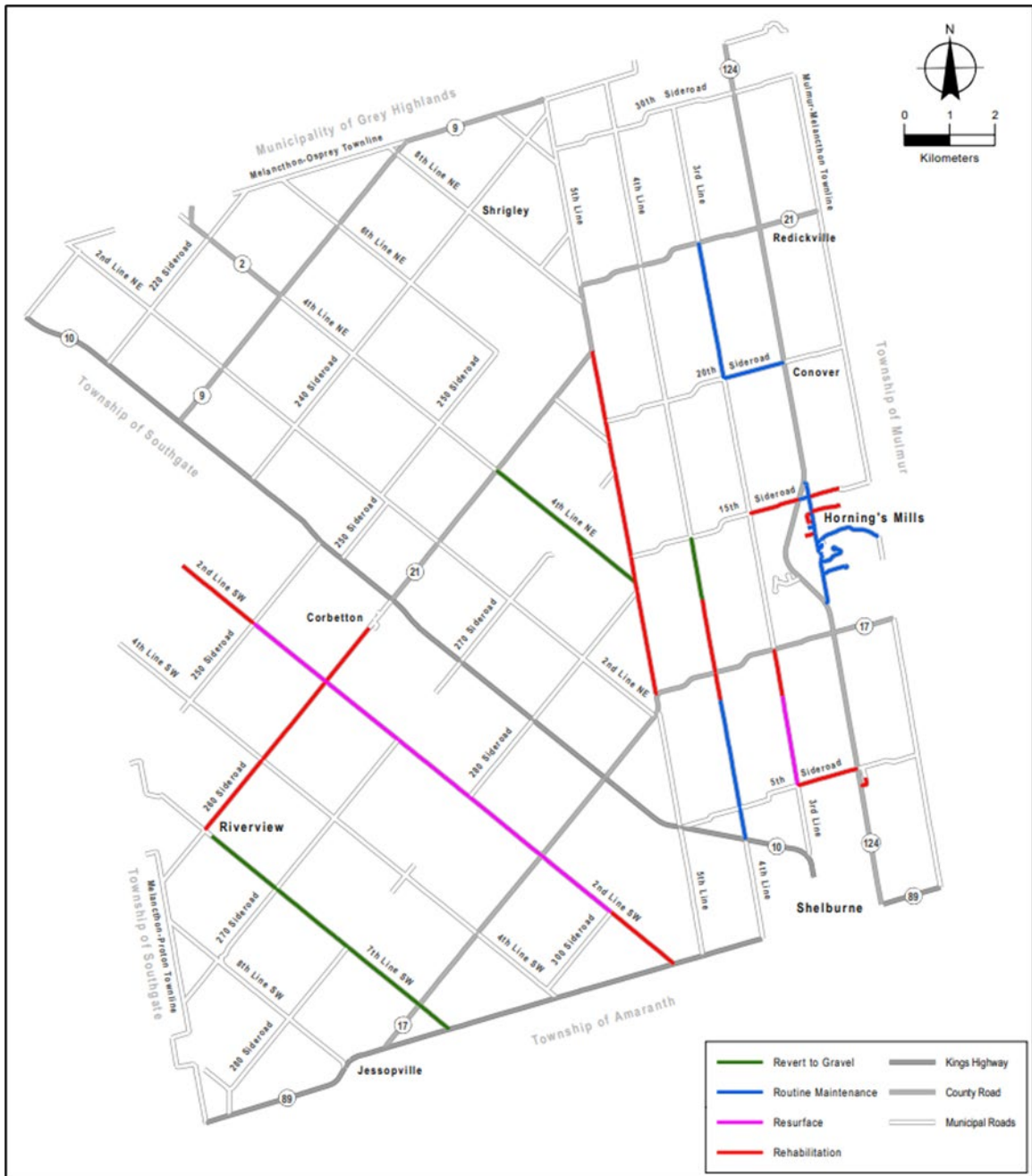
The Township's gravel surface roads are upgraded approximately every three to four years or as required with surface gravel replacement/top-up. In some locations additional gravel is at times required to help reinforce the road base.

The Road Management Plan study report provides detailed explanations of the Township's Road conditions and related deficiencies that impact longevity or operations of the roads, including road widths, drainage, surface type, alignment, and brushing maintenance where required.

Figure 2.6 shows the Road Management Plan 10-year improvement plan for Township roads. The Township pulverized the asphalt road surface of 5th Line OS and topped it up with gravel. This has reduced the over all cost for this now strong base road. But 7th Line SW continues to be patched with asphalt at a high cost to the Township.

We have concern that if the Township does not invest more in their roads that opportunities to resurface a good base road will result in a more costly rehabilitation or even a potential reconstruction project.

Figure 2.6: Ten Year Road Improvement Plan



2.4.2 Bridges and Culverts

The Township has fifty-one bridge and culvert structures over the span of 3.0 m inspected in 2023. The inspection report was reviewed, and information used in this asset management analysis. Please note that structure A is inspected by the Township of Mulmur as this is on their maintenance section of Townline. The Township only pays for 50% of any capital improvements to this structure.

Visual inspections are required to be carried out every two years in accordance with the Ministry of Transportation – Ontario Structure Inspection Manual (OSIM). The inspections are to be completed under the direction of a Professional Engineer to assess their condition and identify any material defects, performance deficiencies, maintenance needs, additional studies and/or repairs/rehabilitation work required on a structure-by-structure basis.

The Township has a total of just over \$46.2 million replacement cost of bridge, and culvert assets. Table 2.4 provides the distribution of the types of bridges that the Township owns.

Table 2.4: Township Structure Types

Bridge Type	Number	Replacement Cost
Cast-In-Place Conc. Rigid Frame	20	\$18,560,000
Precast Concrete I-Girder	1	\$1,835,000
Precast Concrete Box Girder	2	\$3,176,000
Steel I-Girder (Concrete Deck)	2	\$3,688,000
Steel I-Girder (Timber Deck)	2	\$1,861,750
Cast-In-Place Conc. Box Culvert	6	\$4,295,000
Precast Concrete Box Culvert	6	\$3,789,000
CSP Multi-Plate Arch Culvert(s)	10	\$7,730,000
CSP Round Culvert(s)	2	\$1,291,000
Total	51	\$46,225,750

Load postings may be recommended for structures based on age, condition, noted performance deficiencies or based on the findings of a structural evaluation. There are currently no structures in the Township's inventory that have load postings.

Structure 004 previously had a load posting of 5 Tonnes but was closed to through traffic in 2020 and has been removed from the Township's biennial bridge inspection inventory while closed.

There was one structure 2029 (220 SR - 0.5 km East of County Rd 2) that was identified requiring a Monitoring Program for the substructure movement.

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The Bridge Condition Index (BCI) for each structure was determined based on the Ministry of Transportation Ontario (MTO) methodology followed in the MTO Document, MTO Bridge Condition index and Overall Measure of Bridge Condition, July 2009.

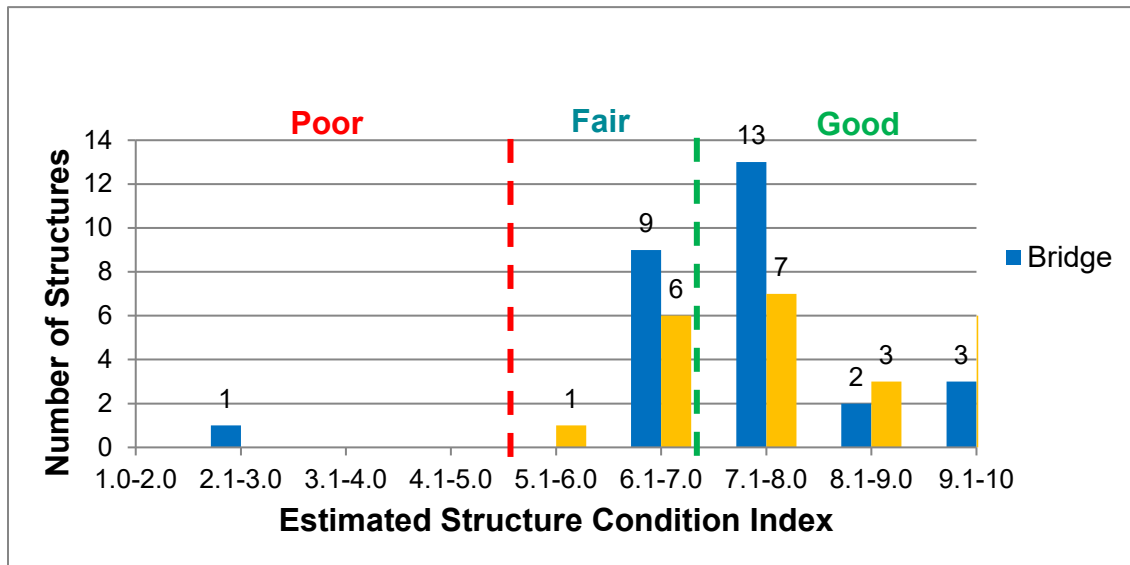
It was identified that the Township's defined PSAB 3150 Useful Life for some of the structures was not representative of true nature of the lifecycle of these assets. The useful life was adjusted and can be reviewed in the project spreadsheets delivered to Township staff.

The capital works needs include any repair, rehabilitation or replacement work which would typically be completed by the Township's hired Contractor, to assist in extending the service life of a structure and increasing the Bridge Condition Index (BCI). In accordance with the OSIM, the capital and maintenance works required are based on a priority of 6 to 10 years, 1 to 5 years, within 1 year, and urgent now needs have been estimated and presented in Table 2.5.

Table 2.5: Bridge Capital Works Costs

Time Frame	Capital Works Cost
< 1 year	\$275,000.00
1 – 5 years	\$256,750.00
6 – 10 years	\$2,924,500.00
TOTAL	\$3,456,250.00

Based on the biennial inspection of each structure, the estimated Structure Condition Index Distribution graph, shown in Figure 2.7, provides a summary of the current state of the Township's structures.

Figure 2.7: Structure Condition Distribution

Currently, approximately 67% of the Municipality's structures are within the "good" range, with 31% of the structures classified as "fair" and 2% (one structure on Townline with Mulmur just south of River Road) is classified as "poor". Of interest, the MTO has established a goal of maintaining 85% of their structures in "good" condition (BCI \geq 70) by addressing rehabilitations and replacements as necessary. Burnside recognizes that the above goal was not established by the Township, but it is noted that, based on the current state of the inspected structures, the Township is underperforming on the management of their bridge assets when compared to the MTO's established goal, however for a smaller municipality, in relative terms the Township is performing well on the management of their bridge assets.

The overall trend of average BCI of the Township's inventory has generally increased over the last 6 years due to recently completed capital works projects completed since the 2015 inspections, which include the following:

- Structure No. 2028 – Main Street, Replacement (2015);
- Structure No. 2010, 2020 & 2024 – Replacement (2016);
- Structure No. 15 – 2nd Line SW, Rehabilitation (2017);
- Structure No. 10 – 280 Sideroad, Rehabilitation (2018);
- Structure No. 2003 – 3rd Line, Rehabilitation (2019);
- Structure No. 2021 – 2nd Line NE, Temporary Repair (2019);
- Structure No. 2013 – 30th Sideroad, Replacement (2020);
- Structure No. 13 – 260 Sideroad, Rehabilitation (2021); and
- Structure No. 11 – 8th Line SW, Rehabilitation (2022).

Projects currently in design stage include:

- Structure No. 2023 – 4th Line NE Rehabilitation
- Structure A - Townline south of River Road – Replacement (discussions with Conservation Authority to try and replace current structure with two metal culverts as there is very few daily vehicles).

Continued maintenance and completion of rehabilitative or replacement works as recommended in the 2023 OSIM Bridge Inspection Reports will help to move the structure BCI conditions in an upward direction.

2.5 Roadway Assets

Roadway assets are identified as Township assets that fall within the road right-of-way or related asset types. The following are the asset types included in this \$211,003 asset grouping:

- Sidewalks - \$11,000 replacement cost
- Guardrails - \$4,538 replacement cost
- Streetlights - \$146,000 replacement cost
- Signs - \$49,465 replacement cost

Table 2.6 provides information for each one of the roadway asset types. It is recommended that the Township collect some detailed information about each guardrail system in the Township, as it is suspected that not all barriers are identified in the asset inventory. It is also expected that once the inspections are completed, a multi-year project will be developed to address the guardrail deficiencies.

Table 2.6: Roadway Asset Summary

Roadway Assets	Condition (weighted average)	Condition (Text)	Useful Life (UL) - Weighted Average	Remaining Service Life (RSL) - Weighted Average	RSL as a % of UL	Replacement Cost
Sidewalks	5	Average	40	1	3%	\$11,000
Signs	4	Poor	10	2	20%	\$49,465
Guardrails	7	Good	30	20	67%	\$4,538
Streetlights	8	Good	40	30	75%	\$146,000
Total	7	Good	33	22	67%	\$211,003

The Township has implemented LED lighting to ensure that energy costs are kept to a minimum.

Township signs are inspected during both daylight and evening road patrols as per Ontario Regulation 239/02. Any signs that are deficient in reflectivity or damaged are replaced.

The Township only has approximately 220 m of sidewalks located in Horning's Mills. These sidewalks are getting old and need to be reviewed annually for deficiencies and will eventually need to be replaced.

2.6 Storm Water Assets

The Township has only started since 2012 to identify and classify their crossroad culverts as Storm Water assets. These crossroad culverts are key to ensuring that water stays away from the Township's Road base. This is particularly important during extreme weather events which produce large volumes of rain over a short period of time.

It is recommended that the Township undertake an inventory to locate all the crossroad culverts and any other municipal drainage network assets that are not recorded along with their attributes (material, length, diameter, year of construction etc.). These assets are best incorporated, if possible, in the Township's GIS and/or Asset Management dataset.

Other Storm Water assets as catch basins and storm sewer pipes etc. in the Horning's Mills area are relatively new and are performing well. However, it has been noted that the Corbetton hamlet storm water assets were added to the asset inventory. These assets are performing well as identified by Township staff. Resurfacing of the Corbetton Main Street provided the required improvements to these storm water assets. It is recommended that the storm water assets in the Corbetton hamlet be inspected in five to ten years to assess their condition.

Table 2.7 provides a summary of the Township Storm Water assets.

Table 2.7: Storm Water Asset Summary

Storm Water Assets	Condition (weighted average)	Condition (Text)	Useful Life (UL) - Weighted Average	Remaining Service Life (RSL) - Weighted Average	RSL as a % of UL	Replacement Cost
Storm Mains	7	Good	100	71	71%	\$4,930,000
Catch Basins	6	Average	50	21	42%	\$177,549,735
Crossroad Culverts	9	Very Good	50	44	88%	\$65,098,211
Total	7	Good	51	28	55%	\$247,577,946

2.6.1 Township Municipal Drains

Municipal drainage infrastructure provides an important outlet to agricultural lands and rural settlements. The successful growth of crops depends on a suitable soil environment for germination, root anchorage, and plant growth. Lands that are subject to excess soil moisture and overland flooding require adequate outfalls for private drainage systems to achieve a successful standard of agriculture. There are hundreds of kilometers of municipal drains constructed under the *Drainage Act*. The Township has recently completed one new Schill drain. Currently, the Township has 7 drainage reports in progress.

Maintaining and repairing municipal drainage infrastructure is paid for proportionately by the landowners where the municipal drain flows. The Township only pays for the proportion of where these municipal drains cross land owned by the Township. New landowners in the Township are seeking better drainage on the properties for agricultural purposes. This is expected to continue for many more years, which will add to municipal costs annually. More information related to Municipal drains are recommended to be added to future asset management plans.

2.7 Facility Assets

Township facility assets total \$2.7 million in replacement costs or 4.1% of the Township's asset inventory, not including road bases. Table 2.8 provides a summary of the Township asset values. Based on weighted average, the condition of these facility assets is Good with moderate risk of failure. Table 2.7 provides summary information about these Township buildings.

It needs to be noted that the Township has generators at their three main buildings to ensure services can continue to be provided to the public even if there are power outages. All three of these buildings have easy accessibility for the public.

Table 2.8: Facility Data Summary

Facility Assets	Condition (weighted average)	Condition (Text)	Useful Life (UL) - Weighted Average	Remaining Service Life (RSL) - Weighted Average	RSL as a % of UL	Replacement Cost
Administration Office	9	Very Good	91	62	68%	\$734,819
Horning's Mills	7	Good	45	11	24%	\$646,939
Public Works Garage	8	Good	69	29	42%	\$831,328
Salt Storage Dome	7	Good	50	17		\$250,000
Equipment Storage	9	Very Good	75	68	91%	\$188,837
Total	8	Good	68	35	51%	\$2,651,922

2.8 Vehicles

The Township, as most municipalities maintain their vehicles very well. This is potentially due to the staff's regular hands-on use of these assets. When vehicle assets are used regularly the end users want to ensure that they are maintained to the manufacturer's specifications. Even though there are many vehicles that have exceeded their identified useful lives they are still safe to use. Township staff indicated that some of the older vehicles were outperforming the newer vehicles. This provides for a short period when the Township did not replace some of the old vehicles. However, this does not mean that the old vehicles will never have to be replaced. The concern is that the fleet requires increasing maintenance budgets.

It should not be surprising that many of the Township's vehicles have been identified for replacement over the 10-year period of this study. A few of these vehicles are currently only being used to cover busier periods and will eventually have to be replaced.

The Township owns \$4.9 million in replacement cost vehicles with an Average weighted average condition. This is 7.6% of the Township's assets (without road bases included), and they are a key functional asset used to provide clear drivable roads, and safe recreational fields and facilities.

Over the next ten years it is recommended that the Township invest approximately \$600,000 annually to overcome the Township's gap in vehicle needs. Complete details of each vehicle is provided to Township staff in the asset inventory spreadsheet.

2.9 Equipment

The Equipment asset category is made up of Administration Office, Horning's Mills Hall and Public Works equipment that were not identified as part of one of their facilities. We believe this equipment is important enough to be identified. The total replacement cost for this asset grouping is \$233,025 or 0.4% with respect to the total Township assets not including road bases. The weighted average condition of this asset grouping is Average and remaining life expectancy is 10 years. This leads us to believe that the Township will need to be investing in replacing some of these assets over the next 5-10 years. We suggest that the Township review these equipment assets and develop a replacement schedule to ensure that the critical equipment does not experience any equipment failures. Table 2.9 provides a summary of the Equipment grouping of assets.

Table 2.9: Equipment Assets Summary

Equipment Assets	Condition (weighted average)	Condition (Text)	Useful Life (UL) - Weighted Average	Remaining Service Life (RSL) - Weighted Average	RSL as a % of UL	Replacement Cost
Administration	5	Average	37	16	42%	\$70,478
Horning's Mills	5	Average	23	4	18%	\$33,412
Public Works	6	Average	18	8	46%	\$129,134
Total	6	Average	24	10	42%	\$233,025

2.10 Information Technology Hardware and Software

Information Technology (IT) has become a major requirement for municipal operations. This equipment is a requirement for Township staff to do their job that serves the public. Proper maintenance of these assets is becoming more and more expensive.

The Township IT equipment based on the information provided has a replacement value of \$151,990 with an Average weighted average condition. As many IT assets have a short lifecycle three to five years, the “Average” condition assessment is due to older assets exceeding their lifecycles but still performing well enough for staff. At some point these assets will have to be replaced and over the next three years 11 of the 18 listed IT assets will need to be replaced. Over the next 10 years 10 of the 11 assets to be replaced in the first three years will need to be replaced a second time. It is recommended that the IT asset data be updated to ensure appropriate up to date equipment is being used.

2.11 Land Improvement Assets

The Township Land Improvement assets are mostly composed of park equipment and parking lots. This asset class has a total of \$156,193 replacement cost value, with 0.2% of the Township’s total asset replacement cost excluding road bases. The weighted average condition of this asset class is Good.

Ensuring that Township residents have playgrounds and ball fields to play and be active is important for a thriving community. In the last few years, the Township has added a playground in the Corbetton hamlet.

2.12 Data Accuracy and Completeness

An important element of this asset management plan is ensuring that tools and procedures are in place to maintain accuracy and completeness of the asset data and calculations moving forward. As time passes, assets are used, maintained, improved, disposed of, and replaced.

All of these lifecycle events can trigger changes to the asset database used within the asset management plan. Therefore, tools and procedures are essential to ensure the asset data remains accurate and complete. This includes the timing of condition assessments for each asset type and what should be included within the condition assessment procedures.

As noted above it is recommended that the Township use the asset inventory spreadsheets provided to staff as a starting point and that the data be verified and updated were required.

Also as noted above we recommend that the Township undertake an inventory and assessment of their crossroad culverts using qualified staff to ensure an objective condition and culvert attributes are recorded for asset management purposes.

3.0 Expected Levels of Service

The Township has been offering and maintaining for its residents and visitors, good service levels, during challenging economic times. The Province has demanded via Ontario Regulation 588/17 that municipalities complete asset management plans on a regular basis to ensure that appropriate investments are being made in municipal infrastructure. Reviewing past records has shown that some investments were being made into maintaining and replacing the Township's assets. It is important to note that the long-term objective of the Township needs to be asset sustainability. In general, the Township is performing maintenance activities when required.

3.1 Scope and Process

A Levels of Service (LOS) analysis gives the Township an opportunity to document the levels of service that are currently being provided and compare it to the levels of service that will ensure the assets achieve their full lifecycle potential. This can be done through a review of current practices and procedures, an examination of trends or issues facing the Township and / or through an analysis of performance measures and targets that staff can use to measure performance.

Expected LOS can be impacted by a number of factors, including:

- Legislative requirements (e.g., minimum maintenance standards for roads, etc.).
- Strategic planning goals and objectives.
- Resident expectations.
- Visitor expectations.
- Council expectations.
- Financial or resource constraints.

The previous task of determining the state of the Township's local infrastructure establishes the asset inventory and condition, as well as asset management policies and principles to guide the refinement and upkeep of asset infrastructure. The LOS analysis utilizes this information and factors in the impact of asset service level targets. It is important to document an expected LOS that is realistic to the community. It is common to strive for the highest LOS; however, these service levels usually come at a cost. It is also helpful to consider the risk associated with a certain LOS. Therefore, expected LOS should be determined in a way that balances both level of investment and associated risk to the Township.

Over the course of this project the author received both verbal and documented confirmation of maintenance practices that the Township staff undertake. We recommend that the Township continue to make use of updating Road Needs Study and the biannual bridge inspections and analysis utilizing the most up to date MTO bridge / culvert degradation models. These engineering-based inspection practices provide historic condition information as well as information related to any changes to asset maintenance. This will also help better determine the remaining life of the municipality's assets.

This information will help not only identify the current Township needs but also future requirements due to Levels of Service changes.

The strategy of investing more often in smaller amounts which provides higher levels of service and better asset condition with an over all lower total cost over the lifecycle of the asset is recommended.

3.2 Current Levels of Service versus Expected Levels of Service

The Township's current LOS has resulted in the current state of infrastructure as discussed in the previous section of the report. The current LOS also relates to the risk assessment discussed in later report sections. Regarding the cost of this LOS, the Township has established an operating and capital budget for the current year that includes the cost of providing this LOS. After many discussions with Township staff, it was determined that over the 10-year project timeline that an increase in approximately \$130,000 will be required in LOS funding. The greatest contributor to this increase comes from the need to add additional staff to help with road and park assets.

Table 3.1 outlines broad LOS descriptions (both current and enhanced LOS). This analysis was noted through discussions with Township staff and engineering best practices. Based on the information provided the Township needs to invest more in asset maintenance practices to ensure appropriate levels of service are maintained. The Levels of Service cost impact analysis was factored into the financing strategy discussed in Section 5 of this report.

Table 3.1: Road Expected Levels of Service

Road Assets Expected Strategic LOS	Current LOS	Expected LOS	Benchmark (if Applicable)	Current Levels of Service	Expected LOS	Cost Description
Safe Roads	Meet "Minimum Maintenance Standards" as defined by Ontario Regulation 239/02 and Amendments.	Meet "Minimum Maintenance Standards" as defined by Ontario Regulation 239/02 and Amendments.	Regulation Standard	\$48,500	\$52,500	Municipality has an AVL system in all vehicles recording Roads Patrolled. Cost represent increase in annual patching and other road work.
Fix Public Identified Issues Quickly	Track complaints and resolve them as quickly as possible	Track complaints by road segment so that history can be recorded.	Respond to Public Inquiry within 7 days			Municipality delivers this Level of Service well
Maintain Road System Network Condition for safe use	Road Maintenance is completed regularly and when required	Maintain adequate road network condition index to ensure safe roads	Assess Road Conditions every 10 years with Internal assessment annually		\$45,000 every 10 years, and \$25,000 at 1/2	Roads Needs Study every 10 years to include Network Condition analysis (next proposed for 2029) with a reduced only asphalt roads review at 5-year mark (next proposed 2034). Municipality completing crack seal, and slurry seal program well.
Asphalt Roads are Clean and Clear	Street sweeping and flushing are completed annually	Roads are swept and flushed to ensure they are clear of debris and safe.		\$5,500	\$7,500	Municipality has minimal Asphalt roads. Debris is collected as per Minimum Maintenance Standards.
Follow Best Practice for Asphalt Roads	Completing a regular Crack Seal program.	Completing a regular crack seal program.		\$0	\$15,000	Municipality is looking to start a Crack Seal Program with some of the newly paved roads. The older asphalt roads are beyond this type of maintenance.
Gravel Roads are well maintained and Dust Inhibited	Gravel roads are smoothed when required, and Calcium Chloride applied to control dust	Gravel roads are smoothed when required, and Calcium Chloride applied to control dust		\$130,000	\$170,000	With 5th Line OS turned to gravel the costs for Calcium are expected to increase
Safe and well maintained Roadsides	Municipality provides brushing, ditching, grass mowing, and shoulder maintenance to ensure roadsides are safe and well maintained	Roadsides are clear of obstructions and well maintained for safe road travel.		\$45,000	\$50,000	Municipality delivers this Level of Service well
Winter Road Maintenance	Winter roads are cleared and safe.	Roads are maintained and meet "Minimum Maintenance Standards" as defined by Ontario Regulation 239/02 and Amendments.		\$55,000	\$70,000	Municipality can use more material to deliver an improved Level of Service
Weather forecast information	Municipal staff check weather forecasts minimum 3 times per day in the Winter months (October 1 - April 30)	Weather forecasts are reviewed three times per day during the Winter Maintenance months.				Municipality delivers this Level of Service well
Traffic Counts are Completed Regularly	Township has Traffic Counting equipment and is used where and when required.	Clear understanding of traffic counts are updated				Municipality delivers this Level of Service well

Guardrails are safe and well maintained	Reviewed annually and during road patrols	Meet Provincial Standards				Municipality delivers this Level of Service well
Signs can be seen clearly	Signs: Visual inspections done in the evening. Replaced when required/needed.	Signs: Visual inspections. Replace when needed.	Reflectivity Standard			Municipality delivers this Level of Service well
Safe Well lit Urban and Semi-Urban Street areas	Maintenance activated by Winter Staff evening Patrols and Public Notice for Street Lights	Maintenance activated by Public Notice for Street Lights	Correction of Issues within MMS	\$6,000	\$6,500	Municipality delivers this Level of Service well
Line Painting is well defined	Line painting is completed as required	Meet Provincial Standards		\$17,000	\$18,000	Municipality delivers this Level of Service well

Table 3.2: Bridge Expected Levels of Service

Bridge & Culvert Assets Expected Strategic LOS	Current LOS	Expected LOS	Benchmark (if Applicable)	Current Levels of Service	Estimated Cost Increase due to Expected LOS	Cost Description
Safe Bridges	Maintain good bridge condition and no bridges with load limits. Seven structures are being monitored for potential changes.	Maintain good condition and no-load limits.	MTO bridge guides		\$5,000	Municipality delivers this Level of Service well. Cost is for a Monitoring program on Structure 2029, 220 SR - 0.5km East of County Rd 2
Bridges Maintained	Try to follow Bridge Inspection Report recommendations for Bridge and Culvert maintenance.	Proactive Bridge and Culvert maintenance (based on bridge inspection report).			\$15,000	OSIM Report has recommended that the municipality complete the safety related improvements over the next 5 years. As this relates to risk tolerance of the municipality the recommendation is to improve safety annually starting with the greatest risk potential structures. There is also maintenance recommendations that will assist in the Level of Service and lifecycle of the structure.
Proper Bridge Spring Maintenance	Bridge washing is completed in Spring by staff	Blowing out Expansion Joints & Washing of Bridges in Spring				Municipality delivers this Level of Service well
Bridge Inspections	Bridge inspections (i.e. using OSIM forms) required every 2 years.	Bridge inspections (i.e. using current OSIM forms) required every 2 years.	Completed every 2 years	\$16,600	\$17,600	Municipality delivers this Level of Service well

Table 3.3: Storm Water Expected Levels of Service

Storm Water Assets Expected Strategic LOS	Current LOS	Expected LOS	Benchmark (if Applicable)	Current Levels of Service	Estimated Cost Increase due to Expected LOS	Cost Description
Effective Storm Water Management	Investigate and respond based on public complaints/concerns	Proper flows and clear system with little to no inhibitors	No storm water back-up incidents			Municipality delivers this Level of Service well
Crossroad Culverts are Appropriately Sized and Maintained	Cross Road Culverts are replaced when required	Climate Change and/or Extreme Weather events do not cause adverse issues with the Municipal Road network				Cross road culverts are replaced when required. It is recommended that assessment of the size of the crossroad culverts can withstand extreme weather events to ensure Road Bases are secure.
Catch Basins are clear and well Maintained	Catch Basin cleaning annually	Annual Catch Basin cleaning		\$3,000	\$3,500	Municipality delivers this Level of Service most of the time
Discharge Points are clear and well maintained	No identified issues	Regular inspection for condition and no physical obstructions				Municipality delivers this Level of Service most of the time
Municipal Drains are well maintained	Continued growth with new farming establishments seeking better drained soils.	Follow Municipal Drainage Act	Municipal Drainage Act	\$55,000	\$55,000	Municipality delivers this Level of Service well
Storm Water Mains are clear and well Maintained	No identified issues	Regular inspection for condition and no physical obstructions				Municipality delivers this Level of Service most of the time

Table 3.4: Facilities Expected Levels of Service

Facilities Expected Strategic LOS	Current LOS	Expected LOS	Benchmark (if Applicable)	Current Levels of Service	Estimated Cost Increase due to Expected LOS	Cost Description
Facilities are clean and safe for Public Use	Meet all legislative requirements.	Meet all Provincial legislative requirements.	Provincial Guidelines	\$10,400	\$11,664	Municipality provides this level of service
Source Water is well Protected	Source water protection zones are maintained	Maintaining appropriate Zoning and Planning to ensure Source Water Protection				Municipality provides this level of service
Wells are well Maintained	Appropriate maintenance is undertaken when required.	Appropriate maintenance is undertaken when required				Municipality provides this level of service
Water Treatment Processes Meet Legislative Requirements	Only small local systems for Office and Hall.	Meet all Provincial legislative requirements.	Provincial Guidelines	\$125	\$125	Municipality provides this level of service
Well Maintained Generators where applicable	All three generators are tested and well maintained.	Tested and well-maintained generator				Municipality provides this level of service
Safe Wastewater Treatment Structures (Tanks and Septic Beds)	Regular Septic maintenance is done annually or as required.	Meet legislative requirement (Building Code, Fire Code, Health & Safety, etc.)	Provincial Guidelines	\$1,000	\$1,250	Municipality provides this level of service
Facilities meet all Fire Code Requirements	Meet all Fire Code requirements based on year of construction.	Meet all Provincial legislative requirements.	Provincial Guidelines			Municipality provides this level of service
Well Maintained Emergency Services Equipment	Equipment is replaced as required	Meet all manufacturers maintenance schedules				Municipality provides this level of service

Heating Systems are inspected and maintained	Meet all manufacturers maintenance schedules	Meet all manufacturers maintenance schedules	Manufacturers Maintenance Schedule			Regular maintenance and inspections done annually.
Air ducts are cleaned as required	Cleaned as required.	Meet standard maintenance schedules				Municipality provides this level of service
Well Maintained on site properties	Maintained by staff or volunteers	Safe on-site properties				Municipality provides this level of service
Fix Public Identified Issues Quickly	Complaints are resolved as quickly as possible	Track complaints by facility/property so that history can be recorded.	Respond to Public Inquiry within days			Municipality responds as quickly as possible.
Facilities have Handicap Accessibility	All Public buildings have appropriate accessibility	Meet all Provincial legislative requirements.				Municipality provides this level of service

Table 3.5: Land Improvement Expected Levels of Service

Land Improvements Expected Strategic LOS	Current LOS	Expected LOS	Benchmark (if Applicable)	Current Levels of Service	Estimated Cost Increase due to Expected LOS	Cost Description
Parks are Safe and well maintained	Hired another staff person to help ensure maintenance is carried out regularly	Meet all Provincial legislative requirements.	Provincial Guidelines		\$50,000	Municipality provides this level of service
Playground Structures are Safe	Visual weekly inspections completed regularly	Meet all Provincial legislative requirements.				Municipality provides this level of service
Fix Public Identified Issues Quickly	Complaints are resolved as quickly as possible	Track complaints by park/asset so that history can be recorded.				Complaints are resolved as quickly as possible

Table 3.6: Vehicles, Equipment and IT Expected Levels of Service

Vehicles, Equipment and IT Expected Strategic LOS	Current LOS	Expected LOS	Benchmark (if Applicable)		Estimated Cost Increase due to Expected LOS	Cost Description
Vehicles are Safe and well maintained	Meet all manufacturers maintenance schedules	Meet all manufacturers maintenance schedules	Manufacturers Maintenance Schedule	\$203,000	\$228,000	Municipality provides this level of service
Equipment is safe and well maintained	Meet all manufacturers maintenance schedules	Meet all manufacturers maintenance schedules	Manufacturers Maintenance Schedule			Municipality provides this level of service
IT Data is Secure	Use Dufferin County as IT support	Meet all current IT Safety Protocols, with Backup and Redundancy Processes are implemented	IT Standards	\$23,500	\$32,500	Municipality provides this level of service
IT Hardware and Software are well Maintained	Use Dufferin County as IT support	Meet all manufacturers maintenance schedules	Manufacturers Maintenance Schedule			Municipality provides this level of service

3.3 Township Growth

The Township as a small rural community has not had much growth and currently does not have any new sub-division type developments identified. One area that continues to make an impact on the Township is the Mennonite community which continues to purchase farms and seek to have the land drained for expanded farmland. This taxes the Township Drainage Superintendent with the need to expand the municipal drain system across the Township. Even though most of this effort is recovered via the Municipal Drainage Act, there is still Township costs for these expanded municipal drains when they reach Township roads.

Another factor in growth needs are two additional Public Works vehicles (excavator and tractor) to help better maintain the Township Road network. These additions to the fleet have been included in the Township capital purchases over the 10-year project period.

4.0 Asset Management Strategy

4.1 Scope and Process

The asset management strategy provides the recommended course of actions required to maintain (or move towards) a sustainable asset position while delivering the levels of service discussed in the previous section. The course of actions, when combined, form a long-term operating and capital forecast that includes:

- **Non-infrastructure solutions:** Reduce costs and / or extend expected useful life estimates.
- **Maintenance activities:** Regularly scheduled activities to maintain existing levels of service levels, or repairs needed due to unplanned events.
- **Renewal / Rehabilitation:** Significant repairs or maintenance planned to maintain the levels of service and increase the remaining life of assets.
- **Replacement / Disposal:** Complete disposal and replacement of assets when renewal or rehabilitation is no longer an option.

Priority identification becomes a critical process during the development of an asset management strategy. Priorities have been determined based on assessment of the overall risk of asset failure, which is determined by looking at both the probability of an asset failing, as well as the consequences of asset failure. The consequences of the municipality not meeting desired levels of service must also be considered in determining risk. As discussed in Section 3.0, adding enhanced/expected levels of service results in both operating and capital budget impacts over the 10-year forecast period has to be taken into consideration, with the overall objective of reaching sustainable levels while mitigating risk.

4.2 Risk Assessment

The risk of an asset failing is defined by the following calculation:

Risk of Asset Failure = Probability of Failure X Consequence of Failure

Probability of failure has been linked to the condition assessment for each asset, assuming that an asset in “very good” condition has a “rare” probability of failure. The following table outlines the probability factor tied to each condition rating:

Table 4.1: Probability of Failure Matrix

Condition (value 0-10)	Condition	Probability of Failure
9 to 10	Very Good	Rare
7 to 8	Good	Unlikely
5 to 6	Average	Possible
3 to 4	Poor	Likely
1 to 2	Very Poor	Almost Certain

Consequence of failure has been determined by examining each asset type separately. Consequence refers to the impact on the municipality if a particular asset were to fail.

Types of impacts include the following:

- **Cost Impacts:** the cost of failure to the Township (i.e., capital replacement, rehabilitation, fines and penalties, damages, etc.).
- **Social impacts:** potential injury or death to residents / public.
- **Environmental impacts:** the impact of asset failure on the environment.
- **Service delivery impacts:** the impact of the asset failure on the Township's ability to provide services at desired levels.

Each type of impact was reviewed and consequence of failure for each asset type was determined by using the information contained in Table 4.2 as a guide to assess the level of impact. Levels of impact were documented as ranging from "significant" to "insignificant".

Table 4.2: Consequence of Failure Matrix

	Cost	Social	Environmental	Service Delivery
Significant	Significant Cost – Difficult to Recover	Death, Serious Injury	Long-term Impact – Permanent	Major Interruptions
Major	Substantial Cost – Multi-year Budget Impacts	Major Injury	Long-term Impact – Fixable	Significant Interruptions
Moderate	Considerable Cost – Requires Revisions to Budget	Moderate Injury	Medium-term Impact – Fixable	Moderate Interruptions

Minor	Small/Minor Cost – within Budget Allocations	Minor Injury	Short-term/Minor Impact – Fixable	Minor Interruptions
Insignificant	Negligible or Insignificant Cost	No Injury	No Impact	No Interruptions

With both probability of failure and consequence of failure documented, total risk of asset failure was determined using the matrix contained in Table 4.3.

Total risk has been classified under the following categories:

- Extreme Risk (E): Risk beyond acceptable levels.
- High Risk (H): Risk slightly beyond acceptable levels.
- Medium/Moderate Risk (M): Risk at acceptable levels, monitoring required to ensure risk does not become high.
- Low Risk (L): Very little risk.

Table 4.3: Total Risk of Asset Failure Matrix

Probability of Failure	Consequence of Failure				
	Significant	Major	Moderate	Minor	Insignificant
Almost Certain	E	E	H	H	M
Likely	E	H	H	M	M
Possible	H	H	M	M	L
Unlikely	H	M	M	L	L
Rare	M	M	L	L	L

Risk levels can be reduced or mitigated through planned maintenance, rehabilitation and / or replacement of an asset. An objective of this asset management plan is to identify ways to reduce risk levels where they are deemed to be too high, as well as ensure assets are maintained in a way that keeps risk at acceptable levels.

4.3 Climate Change

Over the past decade there has been increased numbers of extreme weather events which are putting greater stress on municipal infrastructure, and pressure to ensure levels of service are maintained. Climate change poses a real risk management question which needs to be addressed within the context of municipal decision making.

Some climate change projections (Federation of Canadian Municipalities):

- Warmer summer temperatures.
- Warmer winter temperatures.
- More intense storms.
- Longer droughts.
- Increased frequency and amount of ice.
- Summers stretching longer.
- Sea level rising.

The Township of Melancthon has witnessed some of these climate change projections already causing potential challenges with road washouts from extreme weather events, or quick winter thaw runoff. Many roads as well as crossroad culverts have not been designed for such intense high-volume rainstorms.

Identifying areas of concern will help the Township to design road and storm water assets to improve resiliency to extreme weather events. This type of investment will reduce risk of failure of infrastructure and ensure appropriate levels of service are maintained for the public.

Another factor to climate change issues is the materials used in asset construction. The focus is to reduce the total carbon footprint on the construction of infrastructure assets. Investing in infrastructure with a long-term view provides both better levels of service as well as reducing the total carbon footprint.

As noted above it is recommended that the Township undertake a project to inspect the crossroad culverts to determine condition and a true remaining life. This type of project will provide guidance to the Township on the crossroad culverts that need to be replaced and potentially increased in size for better water flow during extreme weather events. The Township continues to take measures with respect to the maintenance of the municipal drains across the Township. This will also help the Township make good progress to becoming a more climate change resilient municipality.

4.4 Long-term Forecast

For many years, lifecycle costing has been used in the field of engineering to evaluate the advantages of using alternative materials in construction or production design. The method has gained wider acceptance and use recently in the management of capital assets. By definition, lifecycle costs are **all** the costs which are incurred during the lifecycle of a capital asset, from the time it is purchased or constructed, to the time it is taken out of service for disposal/replacement.

In defining the 10-year forecast for the Township's asset management strategy, costs incurred through an asset's lifecycle, the asset's condition, expected LOS, and risk were considered and documented. The increased cost for expected LOS is included in the total costs presented. Asset analysis in forecasting the Township's asset replacement rehabilitation and maintenance/LOS needs are summarized in Figure 4.1 (uninflated) and Figure 4.2 (inflated) which we are calling Asset Strategy based on expected levels of service.

The asset strategy incorporated all of the information discussed above in this report and based on the information provided by the Township, past reports, staff input, and understanding of the asset's reaction in their current environment as well as the expected asset maintenance levels, and the current asset condition, which is expected to produce a reduced asset potential risk of failure. The outcome of this approach was to provide appropriate asset service levels, and the assets were expected to meet or exceed their useful life which reduces expected infrastructure deficits. In total, \$27.2 million in assets (uninflated) and \$29.7 million in assets (inflated) are shown as maintenance, improvement, rehabilitation and replacement needs over the 10-year forecast. This is the recommended asset strategy for the Township of Melancthon.

Assets like Bridges, major culverts, Facilities are not expected to be replaced for usually 50-80 years. It needs to be stated, these assets need to ensure to have reserve funding for their rehabilitation / replacement schedule in the future. The Financial Strategy provides the Township with an investment plan into their reserve accounts.

For the recommended asset strategy to be feasible, the expected level of service adjustments discussed in Section 3 are needed in conjunction with the current level of service amounts in order to effectively maintain and rehabilitate the assets as required.

The financing strategy discussed in the next section will incorporate the level of service adjustments into the recommended financing analysis.

Figure 4.1: Proposed Asset Strategy Based on Expected Levels of Service (uninflated)

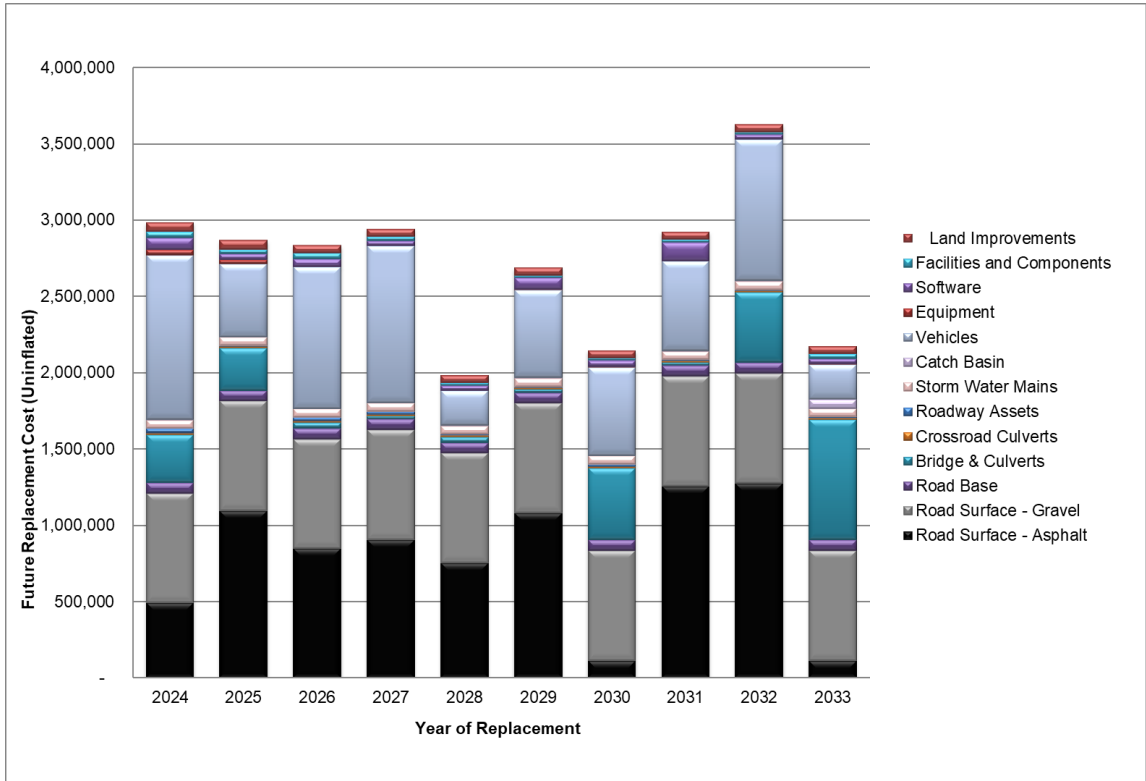
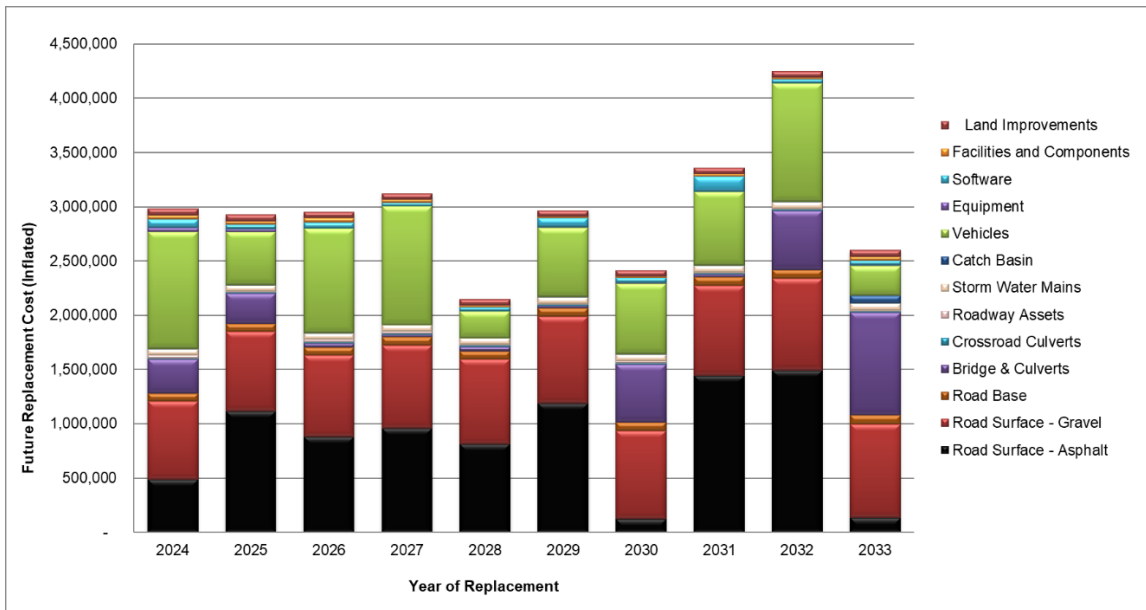


Figure 4.2: Proposed Asset Strategy Based on Expected Levels of Service (inflated)



5.0 Financing Strategy

5.1 Scope and Process

The financing strategy provides the recommended use of various funding sources to finance the asset management strategy and levels of service recommendations discussed in Chapters 3 and 4. The financing strategy also provides recommendations to increase annual investments in assets that will be used beyond this report's 10-year forecast period.

5.2 Funding Sources

The following funding sources have been used within the financing strategy:

Grant Funding: It has been assumed that the Canada Community Building Fund (formerly Federal Gas Tax) will continue throughout the forecast period. The Township's allocation is expected to reach \$102,573 in 2025 and 2026, and 106,676 in 2027. It has been assumed that funding will remain constant at this amount moving forward beyond 2027.

It has also been assumed that Ontario Community Infrastructure Fund (OCIF) annual amounts will remain constant at 2024 levels, \$100,000 per year, over the forecast period. The province has implemented a formula for future OCIF funding, based on each municipality's asset replacement values.

Operating Budget: The Township includes annual amounts in the operating budget to fund capital projects. This is either funding directly from annual revenues or from Working Capital. It has been assumed that \$405,000 of this funding will be dedicated to asset management funding annually throughout the forecast period.

Given that there are levels of service recommendations that are operating in nature, it has been assumed that these costs will be funded from the annual operating budget. This could be through existing funding or proposed increases each year. Proposed increases for levels of service have been included in the financing strategy.

Reserves: The Township’s existing capital reserves have been utilized as a funding source for asset management needs over the forecast period. These reserves become a primary source of capital funding over the forecast period. A summary of existing reserves included is provided below. It is recommended that increases in annual asset investment be allocated to reserves for capital use.

Existing Reserve	Est. 2024 Ending	
Building Maintenance	30,415	
Bridge Reserve Fund	118,724	
Equipment Replacement Reserve Fund	492,167	
Roads Capital Reserve Fund	55,034	
Recreation Capital Reserve Fund	10,818	
Paving Capital Reserve	5,155	
Road Construction Capital	11,942	
Corbetton Park Reserve	13,537	
Working Capital Reserve	175,074	- 25% of balance
Total Asset Management Consolidated - Jan 1, 2025	912,866	

Debt: If all other funding sources fall short in funding recommended lifecycle needs each year, debt financing is recommended. Debt financing is anticipated within the forecast period (see the analysis provided below). The impact of additional principal and interest payments on the annual budget have been included in this financing strategy.

5.3 Historic Asset Investment

The following table outlines the Township’s historic capital investment in assets. As shown, the annual investment has fluctuated over the last three years.

Table 5.1: Historic Asset Investment - Capital

Funding Type - Tax Supported Assets	2022	2023	2024
Canada Community Building Fund (Gas Tax)	95,399	99,547	98,470
OCIF Funding	108,537	100,000	100,000
Transfer from Operating to fund Capital (includes gravel resurface)	371,963	762,000	405,000
Transfer to: Equipment Replacement Reserve	150,000	150,000	220,000
Transfer to: Roads Capital Reserve	-	-	50,000
Transfer to: Building Maintenance Reserve	10,000	-	-
Transfer to: Environmental Rehabilitation Reserve	10,000	10,000	10,000
Total Asset Investment - Capital (Sustainable)	745,899	1,121,547	883,470

* Excludes the Safe Restart and OMPF grants as they are operating in nature.

** Excludes the use of debt and existing reserve balances.

Therefore, a capital asset investment in 2024 of \$883,470 becomes the starting point for recommending increases in annual asset investments over the forecast period.

5.4 Optimal Asset Investment

Based on an analysis of the Township's capital assets in terms of replacement cost and useful life, the following summary of optimal annual asset investment has been created.

Table 5.2: Optimal Asset Investment Summary

Tax Supported Assets	Replacement Cost	Weighted Average Useful Life	Annual Replacement Investment (2024)
Road Surface - Asphalt	8,143,476	25	325,700
Road Surface - Gravel	1,932,901	3	644,300
Road Base**	112,451,524	75	20,000
Bridge & Culverts	46,225,750	70	660,400
Crossroad Culverts	145,702	50	2,900
Sidewalks	11,000	40	300
Signs	49,465	10	4,900
Barriers	4,538	30	200
Street Lights	146,000	40	3,700
Storm Sewers	183,701	100	1,800
Catch Basin	132,549	50	2,700
Water (Wells)	77,000	28	2,800
Wastewater Assets (Septic)	106,500	25	4,300
Vehicles	4,930,000	17	290,000
Equipment	233,025	24	9,700
Software	151,990	23	6,600
Facilities and Components	2,651,922	68	39,000
Land Improvements	156,193	37	4,200
Total	177,733,236		2,023,500

** Road Base annual investment for maintenance only.

In summary, an annual asset investment of \$2,023,500 is needed to fund long-term asset management planning needs. Annual asset investments for road base assets are based on the level of service costs identified in this asset management plan and not full replacement.

This \$2,023,500 annual asset investment becomes the funding target over the forecast period. However, this target changes over time as inflation increases this amount annually. Assuming 2% annual inflation, the target annual capital asset investment amount becomes \$2,466,660 by the year 2034.

5.5 Financing Strategy

The detailed 10-year financing strategy is provided in Appendix A to this report.

As the 2024 Budget has already been developed and passed by the Township, all recommendations provided in chapter 4 have been delayed by 1 year. For example, all 2024 recommendations from chapter 4 are shown as 2025 funding requirements in this chapter. Also, like chapter 4, a 2% inflation factor has been applied annually to all costs.

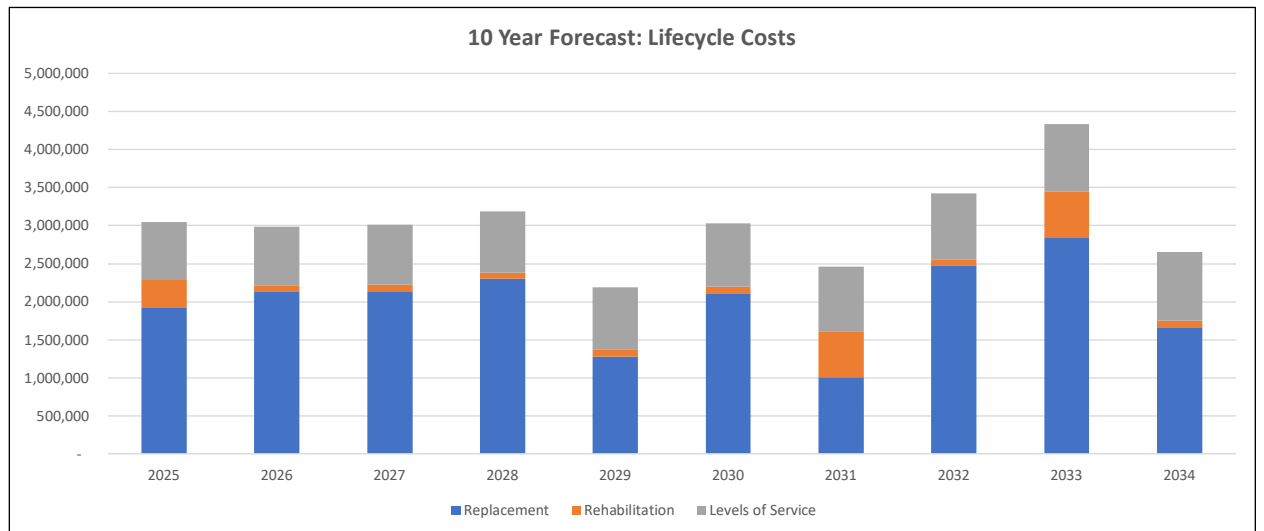
The following table provides a high-level summary of the 10-year forecast by cost type (i.e., asset replacement needs, asset rehabilitation needs, and levels of service recommendations).

Table 5.3: Forecast Summary

Forecast	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Replacement	1,917,422	2,140,755	2,128,580	2,304,799	1,275,617	2,112,261	1,012,015	2,474,252	2,835,606	1,661,176
Rehabilitation	372,402	75,429	95,614	78,477	99,478	81,647	602,026	84,945	614,994	88,377
Levels of Service	753,820	768,896	784,272	799,962	815,958	832,277	848,922	865,902	883,221	900,884
Total	3,043,644	2,985,080	3,008,466	3,183,238	2,191,053	3,026,185	2,462,963	3,425,099	4,333,821	2,650,437

Figure 5.1 shows the same forecast in graph form. As illustrated, there are fluctuations in annual lifecycle needs throughout the forecast.

Figure 5.1: Forecast Summary



Asset Management Plan
July 11, 2024

As shown in Appendix A, the 10-year forecast has a recommended funding plan as follows:

Table 5.4: Capital Forecast with Funding Sources

Asset Class	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Totals by Asset Class (Replacement, Rehabilitation and Levels of Service)											
Road Surface - Asphalt	500,548	1,137,872	897,992	980,134	830,304	1,216,511	129,342	1,473,948	1,524,111	137,259	8,828,021
Road Surface - Gravel	734,808	749,504	764,494	779,784	795,379	811,287	827,513	844,064	860,944	878,163	8,045,940
Road Base	71,400	72,828	74,284	75,771	77,286	78,831	80,408	82,016	83,657	85,330	781,811
Bridge & Culverts	318,852	287,931	39,901	21,649	41,514	22,523	541,720	23,433	552,252	963,006	2,812,781
Crossroad Culverts	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190	111,688
Roadway Assets	30,883	6,763	24,139	20,540	7,177	7,320	16,616	7,616	7,768	7,923	136,745
Storm Sewers	56,100	57,222	58,366	59,534	60,724	61,939	63,178	64,441	65,730	67,045	614,279
Catch Basin	3,570	3,641	3,714	3,789	3,864	3,942	4,020	4,101	4,183	76,241	111,065
Vehicles	1,099,560	497,311	984,801	1,112,741	251,730	650,922	663,940	688,935	1,109,046	277,931	7,336,917
Equipment	36,233	28,078	-	-	-	1,803	3,623	621	-	5,443	75,801
Software	81,049	41,629	54,431	35,179	37,539	88,853	48,704	142,421	38,841	41,446	610,092
Facilities and Components	39,241	29,260	42,672	29,171	19,291	14,684	14,978	23,203	15,583	37,510	265,593
Land Improvements	61,200	62,637	53,060	54,122	55,204	56,308	57,434	58,583	59,755	60,950	579,253
Total	3,043,644	2,985,080	3,008,466	3,183,238	2,191,053	3,026,185	2,462,963	3,425,099	4,333,821	2,650,437	30,309,986

Funding Analysis	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Total Funding by Source											
Canada Community Building Fund (Gas Tax)	102,573	102,573	106,676	106,676	106,676	106,676	106,676	106,676	106,676	106,676	1,058,554
OCIF Funding	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Transfer from Operations	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	4,050,000
Transfer from/(to) Capital Reserves - 2024 Existing	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	2,800,000
Transfer from/(to) Capital Reserves - New	705,000	324,000	403,000	502,000	678,000	860,000	1,000,000	1,210,000	1,370,000	1,527,761	8,579,761
Operating Funding (LOS Impar	48,300	98,600	150,800	205,100	209,200	213,400	217,700	222,100	226,500	231,000	1,822,700
Debt Funding (see section 2)	1,402,771	1,674,907	1,562,990	1,584,462	412,177	1,061,109	353,587	1,101,323	1,845,645	-	10,998,971
Total	3,043,644	2,985,080	3,008,466	3,183,238	2,191,053	3,026,185	2,462,963	3,425,099	4,333,821	2,650,437	30,309,986

As noted in section 5.2 above, Canada Community Building Fund and OCIF funding is shown as a funding source in each year of the forecast period, reserves are used as the primary funding source, operating budget funding is used at a fixed \$405,000 in capital funding annually as well as for levels of service recommendations that are considered operating in nature, and debt funding is used to finance the remaining funding needs each year, if applicable.

Debt Funding

Debt funding is anticipated within the forecast period. As shown above in Table 5.4, debt principal amounts of \$10,998,971 is required in total from 2025 to 2034 to fund recommended asset lifecycle needs. Given that the Township's ability to use debt funding is restricted based on the province's debt capacity (annual repayment limit) calculations, an analysis of all current and proposed debt was completed (see Figures 5.2 and 5.3).

Figure 5.2: Summary of Current and Proposed Debt Payments

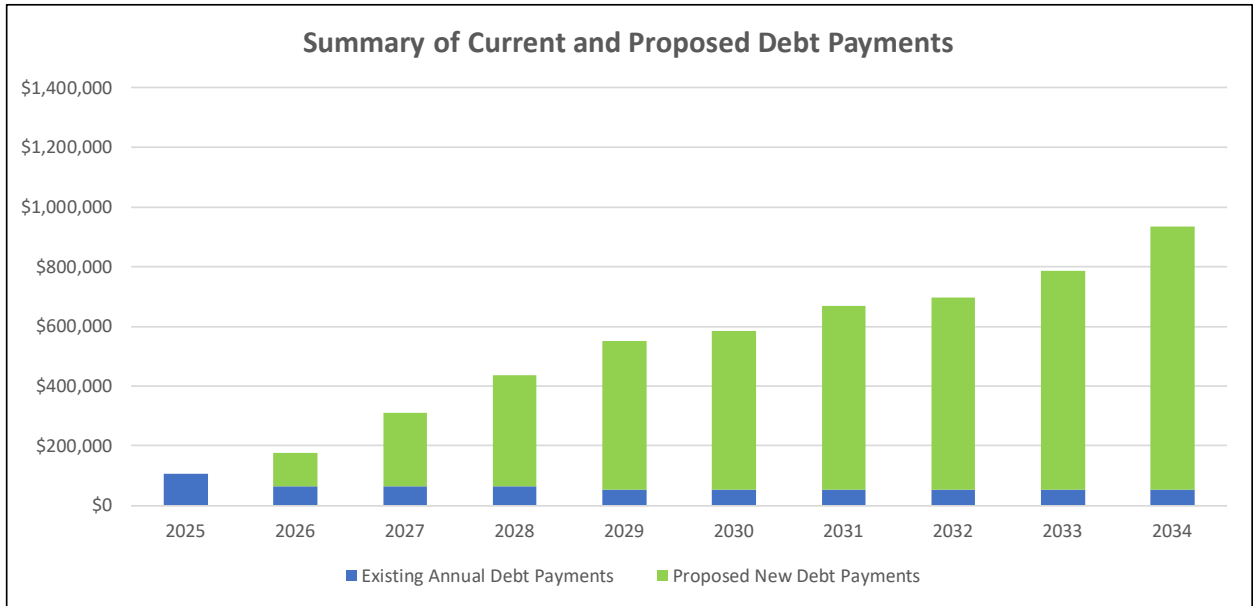
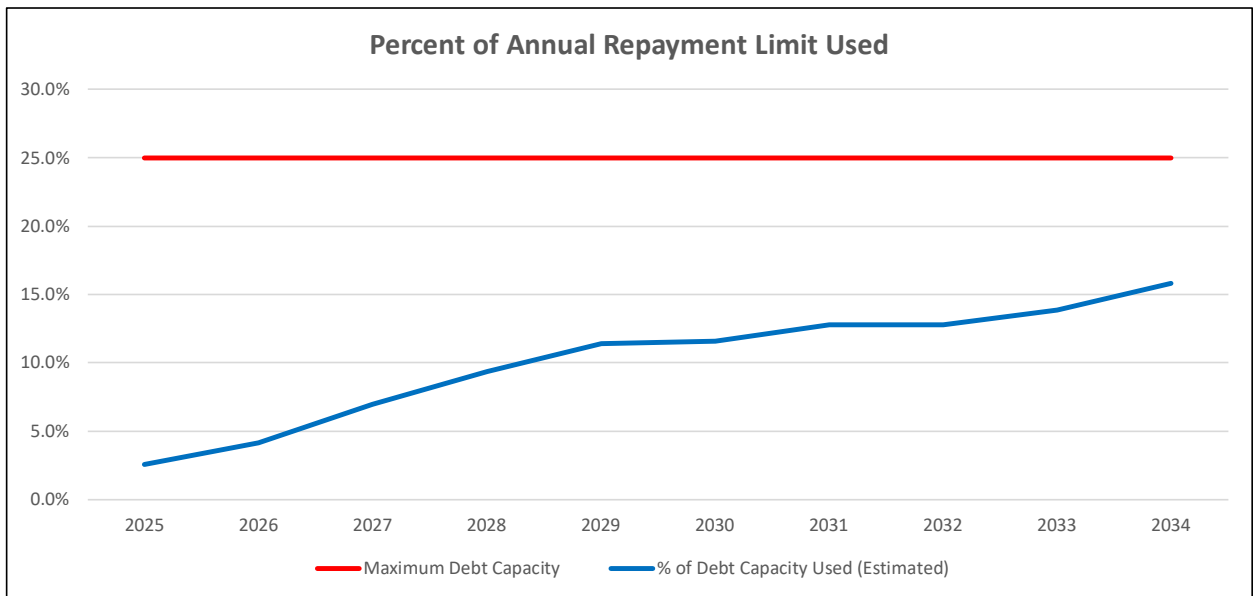


Figure 5.3: Percent of Annual Repayment Limit Used



Figures 5.2 and 5.3 above show that current and projected debt requirements are well within the annual debt capacity limits of 25% of Township revenues, reaching a maximum level of 15.8% of revenues in 2034. Future debt payments have been estimated assuming an interest rate of 5.0% over a 20-year term.

Asset Management Plan
July 11, 2024

Levels of Service Implementation

This asset management plan recommends various changes to levels of service to move from current levels to expected levels throughout the forecast period. The financial impact of moving from current to expected levels for all assets totals \$189,514 (refer to Table 5.5 below). As illustrated, a phase-in approach has been recommended over 4 years, resulting in achieving expected levels of service by 2028. More information on level of service recommendations can be found in Chapter 3 to this report.

Table 5.5: Levels of Service Analysis and Phase-In

Asset Area - Tax Supported	Increase in LOS
Roads	82,500
Bridges & Culverts	21,000
Storm Sewers	500
Facilities	1,514
Land Improvements	50,000
Vehicles & Equipment	34,000
Total (2024 \$)	189,514

LOS Phase-In	2025	2026	2027	2028
Roads	30,364	30,364	69,122	82,500
Bridges & Culverts	15,000	15,000	21,000	21,000
Storm Sewers	500	500	500	500
Facilities	1,514	1,514	1,514	1,514
Land Improvements	-	47,379	50,000	50,000
Vehicles & Equipment	-	-	-	34,000
Total (2024 \$)	47,378	94,757	142,136	189,514
% Phase-In	25.0%	50.0%	75.0%	100.0%

Reserve Funding

With reserve funding becoming a primary source of funding within this financing strategy, a recommended phased-in approach to increasing contributions to reserves is provided. Table 5.6 below outlines the calculated transfer amounts for the forecast period, with a recommended plan to increase those transfers to reach \$1,483,872 by 2034. This combined with anticipated grant funding, existing reserve transfers, and transfers from operations allows the Township to reach an annual asset capital investment amount of \$2,375,548 by 2034. This represents 96% of the optimal annual capital asset investment amount in 2034 of \$2,466,660.

Asset Management Plan
July 11, 2024

Table 5.6: Contributions to Reserves

Funding Type - Tax Supported As	Forecast									
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Transfer to Reserves for Asset Management	192,824	324,051	403,290	502,702	677,606	859,520	1,000,212	1,209,091	1,370,053	1,483,872
Total	192,824	324,051	403,290	502,702	677,606	859,520	1,000,212	1,209,091	1,370,053	1,483,872
Transfer from Operations to Capital	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000
Transfer from/(to) Capital Reserves - 2024 Existing	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000
Canada Community Building Fund (Gas Tax)	102,573	102,573	106,676	106,676	106,676	106,676	106,676	106,676	106,676	106,676
OCIF Funding	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Total Asset Investment	1,080,397	1,211,624	1,294,966	1,394,378	1,569,282	1,751,196	1,891,888	2,100,767	2,261,729	2,375,548

It is recommended that existing capital reserves (identified above in Section 5.2) be used to fund asset management capital needs.

Operating Budget Funding

As discussed earlier in this chapter, the recommended financing strategy assumes that \$405,000 will be available annually from the operating budget to fund asset management capital needs.

From a Level of Service perspective, many recommendations outlined in Chapter 3 are already implemented by the Township. Section 4 of Appendix A to this report outlines that adjustments are needed to the Township's operating budget to account for any further levels of service impacts that are not currently funded. Please refer to the Levels of Service Implementation discussion above.

If debt financing is needed to fund the recommended financing strategy, this has an impact on the Township's operating budget going forward. It has also been assumed that when existing debt payments are complete, the budget space created will be used to either fund new debt or to increase transfers to reserves. This is outlined in Appendix A and summarized below in Table 5.7.

Table 5.7: Increase in Funding Summary

Increase in Funding	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Increase (Decrease) in Transfers to Reserves	192,824	131,227	79,239	99,411	174,905	181,913	140,692	208,880	160,962	113,819
Increase (Decrease) in Operating - LOS	48,300	50,300	52,200	54,300	4,100	4,200	4,300	4,400	4,400	4,500
Increase (Decrease) in Operating - D	-	71,653	134,400	125,420	114,083	33,070	85,150	28,370	88,370	148,100
Total Impact on Annual Tax Supported Budget	241,124	253,180	265,839	279,131	293,088	219,183	230,142	241,650	253,732	266,419
Estimated Taxation Impact: 1% in 2024 = \$33,042	6.95%	6.95%	6.95%	6.95%	6.95%	4.95%	4.95%	4.95%	4.95%	4.95%

Table 5.7 above outlines the total annual increase in funding recommended from 2025 to 2034. These increases can be incorporated through:

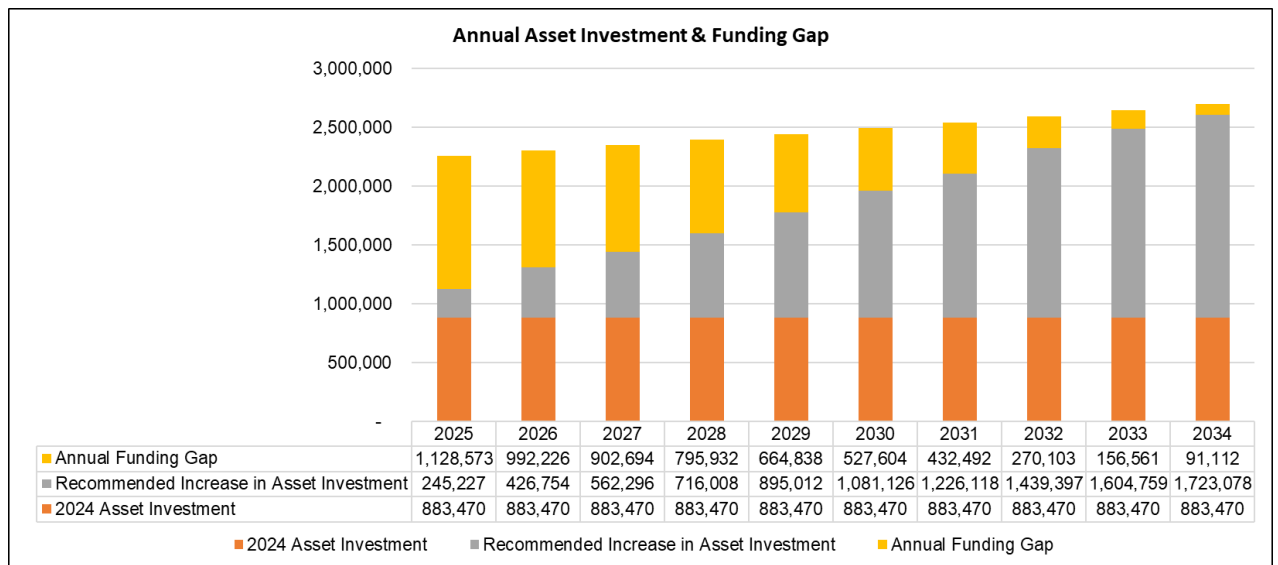
- a) Finding efficiencies in the annual budget.
- b) Increase in external funding (i.e., grants or third-party contributions).
- c) Allocations of annual Township surpluses to capital reserves (if available).
- d) Recommending budget (taxation) increases.

As shown in Table 5.7, if taxation increases are required each year to allow for the total recommended increases in funding (i.e., items a, b, and c above are not available), an increase in taxation would be required annually. A 6.95% increase in taxation would be required annually for the first five years, followed by a 4.95% annual increase for the remaining five years of the forecast period.

Funding Gap

Figure 5.4 below provides an overall summary of the recommended annual investment levels (shown in orange and gray) as well as the funding gap (shown in yellow). The funding recommendations outlined in this chapter ensure the funding gap is significantly reduced by 2034, where 97% of the optimal annual asset investment (operating levels of service and capital) is achieved.

Figure 5.4: Annual Asset Investment & Funding Gap



This figure is also provided in Appendix A to this report, along with detailed figures to support the calculations.

5.6 Summary of Financing Strategy Recommendations

The following represents a list of financing strategy recommendations:

1. Use existing Township capital reserves identified in this chapter to fund asset management capital needs.
2. Use capital reserves as the primary source of asset investment annually. Funds should flow from the operating budget to these reserves, which are then used to fund capital projects.
3. Ensure a minimum of \$405,000 is available from the annual operating budget (excluding reserve transfers) to fund asset management capital needs.
4. Increase asset management funding annually as outlined in Table 5.7.
5. Transfer any annual Township surpluses to capital reserves annually.
6. Dedicate any budget savings from the elimination of debt payments to funding asset management needs (i.e., either new debt or additional transfers to reserves).
7. Update this financing strategy and the Asset Management Plan as a whole, at a minimum, every five years as required in Ontario Regulation 588/17.

6.0 Recommendations

The following recommendations have been provided for the Township of Melancthon's consideration:

- That this Asset Management Plan for all Township tangible capital assets be received and approved by Township Council.
- That consideration of this Asset Management Plan be given as part of the annual budgeting process to ensure sufficient capital funds are available to fund capital requirements over the 10-year period.
- The current level of funding for asset replacement and renewal at the Township is not expected to sufficiently fund required capital needs or close the infrastructure funding gap. As such, it is recommended that the following be considered:
 - That the “levels of service” strategies discussed in this report be approved.
 - The Township uses Reserves to fund infrastructure capital needs.
 - The Township uses capital reserves as the primary source of asset investment annually. Funds should flow from the operating budget to these reserves, which are then used to fund capital projects.
 - The Township ensures a minimum of \$405,000 is available from the annual operating budget (excluding reserve transfers) to fund asset management capital needs.
 - The Township increase asset management funding as outlined in Table 5.7;
 - The Township transfer annual surpluses to capital reserves;
 - The Township dedicate any budget savings from the elimination of debt payments to funding asset management needs (i.e., Either new debt or transfers to reserves);
 - The Township update the financing strategy every 5 years as per legislation or when there is significant change;
 - That this Asset Management Plan be updated as per the Township's Asset Management Strategy Policy; and
 - The Township consider the capital priorities identified within this report when applying for future grants or deciding how to utilize Gas Tax, OCIF funding, and/or other funding that becomes available.

Substantial investment in asset capital needs will be required over the 10-year forecast period and beyond. Through the recommendations provided above, proactive steps will be made to increase capital investment, as well as reduce the annual infrastructure funding gap for the Township's assets. Enhanced maintenance plans will assist in maintaining adequate asset conditions, mitigate asset risk as well as potentially defer capital needs within the forecast period. In addition, the Township of Melancthon is recommended to pursue all available capital grants wherever possible to further reduce the infrastructure funding gap.

Asset Management Plan
July 11, 2024

Through the creation of this plan, the Township has been provided with Excel spreadsheets in which amendments and revisions can be made as needed by Township staff. It is anticipated that this plan adopted by the Township of Melancthon Council will be monitored and updated frequently as part of the budget process, with refinements and specific recommendations being provided with respect to the priority of each individual project.



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Appendix A

Financing Strategy Tables

**Township of Melancthon
2024 Asset Management Plan
Financing Strategy**

Table of Contents:

Section 1: Capital Forecast and Funding Analysis

Section 2: Future Debt

Section 3: Reserve Schedules

Section 4: Budget Impacts & Funding Gap

Section 1: Capital Forecast and Funding Analysis

Asset Class	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Capital Replacement											
Road Surface - Asphalt	385,696	1,020,723	778,500	858,252	705,985	1,089,705	-	1,342,019	1,389,544	-	7,570,424
Road Surface - Gravel	510,000	520,200	530,604	541,216	552,040	563,081	574,343	585,830	597,546	609,497	5,584,357
Road Base	-	-	-	-	-	-	-	-	-	-	-
Bridge & Culverts	-	267,123	-	-	-	-	-	-	-	938,626	1,205,749
Crossroad Culverts	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190	111,688
Roadway Assets	24,253	-	17,241	13,504	-	-	9,150	-	-	-	64,148
Storm Sewers	-	-	-	-	-	-	-	-	-	-	-
Catch Basin	-	-	-	-	-	-	-	-	-	71,975	71,975
Vehicles	867,000	260,100	742,846	865,946	-	394,157	402,040	421,797	836,565	-	4,790,451
Equipment	36,233	28,078	-	-	-	1,803	3,623	621	-	5,443	75,801
Software	47,899	7,816	19,942	-	1,656	52,253	11,372	104,342	-	1,829	247,109
Facilities and Components	25,941	15,694	28,835	15,057	4,895	-	-	7,926	-	21,616	119,964
Land Improvements	10,200	10,617	-	-	-	-	-	-	-	-	20,817
Subtotal - Capital Replacement	1,917,422	2,140,755	2,128,580	2,304,799	1,275,617	2,112,261	1,012,015	2,474,252	2,835,606	1,661,176	19,862,483
Capital Rehabilitation											
Road Surface - Asphalt	53,550	54,621	55,713	56,828	57,964	59,124	60,306	61,512	62,742	63,997	586,357
Road Surface - Gravel	-	-	-	-	-	-	-	-	-	-	-
Road Base	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902	24,380	223,375
Bridge & Culverts	298,452	-	18,677	-	19,432	-	518,746	-	528,350	-	1,383,657
Crossroad Culverts	-	-	-	-	-	-	-	-	-	-	-
Roadway Assets	-	-	-	-	-	-	-	-	-	-	-
Storm Sewers	-	-	-	-	-	-	-	-	-	-	-
Catch Basin	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-	-	-	-	-
Facilities and Components	-	-	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Capital Rehabilitation	372,402	75,429	95,614	78,477	99,478	81,647	602,026	84,945	614,994	88,377	2,193,389

Asset Class	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Levels of Service Costs											
Road Surface - Asphalt	61,302	62,528	63,779	65,054	66,355	67,682	69,036	70,417	71,825	73,262	671,240
Road Surface - Gravel	224,808	229,304	233,890	238,568	243,339	248,206	253,170	258,234	263,398	268,666	2,461,583
Road Base	51,000	52,020	53,060	54,122	55,204	56,308	57,434	58,583	59,755	60,950	558,436
Bridge & Culverts	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902	24,380	223,375
Crossroad Culverts	-	-	-	-	-	-	-	-	-	-	-
Roadway Assets	6,630	6,763	6,898	7,036	7,177	7,320	7,466	7,616	7,768	7,923	72,597
Storm Sewers	56,100	57,222	58,366	59,534	60,724	61,939	63,178	64,441	65,730	67,045	614,279
Catch Basin	3,570	3,641	3,714	3,789	3,864	3,942	4,020	4,101	4,183	4,266	39,090
Vehicles	232,560	237,211	241,955	246,795	251,730	256,765	261,900	267,138	272,481	277,931	2,546,466
Equipment	-	-	-	-	-	-	-	-	-	-	-
Software	33,150	33,813	34,489	35,179	35,883	36,600	37,332	38,079	38,841	39,617	362,983
Facilities and Components	13,300	13,566	13,837	14,114	14,396	14,684	14,978	15,277	15,583	15,894	145,629
Land Improvements	51,000	52,020	53,060	54,122	55,204	56,308	57,434	58,583	59,755	60,950	558,436
Subtotal - Levels of Service	753,820	768,896	784,272	799,962	815,958	832,277	848,922	865,902	883,221	900,884	8,254,114

Asset Class	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Totals by Asset Class (Replacement, Rehabilitation and Levels of Service)											
Road Surface - Asphalt	500,548	1,137,872	897,992	980,134	830,304	1,216,511	129,342	1,473,948	1,524,111	137,259	8,828,021
Road Surface - Gravel	734,808	749,504	764,494	779,784	795,379	811,287	827,513	844,064	860,944	878,163	8,045,940
Road Base	71,400	72,828	74,284	75,771	77,286	78,831	80,408	82,016	83,657	85,330	781,811
Bridge & Culverts	318,852	287,931	39,901	21,649	41,514	22,523	541,720	23,433	552,252	963,006	2,812,781
Crossroad Culverts	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190	111,688
Roadway Assets	30,883	6,763	24,139	20,540	7,177	7,320	16,616	7,616	7,768	7,923	136,745
Storm Sewers	56,100	57,222	58,366	59,534	60,724	61,939	63,178	64,441	65,730	67,045	614,279
Catch Basin	3,570	3,641	3,714	3,789	3,864	3,942	4,020	4,101	4,183	76,241	111,065
Vehicles	1,099,560	497,311	984,801	1,112,741	251,730	650,922	663,940	688,935	1,109,046	277,931	7,336,917
Equipment	36,233	28,078	-	-	-	1,803	3,623	621	-	5,443	75,801
Software	81,049	41,629	54,431	35,179	37,539	88,853	48,704	142,421	38,841	41,446	610,092
Facilities and Components	39,241	29,260	42,672	29,171	19,291	14,684	14,978	23,203	15,583	37,510	265,593
Land Improvements	61,200	62,637	53,060	54,122	55,204	56,308	57,434	58,583	59,755	60,950	579,253
Total	3,043,644	2,985,080	3,008,466	3,183,238	2,191,053	3,026,185	2,462,963	3,425,099	4,333,821	2,650,437	30,309,986

Funding Analysis	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Total Funding by Source											
Canada Community Building Fund (Gas Tax)	102,573	102,573	106,676	106,676	106,676	106,676	106,676	106,676	106,676	106,676	1,058,554
OCIF Funding	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,000,000
Transfer from Operations	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	4,050,000
Transfer from/(to) Capital Reserves - 2024 Existing	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	2,800,000
Transfer from/(to) Capital Reserves - New	705,000	324,000	403,000	502,000	678,000	860,000	1,000,000	1,210,000	1,370,000	1,527,761	8,579,761
Operating Funding (LOS Impacts)	48,300	98,600	150,800	205,100	209,200	213,400	217,700	222,100	226,500	231,000	1,822,700
Debt Funding (see section 2)	1,402,771	1,674,907	1,562,990	1,584,462	412,177	1,061,109	353,587	1,101,323	1,845,645	-	10,998,971
Total	3,043,644	2,985,080	3,008,466	3,183,238	2,191,053	3,026,185	2,462,963	3,425,099	4,333,821	2,650,437	30,309,986

Total Cost less Funding	-	-	-	-	-	-	-	-	-	-	-
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Section 2: Future Debt

Year	Principal Amount	New Annual Payments									
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
2025	1,402,771		112,560	112,560	112,560	112,560	112,560	112,560	112,560	112,560	112,560
2026	1,674,907			134,400	134,400	134,400	134,400	134,400	134,400	134,400	134,400
2027	1,562,990				125,420	125,420	125,420	125,420	125,420	125,420	125,420
2028	1,584,462					127,140	127,140	127,140	127,140	127,140	127,140
2029	412,177						33,070	33,070	33,070	33,070	33,070
2030	1,061,109							85,150	85,150	85,150	85,150
2031	353,587								28,370	28,370	28,370
2032	1,101,323									88,370	88,370
2033	1,845,645										148,100
2034	-										
Total	10,998,971	-	112,560	246,960	372,380	499,520	532,590	617,740	646,110	734,480	882,580

Assumptions:

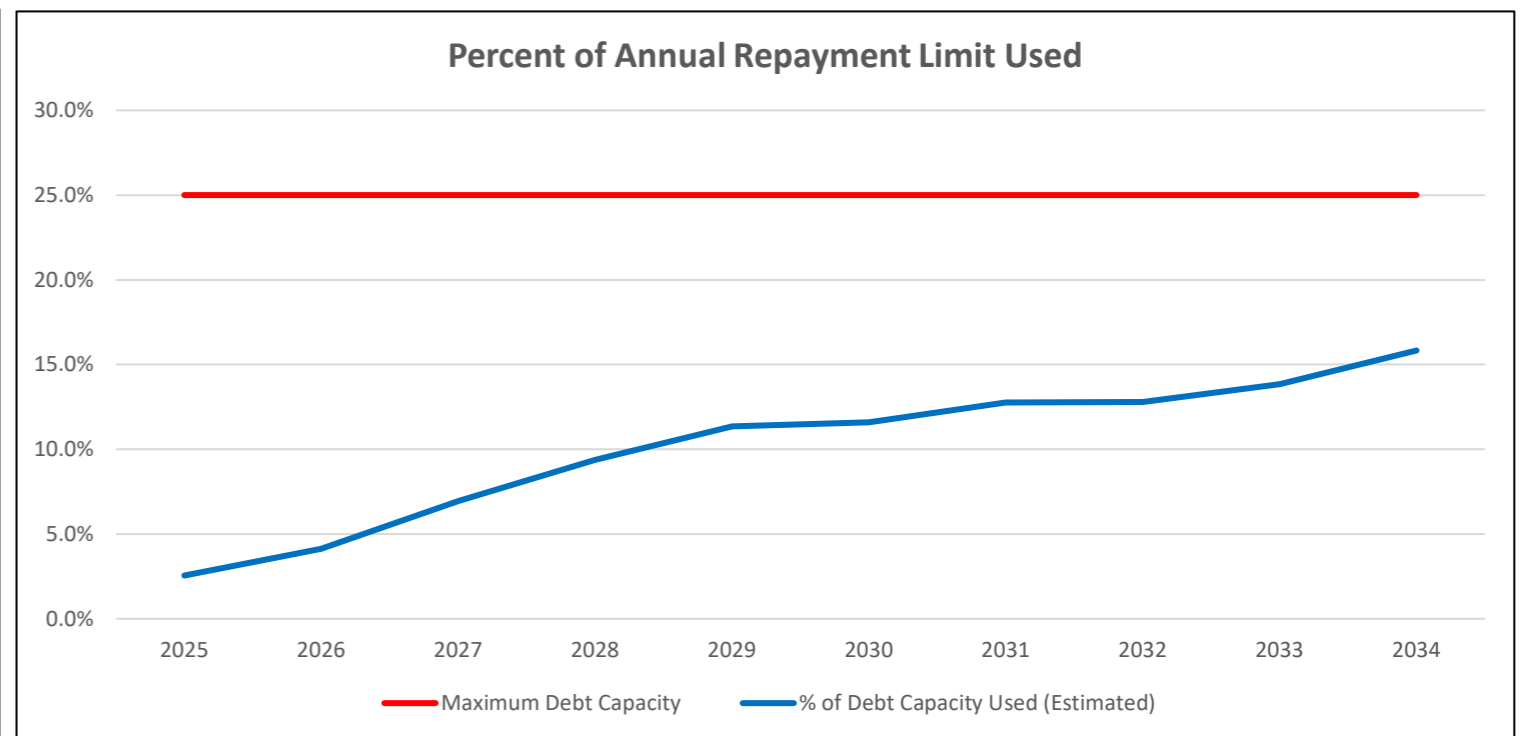
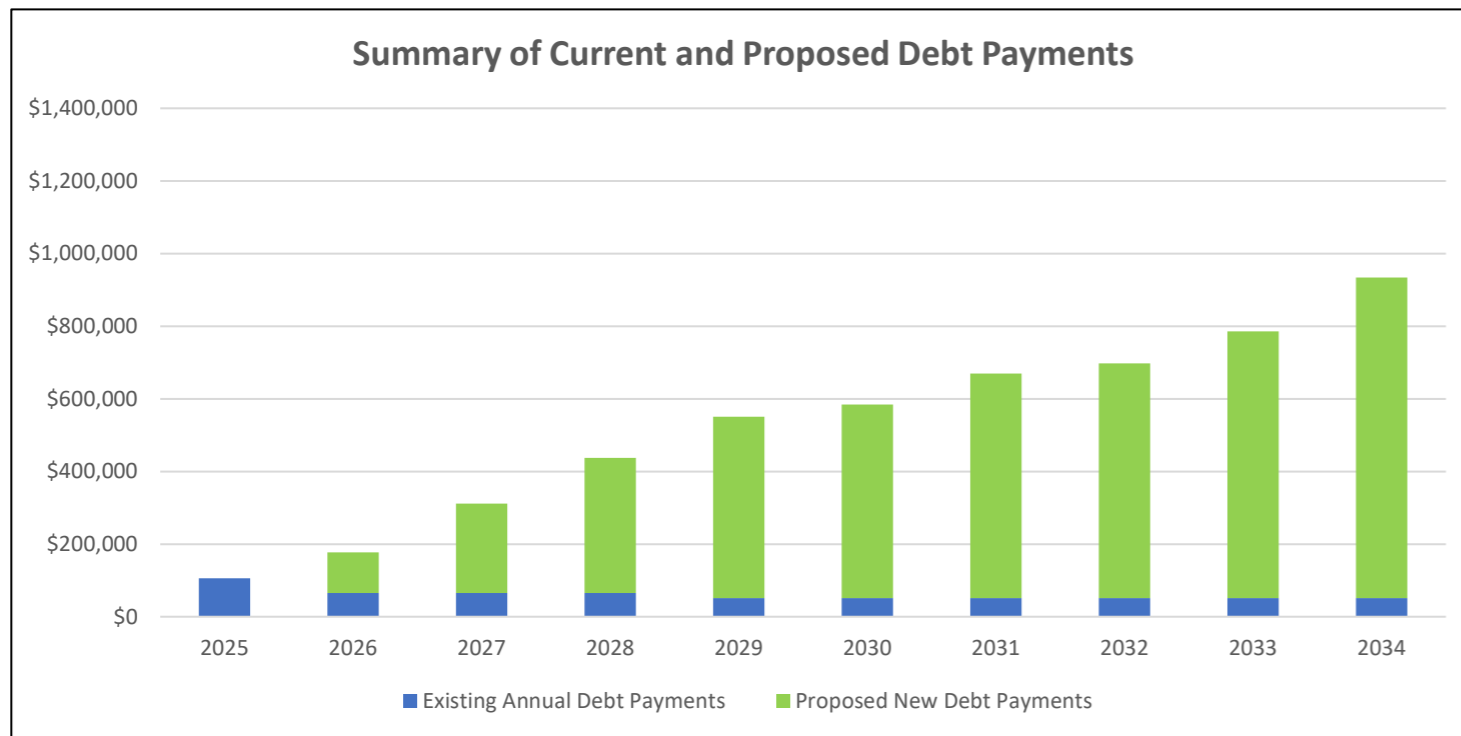
Term: 20 years
 Rate: 5% per year
 Timing: Debt is incurred at the end of the given year, with principal & interest payments starting in the following year.

Debt Capacity Analysis

* Ontario municipalities must maintain annual debt principal and interest payments below the equivalent of 25% of revenues.

Debt Analysis	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Existing Annual Debt Payments	105,766	64,859	64,859	64,859	51,802	51,802	51,802	51,802	51,802	51,802
Proposed New Debt Payments	-	112,560	246,960	372,380	499,520	532,590	617,740	646,110	734,480	882,580
Total Anticipated Debt Payments	105,766	177,419	311,819	437,239	551,322	584,392	669,542	697,912	786,282	934,382
Estimated Revenues*	4,147,300	4,313,192	4,485,720	4,665,149	4,851,755	5,045,825	5,247,658	5,457,564	5,675,867	5,902,902
Maximum Debt Capacity	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
% of Debt Capacity Used (Estimated)	2.6%	4.1%	7.0%	9.4%	11.4%	11.6%	12.8%	12.8%	13.9%	15.8%

* Annual revenue estimate assumes inflation of 2% annually.



Section 3: Reserve Schedules

Asset Management: Consolidated Reserves	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Opening Balance	912,866	400,690	400,741	401,032	401,733	401,340	400,859	401,071	400,162	400,216
Add: Contributions from Operating	192,824	324,051	403,290	502,702	677,606	859,520	1,000,212	1,209,091	1,370,053	1,483,872
Less: Contributions (to)/from Capital	(705,000)	(324,000)	(403,000)	(502,000)	(678,000)	(860,000)	(1,000,000)	(1,210,000)	(1,370,000)	(1,527,761)
Interest Earned (if applicable)	-	-	-	-	-	-	-	-	-	-
Ending Balance	400,690	400,741	401,032	401,733	401,340	400,859	401,071	400,162	400,216	356,327

Section 4: Budget Impacts & Funding Gap

Optimal Annual Funding Analysis	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Optimal Investment - Capital	2,063,970	2,105,250	2,147,360	2,190,310	2,234,120	2,278,800	2,324,380	2,370,870	2,418,290	2,466,660
Optimal Investment - Operating LOS (increase from existing)	193,300	197,200	201,100	205,100	209,200	213,400	217,700	222,100	226,500	231,000
Total Annual Optimal Investment in Assets	2,257,270	2,302,450	2,348,460	2,395,410	2,443,320	2,492,200	2,542,080	2,592,970	2,644,790	2,697,660

Recommended Investment - Capital

Canada Community Building Fund (Gas Tax)	102,573	102,573	106,676	106,676	106,676	106,676	106,676	106,676	106,676	106,676
OCIF Funding	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Transfer from Operations (for Capital)	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000	405,000
Transfer from/(to) Capital Reserves - 2024 Existing	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000
Transfer from/(to) Capital Reserves - New	192,824	324,051	403,290	502,702	677,606	859,520	1,000,212	1,209,091	1,370,053	1,483,872
Total Recommended Investment - Capital	1,080,397	1,211,624	1,294,966	1,394,378	1,569,282	1,751,196	1,891,888	2,100,767	2,261,729	2,375,548
<i>% of Optimal Investment (Capital) Reached</i>	<i>52%</i>	<i>58%</i>	<i>60%</i>	<i>64%</i>	<i>70%</i>	<i>77%</i>	<i>81%</i>	<i>89%</i>	<i>94%</i>	<i>96%</i>

LOS Impacts - Operating

Recommended Investment (4 Year Phase-in)	48,300	98,600	150,800	205,100	209,200	213,400	217,700	222,100	226,500	231,000
Total Recommended Investment - LOS Operating	48,300	98,600	150,800	205,100	209,200	213,400	217,700	222,100	226,500	231,000
<i>% of Optimal Investment (Capital) Reached</i>	<i>25%</i>	<i>50%</i>	<i>75%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>	<i>100%</i>

Total Recommended Investment - Capital & Operating	1,128,697	1,310,224	1,445,766	1,599,478	1,778,482	1,964,596	2,109,588	2,322,867	2,488,229	2,606,548
<i>% of Optimal Investment (Operating & Capital) Reached</i>	<i>50%</i>	<i>57%</i>	<i>62%</i>	<i>67%</i>	<i>73%</i>	<i>79%</i>	<i>83%</i>	<i>90%</i>	<i>94%</i>	<i>97%</i>

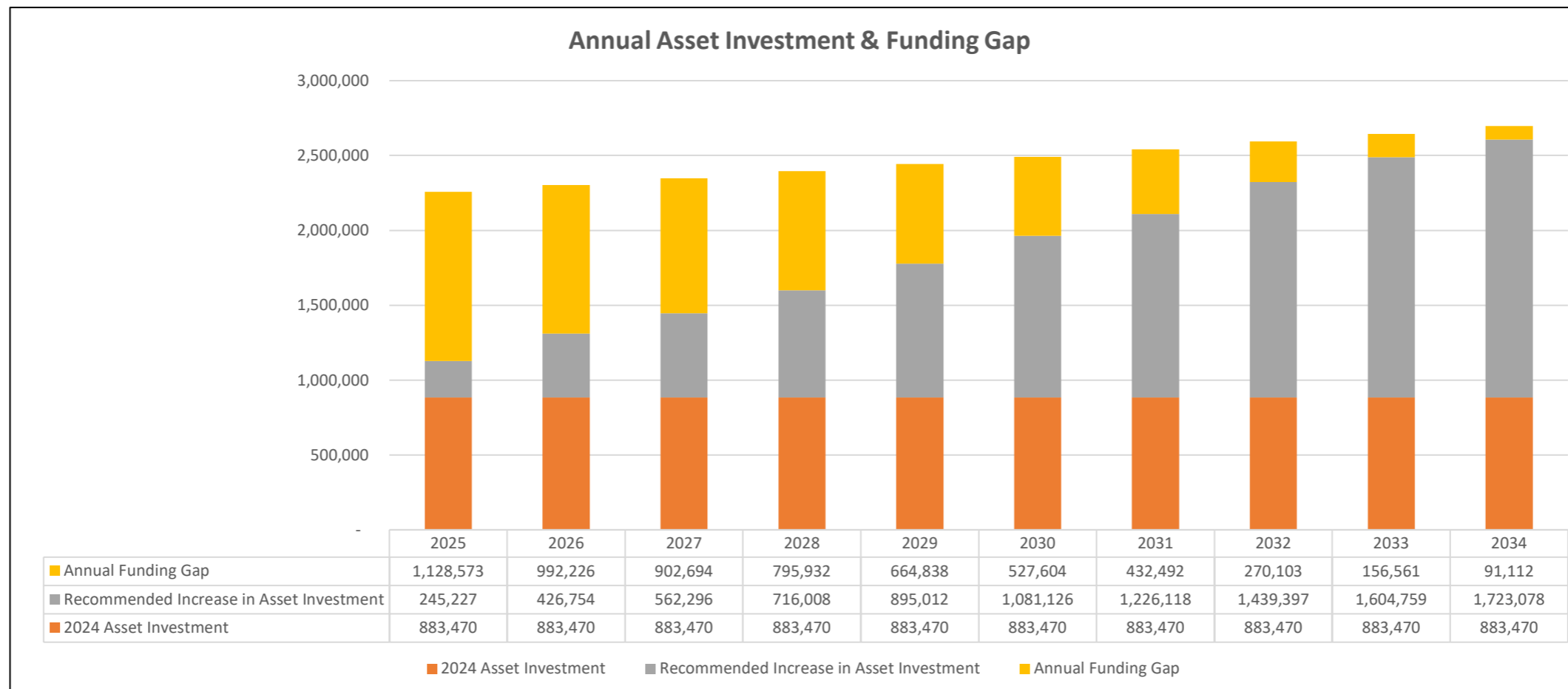
Funding (Gap) / Surplus	(1,128,573)	(992,226)	(902,694)	(795,932)	(664,838)	(527,604)	(432,492)	(270,103)	(156,561)	(91,112)
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Investment in Capital

	2024
Canada Community Building Fund (Gas Tax)	98,470
OCIF Funding	100,000
Transfer from Operating	405,000
Transfer to Reserves	280,000
Total Investment	883,470

Investment in capital "starting point" for the capital forecast.

Impact on Funding	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Total Recommended Investment - Capital	1,080,397	1,211,624	1,294,966	1,394,378	1,569,282	1,751,196	1,891,888	2,100,767	2,261,729	2,375,548
Previous Year's Investment	883,470	1,080,397	1,211,624	1,294,966	1,394,378	1,569,282	1,751,196	1,891,888	2,100,767	2,261,729
Annual Increase in Capital Investment										
Grants	4,103	-	4,103	-	-	-	-	-	-	-
Tax Supported	192,824	131,227	79,239	99,411	174,905	181,913	140,692	208,880	160,962	113,819
Total Change	196,927	131,227	83,342	99,411	174,905	181,913	140,692	208,880	160,962	113,819
Total Recommended Investment - Operating LOS (Increase Only)	48,300	98,600	150,800	205,100	209,200	213,400	217,700	222,100	226,500	231,000
Previous Year's Investment Increase	-	48,300	98,600	150,800	205,100	209,200	213,400	217,700	222,100	226,500
Annual Increase / (Decrease) in Operating LOS Investment										
Tax Supported	48,300	50,300	52,200	54,300	4,100	4,200	4,300	4,400	4,400	4,500
Total Change	48,300	50,300	52,200	54,300	4,100	4,200	4,300	4,400	4,400	4,500
A Total Change - Capital & LOS (excluding Grant Increase)	241,124	181,527	131,439	153,711	179,005	186,113	144,992	213,280	165,362	118,319
B Net Increase / (Decrease) in Debt Payments	-	71,653	134,400	125,420	114,083	33,070	85,150	28,370	88,370	148,100
A + B Total Impact on Annual Tax Supported Budget	241,124	253,180	265,839	279,131	293,088	219,183	230,142	241,650	253,732	266,419
<i>Estimated Taxation Impact: 1% in 2024 = \$33,042</i>	6.95%	6.95%	6.95%	6.95%	6.95%	4.95%	4.95%	4.95%	4.95%	4.95%





THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

DRAFT

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
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YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying consolidated financial statements of The Corporation of the Township of Melancthon, which comprise the consolidated statement of financial position as at December 31, 2023 and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of Melancthon as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Corporation of the Township of Melancthon in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the 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 a 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.

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

Auditor's Responsibilities for the Audit of the 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 judgement 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 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.
- 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 consolidated 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.

Guelph, Ontario

Chartered Professional Accountants
Licensed Public Accountants

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

	2023	2022
FINANCIAL ASSETS		
Cash and portfolio investments (note 2)	\$ 4,964,565	\$ 5,382,309
Taxes receivable	876,439	767,518
Accounts receivable	575,638	235,494
Long term receivables (note 3)	<u>44,487</u>	<u>53,069</u>
	<u>6,461,129</u>	<u>6,438,390</u>
LIABILITIES		
Operating loans (note 4)	310,000	20,000
Accounts payable and accrued liabilities	971,048	833,499
Asset retirement obligation (note 5)	295,002	281,625
Long term debt (note 6)	182,748	239,688
Deferred revenue - obligatory reserve funds (note 7)	1,056,180	1,143,419
Deferred revenue - other	<u>57,161</u>	<u>57,161</u>
	<u>2,872,139</u>	<u>2,575,392</u>
NET FINANCIAL ASSETS	<u>3,588,990</u>	<u>3,862,998</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (schedule 2)	13,177,123	12,194,985
Inventories	62,706	40,483
Prepaid expenses	<u>104,968</u>	<u>93,712</u>
	<u>13,344,797</u>	<u>12,329,180</u>
ACCUMULATED SURPLUS (schedule 3)	<u>\$ 16,933,787</u>	<u>\$ 16,192,178</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 Budget (note 8)	2023 Actual	2022 Actual
REVENUES			
Taxation	\$ 3,146,383	\$ 3,141,688	\$ 2,976,569
User charges	60,600	197,601	133,936
Grants (note 10)	411,794	434,974	488,821
Other income (note 11)	820,650	1,263,040	877,309
Loss on disposal of tangible capital assets	0	(61,202)	(68,239)
Obligatory reserve fund revenue recognized (note 7)	<u>383,000</u>	<u>392,065</u>	<u>204,500</u>
	<u>4,822,427</u>	<u>5,368,166</u>	<u>4,612,896</u>
EXPENSES (schedule 1)			
General government	791,524	788,758	745,222
Protection to persons and property	930,848	849,219	777,211
Transportation services	2,282,994	2,450,187	2,102,102
Environmental services	27,865	39,255	32,376
Recreation and cultural services	237,857	441,384	334,416
Planning and development	<u>220,000</u>	<u>57,754</u>	<u>84,615</u>
	<u>4,491,088</u>	<u>4,626,557</u>	<u>4,075,942</u>
ANNUAL SURPLUS	\$ <u>331,339</u>	\$ <u>741,609</u>	\$ <u>536,954</u>
ACCUMULATED SURPLUS at beginning of year		\$ 16,192,178	\$ 15,655,224
Annual surplus		<u>741,609</u>	<u>536,954</u>
ACCUMULATED SURPLUS at end of year		\$ <u>16,933,787</u>	\$ <u>16,192,178</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 Budget (note 8)	2023 Actual	2022 Actual
ANNUAL SURPLUS	\$ <u>331,339</u>	\$ <u>741,609</u>	\$ <u>536,954</u>
Acquisition of tangible capital assets	(2,185,000)	(1,964,269)	(1,556,751)
Amortization of tangible capital assets	889,019	918,747	889,019
Loss on disposal of tangible capital assets	0	61,202	68,239
Proceeds on sale of tangible capital assets	0	0	3,277
Consolidated boards opening changes (schedule 2)	<u>0</u>	<u>2,182</u>	<u>3,490</u>
	<u>(1,295,981)</u>	<u>(982,138)</u>	<u>(592,726)</u>
Use of (additions to) inventories	0	(22,223)	0
Use of (additions to) prepaid expenses	<u>0</u>	<u>(11,256)</u>	<u>(12,106)</u>
	<u>0</u>	<u>(33,479)</u>	<u>(12,106)</u>
CHANGE IN NET FINANCIAL ASSETS	\$ <u>(964,642)</u>	(274,008)	(67,878)
NET FINANCIAL ASSETS at beginning of year		<u>3,862,998</u>	<u>3,930,876</u>
NET FINANCIAL ASSETS at end of year		\$ <u>3,588,990</u>	\$ <u>3,862,998</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Annual surplus	\$ <u>741,609</u>	\$ <u>536,954</u>
Items not requiring an outlay of cash		
Amortization	918,747	889,019
Loss on disposal of tangible capital assets	61,202	68,239
Change in asset retirement obligation	<u>13,377</u>	<u>12,770</u>
	<u>993,326</u>	<u>970,028</u>
Net changes in non-cash working capital		
Taxes receivable	(108,921)	(114,460)
Accounts receivable	(340,144)	(8,307)
Prepaid expenses	(11,256)	(12,106)
Inventories	(22,223)	0
Accounts payable and accrued liabilities	137,549	105,934
Deferred revenue - obligatory reserve funds	(87,239)	77,562
Deferred revenue - other	<u>0</u>	<u>47,161</u>
	<u>(432,234)</u>	<u>95,784</u>
	<u>1,302,701</u>	<u>1,602,766</u>
CASH PROVIDED BY (USED IN) CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(1,964,269)	(1,556,751)
Consolidated boards opening change in amortization (schedule 2)	2,182	3,490
Proceeds on disposal of tangible capital assets	<u>0</u>	<u>3,277</u>
	<u>(1,962,087)</u>	<u>(1,549,984)</u>
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Operating loans	290,000	20,000
Net change in long term debt	<u>(56,940)</u>	<u>(58,124)</u>
	<u>233,060</u>	<u>(38,124)</u>
CASH PROVIDED BY INVESTING ACTIVITIES		
Net change in long term receivables	<u>8,582</u>	<u>8,096</u>
NET (DECREASE) INCREASE IN CASH AND PORTFOLIO INVESTMENTS	(417,744)	22,754
CASH AND PORTFOLIO INVESTMENTS, beginning of year	<u>5,382,309</u>	<u>5,359,555</u>
CASH AND PORTFOLIO INVESTMENTS, end of year	<u>\$ 4,964,565</u>	<u>\$ 5,382,309</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The Corporation of the Township of Melancthon are the representation of management prepared in accordance with Canadian generally accepted accounting principles for governments as established by the Public Sector Accounting Board of CPA Canada. Significant accounting policies adopted by The Corporation of the Township of Melancthon are as follows:

(a) **ACKNOWLEDGEMENT OF RESPONSIBILITY**

The management of The Corporation of the Township of Melancthon acknowledges its responsibility for the creation and compilation of the consolidated financial statements and the following significant accounting policy decisions and related policy notes.

(b) **BASIS OF CONSOLIDATION**

These consolidated financial statements reflect the assets, liabilities, revenue and expenses of all municipal organizations, committees and boards which are owned or controlled by Council.

All interfund assets, liabilities, revenues and expenses have been eliminated on consolidation.

The following boards and municipal enterprises owned or controlled by Council have been consolidated:

Horning's Mills Cemetery Board
St. Paul's Cemetery Board
Horning's Mills Community Park
Horning's Mills Community Hall

A government partnership exists where the municipality has shared control over the board or entity. The municipality's pro-rata share of the assets, liabilities, revenues and expenses are reflected in the financial statements using the proportionate consolidation method. The municipality's proportionate interest of the following government partnerships are reflected in the consolidated financial statements:

Shelburne and District Fire Department	14.40% (2022 - 14.55%)
Mulmur-Melancthon Volunteer Fire Department	23.46% operating, 50.00% capital (2022 - 23.68%, 50.00% capital)
North Dufferin Community Centre	50.00% operating (2022 - 50.00% operating)

(c) **BASIS OF ACCOUNTING**

(i) Sources of financing and expenditures are reported on the accrual basis of accounting. The interest charges are not accrued for the periods from the dates of the latest instalment payments to the end of the financial year.

(ii) The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) USE OF ESTIMATES

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from management's best estimates as additional information becomes available in the future. Significant areas requiring management's estimates include amortization of tangible capital assets and landfill closure and post-closure liabilities.

(e) CREDIT RISK MANAGEMENT

The municipality is exposed to credit risk on the taxes receivable from its ratepayers.

The municipality does not have a significant exposure to any individual customer or counterpart.

(f) TRUST FUNDS

Funds held in trust by the municipality, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately on the trust funds' statement of continuity and statement of financial position.

(g) PORTFOLIO INVESTMENTS

Portfolio investments are recorded at amortized cost unless there has been a decline in the market value, which is other than temporary in nature, in which case the investments are written down to market.

(h) INVENTORIES

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

(i) REVENUE RECOGNITION

Revenues are recognized as follows:

Taxation revenue is recognized in the period in which the tax is levied.

User charges are recognized when the related service is provided.

Grants and obligatory reserve fund revenues are recognized based on the terms of the grant or in the year that the related expenses occur.

Other income is recognized when receivable and collection is reasonably assured.

(j) COUNTY AND SCHOOL BOARDS

The municipality collects taxation revenue on behalf of the school boards and the County of Dufferin. The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards and the County of Dufferin are not reflected in these financial statements. See note 9 for details.

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) **NON-FINANCIAL ASSETS**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

(i) Tangible capital assets

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

Land improvements	10 to 50 years
Facilities	15 to 100 years
Vehicles	5 to 50 years
Equipment	5 to 75 years
Infrastructure - Environmental	3 to 75 years
Infrastructure - Transportation	3 to 75 years

Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Leases

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

(l) **FINANCIAL INSTRUMENTS**

The municipality classifies all of its financial instruments at amortized cost. The maximum exposure to credit risk is the carrying value of the financial instruments. These financial instruments include cash and portfolio investments, accounts receivable, long term receivables, accounts payable and accrued liabilities, and long term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument. Writedowns of financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net realizable value with the writedown being recognized in the consolidated statement of operations.

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

2. CASH AND PORTFOLIO INVESTMENTS

	2023	2022
Unrestricted cash	\$ 3,873,428	\$ 4,213,339
Unrestricted portfolio investments	<u>12,889</u>	<u>46,551</u>
	3,886,317	4,259,890
Restricted cash	<u>1,078,248</u>	<u>1,122,419</u>
	<u>\$ 4,964,565</u>	<u>\$ 5,382,309</u>

Unrestricted cash includes \$2,402,766 (2022 - \$2,523,765) held in one account at a chartered bank. Interest is earned on this account at a rate of prime less 2.05% (2022 - prime less 2.05%).

Portfolio investments consist of various GICs with interest rates ranging from 1.50% to 4.50% (2022 - 0.85% to 4.15%) maturing between June 2024 to June 2028 (2022 - June 2023 to June 2027).

3. LONG TERM RECEIVABLES

The responsibility for payment of principal and interest charges of the tile drainage loans has been assumed by individuals.

	2023	2022
Two loans are charged interest at a rate of 6% and become due in 2027 - 2028	\$ <u>44,487</u>	\$ <u>53,069</u>

Principal payments for the next five years are as follows:

2024	\$ 9,097
2025	9,643
2026	10,221
2027	10,835
2028	<u>4,691</u>
	<u>\$ 44,487</u>

4. OPERATING LOANS

The operating loans are due on demand and bear interest at a rate of prime less 0.75%, calculated and payable monthly. At December 31, 2023, the municipality had undrawn credit capacity of \$190,000 (2022 - \$480,000).

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

5. ASSET RETIREMENT OBLIGATION

Asset retirement obligation requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, removal of ground water and leachates, and ongoing environmental monitoring, site inspection and maintenance.

Effective June 1, 2013, the County of Dufferin assumed the landfill from the municipality and the landfill site ceased active operations and stopped accepting solid waste from ratepayers. No estimate of the existing liability based on the landfill capacity used up until the assumption date is available. Therefore, the estimates in the report dated 2008 will be used until an updated report is available. The liability for the landfill site is recorded at \$295,002 (2022 - \$281,625) and represents the present value of closure and post-closure costs for 62% of the current site's opened cells, using an average long term borrowing rate of 4.75%. The liability is recorded based on the capacity of the landfill used to date. The total estimated future expenses for closure and post-closure care are \$479,232 (2022 - \$457,500) leaving an amount to be recognized in future periods of \$184,230 (2022 - \$175,875). The estimated remaining capacity of the site's opened cells is approximately 140,700 tonnes, which was expected to be filled in 4 years. Post-closure care is estimated to continue for a period of 25 years.

The municipality has established a reserve fund to assist in financing the future costs of closure and post-closure liabilities. At December 31, 2023, there was \$168,431 available in the reserve fund.

6. LONG TERM DEBT

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

	2023	2022
Loan payable, 3.18%, repayable in monthly instalments of \$3,409 principal and interest, due December 2025, unsecured	\$ 79,048	\$ 116,789
Tile drainage loans, 6%, annual payments of principal and interest ranging from \$4,973 - \$6,793, due between 2027 - 2028	44,487	53,069
Loan payable, 3.63%, repayable in semi-annual instalments of \$6,528 principal and interest, due December 2028, unsecured	<u>59,213</u>	<u>69,830</u>
	<u>\$ 182,748</u>	<u>\$ 239,688</u>

Principal payments required on the loans payable for the next five years are as follows:

2024	\$ 59,062
2025	61,142
2026	22,048
2027	23,095
2028	<u>17,401</u>
	<u>\$ 182,748</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2023

7. DEFERRED REVENUE

	2023 Opening	Contributions Received	Investment Income	Revenue Recognized	2023 Ending
Obligatory Reserve Funds					
Development charges	\$ 1,059,367	\$ 148,089	\$ 52,563	\$ (230,828)	\$ 1,029,191
Recreational land	27,716	0	1,365	(26,237)	2,844
Subdivider - park levies	21,000	0	0	0	21,000
Federal Gas Tax	<u>35,336</u>	<u>99,547</u>	<u>3,262</u>	<u>(135,000)</u>	<u>3,145</u>
	<u>\$ 1,143,419</u>	<u>\$ 247,636</u>	<u>\$ 57,190</u>	<u>\$ (392,065)</u>	<u>\$ 1,056,180</u>

8. BUDGET AMOUNTS

The budget figures are presented for comparison purposes as prepared and approved by council, reclassified to conform to the current financial statement presentation. The budgeted figures are prepared on the cash basis of accounting and have been restated to conform to the accrual basis of accounting on which the actual figures are reported. The following chart reconciles the approved budget with the budget figures as presented in these consolidated financial statements:

Revenue	
Approved budget	\$ 5,835,427
Transfer from reserve funds, net	<u>(1,013,000)</u>
Total revenues	<u>4,822,427</u>
Expenses	
Approved budget	5,835,427
Acquisition of tangible capital assets	(2,185,000)
Debt principal repayments	(48,358)
Amortization	<u>889,019</u>
Total expenses	<u>4,491,088</u>
ANNUAL SURPLUS	<u>\$ 331,339</u>

9. OPERATIONS OF THE SCHOOL BOARDS AND THE COUNTY OF DUFFERIN

During the year, the following taxation revenue was raised and remitted to the school boards and the County of Dufferin:

	2023	2022
School boards	\$ 1,280,021	\$ 1,233,577
County of Dufferin	<u>2,353,032</u>	<u>2,223,986</u>
	<u>\$ 3,633,053</u>	<u>\$ 3,457,563</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

10. GRANTS

	2023 Budget (note 8)	2023 Actual	2022 Actual
Operating			
Province of Ontario			
Ontario Municipal Partnership			
Fund (OMPF)	\$ 175,300	\$ 175,300	\$ 176,500
Conditional - roads	115,000	97,967	118,882
Conditional - other	<u>115,052</u>	<u>128,479</u>	<u>150,090</u>
	<u>405,352</u>	<u>401,746</u>	<u>445,472</u>
Other municipalities - recreation	0	33,228	37,322
Other municipalities - roads	<u>6,442</u>	<u>0</u>	<u>6,027</u>
	<u>6,442</u>	<u>33,228</u>	<u>43,349</u>
	<u>\$ 411,794</u>	<u>\$ 434,974</u>	<u>\$ 488,821</u>

11. OTHER INCOME

	2023 Budget (note 8)	2023 Actual	2022 Actual
Penalties and interest on taxation	\$ 105,000	\$ 116,680	\$ 107,398
Other fines and penalties	45,730	61,825	45,151
Investment income	45,000	229,977	79,182
Licenses, permits and rents	16,920	32,639	22,042
Sale of publications, equipment, etc.	0	4,399	0
Plateau community contributions	35,000	36,763	34,673
Dufferin Wind community contributions	264,000	285,460	279,863
CHD community contributions	309,000	309,000	309,000
Drainage works	<u>0</u>	<u>186,297</u>	<u>0</u>
	<u>\$ 820,650</u>	<u>\$ 1,263,040</u>	<u>\$ 877,309</u>

12. PENSION AGREEMENTS

The municipality joined Ontario Municipal Employees Retirement Systems (OMERS), which is a multi-employer plan, in 2016. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2023 was \$70,224 (2022 - \$71,236) on behalf of 11 members (2022 - 11 members) of its staff. Amounts paid for current services have been included as an expenditure on the Consolidated Statement of Operations. There are no past service contribution obligations.

The OMERS financial statements reported \$128.8 billion in net assets available for benefits (2022 - \$124.4 billion), \$134.6 billion as the defined benefit accrued pension obligation (2022 - \$128.8 billion) and a defined benefit funding deficit of \$4.2 billion (2022 - \$6.7 billion).

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

13. TRUST FUNDS

The trust funds administered by the municipality amounting to \$46,884 (2022 - \$44,998) have not been included in the consolidated statement of financial position, nor have the operations been included in the consolidated statement of operations.

14. DEVELOPER AGREEMENTS

As part of various developer agreements, the municipality has received Letters of Credit to cover developers' responsibilities in completing the projects as well as covering unpaid municipal levies. Letters of Credit held by the municipality at December 31, 2023 amount to \$1,907,783.

15. COMMITMENTS

The municipality entered into a contribution agreement with a company that provides commercial generation of electricity in the Township of Melancthon.

- i) Phase I of the project consists of 45 wind turbine generators. The company will pay the sum of \$45,000 to the Township of Melancthon on or before March 31 for each year from 2007 through and including 2026.
- ii) Phase II of the project consists of 66 wind turbine generators. The company will pay the sum of \$264,000 to the Township of Melancthon on or before November for each year from 2009 through and including 2028.

16. FINANCIAL INSTRUMENT RISK MANAGEMENT

Credit Risk

The municipality is exposed to credit risk through the possibility of non-collection of accounts receivable. The majority of its receivables are from ratepayers and government entities. For accounts receivable, the municipality measures impairment based on how long the amounts have been outstanding. For amounts outstanding greater than 91 days, an impairment allowance may be set up. The amounts outstanding at year end, which is the municipality's maximum exposure to credit risk related to accounts receivable, were as follows:

	0 - 30 days	31 - 90 days	91 - 365 days	1 - 2 years	3 - 5 years
Taxes receivable	\$ 0	\$ 0	\$ 552,409	\$ 246,700	\$ 77,330
Accounts receivable	166,416	51,178	348,490	0	9,554
Long term receivable	<u>0</u>	<u>0</u>	<u>9,097</u>	<u>19,864</u>	<u>15,526</u>
Total	<u>\$ 166,416</u>	<u>\$ 51,178</u>	<u>\$ 909,996</u>	<u>\$ 266,564</u>	<u>\$ 102,410</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

16. FINANCIAL INSTRUMENT RISK MANAGEMENT (continued)

Liquidity Risk

Liquidity risk is the risk that the municipality will not be able to meet its financial obligations as they fall due. The municipality undertakes a planning and budgeting process to help determine the funds required to support the municipality's normal operating requirements on an ongoing basis. The municipality ensures that there are sufficient funds to meet its short term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and portfolio investments. To achieve this aim, it seeks to maintain an available line of credit balance as approved by the appropriate borrowing bylaw to meet, at a minimum, expected requirements for a period of at least 90 days. The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	0 - 30 days	31 - 90 days	91 - 365 days	1 - 2 years	3 - 5 years
Operating loans	\$ 310,000	\$ 0	\$ 0	\$ 0	0
Accounts payable and accrued liabilities	324,065	64,522	58,266	9,638	514,557
Long term debt	<u>0</u>	<u>0</u>	<u>59,062</u>	<u>83,190</u>	<u>40,496</u>
Total	<u>\$ 634,065</u>	<u>\$ 64,522</u>	<u>\$ 117,328</u>	<u>\$ 92,828</u>	<u>\$ 555,053</u>

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The municipality is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the variable rate of certain long term liabilities.

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

17. SEGMENTED INFORMATION

The Corporation of the Township of Melancthon is a diversified municipal government institution that provides a wide range of services to its ratepayers such as police, fire, sewer, water, waste collection, disposal and recycling, recreational, library and planning. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government

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

Protection to Persons and Property

Protection is comprised of police services, fire protection, conservation authority, emergency measures, animal control and building and structural inspection. The police services ensure the safety and protection of the ratepayers 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. The building department provides a number of services including maintenance and enforcement of building and construction codes and review of all property development plans through its application process.

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

17. SEGMENTED INFORMATION (continued)

Transportation

Transportation is responsible for construction and maintenance of the municipality's roadways, bridges, parking areas and streetlights.

Environmental

Environmental services consist of providing waste collection, disposal and recycling to its ratepayers.

Health

Health services includes contributions to the operations of local cemeteries.

Recreation and Cultural Services

This service area provides services meant to improve the health and development of the municipality's residents. The municipality operates and maintains parks and arenas. The municipality also provides library services and recreational programs.

Planning and Development

This department is responsible for planning and zoning, including the Official Plan. This service area also includes tourist information and promotion, business improvement area, weed control and drainage.

18. CONTINGENT LIABILITIES

In the normal course of its operations, the municipality is subject to various litigations and claims. The ultimate outcome of these claims cannot be determined at this time. However, the municipality's management believes that the ultimate disposition of these matters will not have a material adverse effect on its financial position.

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 1

	General Government	Protection Services	Transportation Services	Environmental Services	Recreation Services	Planning and Development	2023	2022
EXPENSES								
Salaries and benefits	\$ 513,360	\$ 93,836	\$ 573,421	\$ 0	\$ 39,507	\$ 0	\$1,220,124	\$1,107,929
Materials	182,812	103,208	1,023,403	11	115,973	2,450	1,427,857	1,117,666
Contracted services	65,534	473,246	23,682	29,694	0	52,120	644,276	644,862
Rents and financial expenses	1,475	0	2,288	0	0	0	3,763	1,079
Interest on long term debt	2,439	0	3,167	5,777	0	3,184	14,567	10,841
Amortization	22,388	64,691	824,226	3,773	3,669	0	918,747	889,019
Transfers	<u>750</u>	<u>114,238</u>	<u>0</u>	<u>0</u>	<u>282,235</u>	<u>0</u>	<u>397,223</u>	<u>304,546</u>
	<u>\$ 788,758</u>	<u>\$ 849,219</u>	<u>\$2,450,187</u>	<u>\$ 39,255</u>	<u>\$ 441,384</u>	<u>\$ 57,754</u>	<u>\$4,626,557</u>	<u>\$4,075,942</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 2

	Land	Land Improvements	Facilities	Vehicles	Equipment	Infrastructure: Transportation	Infrastructure: Environmental	2023	2022
COST									
Balance, beginning of year	\$ 441,857	\$ 108,359	\$ 994,720	\$ 2,928,459	\$ 620,167	\$ 18,635,958	\$ 117,426	\$ 23,846,946	\$ 23,088,812
Additions during the year	0	7,056	0	524,846	31,826	1,400,541	0	1,964,269	1,556,751
Consolidated boards opening changes	0	0	0	(1,701)	(481)	0	0	(2,182)	(3,490)
Disposals during the year	0	0	0	0	0	(636,895)	0	(636,895)	(795,127)
Balance, end of year	<u>441,857</u>	<u>115,415</u>	<u>994,720</u>	<u>3,451,604</u>	<u>651,512</u>	<u>19,399,604</u>	<u>117,426</u>	<u>25,172,138</u>	<u>23,846,946</u>
ACCUMULATED AMORTIZATION									
Balance, beginning of year	0	33,402	362,255	1,881,874	400,116	8,943,360	30,954	11,651,961	11,486,553
Amortization	0	3,792	18,266	103,054	34,941	757,229	1,465	918,747	889,019
Accumulated amortization on disposals	0	0	0	0	0	(575,693)	0	(575,693)	(723,611)
Balance, end of year	<u>0</u>	<u>37,194</u>	<u>380,521</u>	<u>1,984,928</u>	<u>435,057</u>	<u>9,124,896</u>	<u>32,419</u>	<u>11,995,015</u>	<u>11,651,961</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS									
	<u>\$ 441,857</u>	<u>\$ 78,221</u>	<u>\$ 614,199</u>	<u>\$ 1,466,676</u>	<u>\$ 216,455</u>	<u>\$ 10,274,708</u>	<u>\$ 85,007</u>	<u>\$ 13,177,123</u>	<u>\$ 12,194,985</u>

**THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS
AS AT DECEMBER 31, 2023**

Schedule 3

	2023	2022
SURPLUSES		
Invested in tangible capital assets	\$ 13,038,862	\$ 12,008,366
General surplus	1,149,153	1,149,153
Unfunded asset retirement obligation	(295,002)	(281,625)
Recreation, community centres and arenas	89,195	120,414
Cemeteries	90,326	88,297
Fire boards	8,453	13,888
Other	<u>966</u>	<u>966</u>
	<u>14,081,953</u>	<u>13,099,459</u>
RESERVE FUNDS		
Capital purposes	58,255	246,267
Quarry	124,573	118,724
Working funds	182,146	171,387
Replacement of equipment	595,602	680,194
Landfill closure	168,431	151,129
Shelburne & district fire board	28,671	77,242
Mulmur-Melancthon volunteer fire board	217,308	155,355
Insurance, sick leave, WSIB	23,200	22,110
Special emergency relief	<u>32,408</u>	<u>30,954</u>
	<u>1,430,594</u>	<u>1,653,362</u>
RESERVES		
Working funds	1,255,044	1,214,296
NDCC operating	20,000	20,000
NDCC facility development	2,724	2,589
Capital purposes	<u>143,472</u>	<u>202,472</u>
	<u>1,421,240</u>	<u>1,439,357</u>
	<u>\$ 16,933,787</u>	<u>\$ 16,192,178</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
 SCHEDULE OF HORNING'S MILLS CEMETERY BOARD
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 4

	2023	2022
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Cash	\$ 29,702	\$ 28,882
Due from Cemetery Care and Maintenance Fund	9,058	8,918
Portfolio investments	2,637	2,637
Accrued interest receivable	<u>381</u>	<u>163</u>
ACCUMULATED SURPLUS	<u>\$ 41,778</u>	<u>\$ 40,600</u>

STATEMENT OF OPERATIONS		
REVENUE		
Sale of plots and markers	\$ 1,095	\$ 1,500
Interest	<u>608</u>	<u>461</u>
	<u>1,703</u>	<u>1,961</u>
EXPENSES		
Supplies	<u>525</u>	<u>0</u>
ANNUAL SURPLUS	1,178	1,961
ACCUMULATED SURPLUS, beginning of year	<u>40,600</u>	<u>38,639</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 41,778</u>	<u>\$ 40,600</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
 SCHEDULE OF ST. PAUL'S CEMETERY BOARD
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 5

	2023	2022
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Cash	\$ 38,229	\$ 3,435
Accrued interest receivable	67	348
Portfolio investments	<u>10,252</u>	<u>43,914</u>
ACCUMULATED SURPLUS	\$ <u>48,548</u>	\$ <u>47,697</u>

STATEMENT OF OPERATIONS		
REVENUE		
Interest	\$ <u>858</u>	\$ <u>100</u>
EXPENSES		
Administration	<u>7</u>	<u>9</u>
ANNUAL SURPLUS	851	91
ACCUMULATED SURPLUS, beginning of year	<u>47,697</u>	<u>47,606</u>
ACCUMULATED SURPLUS, end of year	\$ <u>48,548</u>	\$ <u>47,697</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
 SCHEDULE OF HORNING'S MILLS COMMUNITY PARK
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 6

	2023	2022
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Cash	\$ 9,133	\$ 3,664
Receivables	<u>2,671</u>	<u>2,671</u>
NET FINANCIAL ASSETS	<u>11,804</u>	<u>6,335</u>
NON-FINANCIAL ASSETS		
Tangible capital assets	<u>32,664</u>	<u>32,664</u>
ACCUMULATED SURPLUS	<u>\$ 44,468</u>	<u>\$ 38,999</u>

STATEMENT OF OPERATIONS		
REVENUE		
Grant - Township of Melancthon	\$ 2,500	\$ 2,500
Interest	330	77
Other income	<u>4,217</u>	<u>892</u>
	<u>7,047</u>	<u>3,469</u>
EXPENSES		
Administration	1,090	2,617
Hydro	<u>488</u>	<u>430</u>
	<u>1,578</u>	<u>3,047</u>
ANNUAL SURPLUS	5,469	422
ACCUMULATED SURPLUS, beginning of year	<u>38,999</u>	<u>38,577</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 44,468</u>	<u>\$ 38,999</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON
 SCHEDULE OF HORNING'S MILLS COMMUNITY HALL
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 7

	2023	2022
STATEMENT OF FINANCIAL POSITION		
FINANCIAL ASSETS		
Cash	\$ 40,018	\$ 43,220
Accounts receivable	<u>1,254</u>	<u>0</u>
	<u>41,272</u>	<u>43,220</u>
LIABILITIES		
HST payable	1,619	0
Deferred revenue	<u>200</u>	<u>565</u>
	<u>1,819</u>	<u>565</u>
NET FINANCIAL ASSETS	<u>39,453</u>	<u>42,655</u>
NON-FINANCIAL ASSETS		
Tangible capital assets	<u>27,910</u>	<u>34,773</u>
ACCUMULATED SURPLUS	<u>\$ 67,363</u>	<u>\$ 77,428</u>

STATEMENT OF OPERATIONS		
REVENUE		
Fundraising and user charges	\$ 12,621	\$ 6,045
Rental	6,279	2,605
Interest	<u>2,180</u>	<u>775</u>
	<u>21,080</u>	<u>9,425</u>
EXPENSES		
Amortization	6,863	6,863
Supplies and maintenance	9,229	1,835
Office	1,542	0
Other	147	8,299
Fundraising	<u>13,364</u>	<u>0</u>
	<u>31,145</u>	<u>16,997</u>
ANNUAL DEFICIT	(10,065)	(7,572)
ACCUMULATED SURPLUS, beginning of year	<u>77,428</u>	<u>85,000</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 67,363</u>	<u>\$ 77,428</u>

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of the trust funds of The Corporation of the Township of Melancthon, which comprise the statements of financial position as at December 31, 2023 and the statements of continuity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the Township of Melancthon as at December 31, 2023 and the results of their operations for the year then ended in accordance with Canadian public sector accounting standards.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Corporation of the Township of Melancthon in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

Those charged with governance are responsible for overseeing the trust funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or 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 trust funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust funds' 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 trust funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Guelph, Ontario

Chartered Professional Accountants
Licensed Public Accountants

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON - TRUST FUNDS
 STATEMENT OF FINANCIAL POSITION AND CONTINUITY
 AS AT DECEMBER 31, 2023

	Horning's Mills Cemetery	St. Paul's Cemetery	Subdividers' Deposits
STATEMENT OF FINANCIAL POSITION - 2023			
Cash	\$ 33,514	\$ 0	\$ 0
Investments	10,303	9,678	0
Due from the Township of Melancthon	0	0	2,001
Due to cemetery general funds	<u>(8,614)</u>	<u>0</u>	<u>0</u>
FUND BALANCE	\$ <u>35,203</u>	\$ <u>9,678</u>	\$ <u>2,001</u>

STATEMENT OF CONTINUITY - 2023			
BALANCE, BEGINNING OF YEAR	\$ <u>33,435</u>	\$ <u>9,562</u>	\$ <u>2,001</u>
RECEIPTS			
Interest earned	242	116	0
Plot sales	1,030	0	0
Donations	<u>525</u>	<u>0</u>	<u>0</u>
	<u>1,797</u>	<u>116</u>	<u>0</u>
EXPENDITURES	<u>29</u>	<u>0</u>	<u>0</u>
BALANCE, END OF YEAR	\$ <u>35,203</u>	\$ <u>9,678</u>	\$ <u>2,001</u>

STATEMENT OF FINANCIAL POSITION - 2022			
Cash	\$ 11,434	\$ 0	\$ 0
Investments	30,920	9,562	0
Due from the Township of Melancthon	0	0	2,001
Due to cemetery general funds	<u>(8,919)</u>	<u>0</u>	<u>0</u>
FUND BALANCE	\$ <u>33,435</u>	\$ <u>9,562</u>	\$ <u>2,001</u>

STATEMENT OF CONTINUITY - 2022			
BALANCE, BEGINNING OF YEAR	\$ <u>31,368</u>	\$ <u>9,447</u>	\$ <u>2,001</u>
RECEIPTS			
Interest earned	226	115	0
Plot sales	1,700	0	0
Donations	<u>150</u>	<u>0</u>	<u>0</u>
	<u>2,076</u>	<u>115</u>	<u>0</u>
EXPENDITURES	<u>9</u>	<u>0</u>	<u>0</u>
BALANCE, END OF YEAR	\$ <u>33,435</u>	\$ <u>9,562</u>	\$ <u>2,001</u>

THE CORPORATION OF THE TOWNSHIP OF MELANCTHON - TRUST FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the trust funds of The Corporation of the Township of Melancthon are the representation of management prepared in accordance with Canadian generally accepted accounting principles for governments as established by the Public Sector Accounting Board of CPA Canada. Significant accounting policies adopted by The Corporation of the Township of Melancthon are as follows:

(a) BASIS OF ACCOUNTING

- (i) Sources of financing and expenditures are reported on the accrual basis of accounting.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

DRAFT



Chartered
Professional
Accountants

The Corporation of the Township of Melancthon
157101 Highway 10
Shelburne, Ontario
L9V 2E6

Dear Council of The Corporation of the Township of Melancthon

We have completed our audit of the financial statements of the The Corporation of the Township of Melancthon for the year ended December 31, 2023. As part of our work, we reviewed the accounting procedures and systems of internal control in the principal areas of financial activity within the corporation. We report to you that, within the scope of our examinations, the systems of internal control are adequate to support the fairness of presentation and that we did not come across any material weaknesses.

However, we do stress that this observation is not the result of a specific examination of the corporation's system of internal control and, therefore, must be taken in the context that it is meant, namely review of internal control systems to allow us to voice our opinion on the financial statements in accordance with Canadian public sector accounting standards.

During the course of our audit of the corporation for the year ended December 31, 2023, we may have identified matters which might have been of interest to management but tended to be minor or more of a housekeeping nature. During the audit, we would have met with Sarah Culshaw (Treasurer) and communicated these minor items, if applicable. The comments that follow are those that we believe should be addressed formally and brought to the attention of the council.

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

We would like to take this opportunity to thank you and your staff for the excellent co-operation and assistance we received throughout the course of our work and, in particular, the assistance and co-operation received from Sarah Culshaw.

We will certainly be pleased to discuss the matters set out in the accompanying memo with you further, at your convenience.

Yours truly,

M. D. P. Short, MBA, CPA, CA, C. Dir., is responsible for the engagement and its performance, and for the report that is issued on behalf of RLB LLP, and who, where required, has the appropriate authority, from a professional, legal or regulatory body.

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1. **Additional adjusting entries**

Observation:

During our scheduled year-end audit work, we experienced delays with receiving the final account balances and were provided updated trial balances in each April and June 2024 with additional entries were provided.

Implication:

Sarah made most of the changes required to receive our unqualified audit opinion. However, the time required to complete the audit was increased with the additional entries being provided.

Recommendation:

The spreadsheets, listings and accounting records prepared for the audit should be completed and reviewed by staff to ensure accuracy prior to the audit and therefore, not requirement adjustments to be made subsequent to the audit commencing.

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