

# TOWN OF FORT FRANCES

## AGENDA - January 31, 2022

### SPECIAL MEETING - COMMITTEE OF THE WHOLE MEETING

Council Chambers, Civic Centre

Microsoft Teams meeting

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[+1 807-701-5975,,284622471#](#) Canada, Thunder Bay

Phone Conference ID: 284 622 471#

Page

1. **COMMITTEE OF THE WHOLE at 5:30 p.m.**  
(Session No. 90)
  - 1.1 Call to Order / Roll Call
  - 1.2 Disclosure of pecuniary interest and the general nature thereof.
2. **2022 Capital Budget**
  - 2.1 Draft Capital Budget - Prioritized 3 - 13  
  
Capital Budget  
Travis' Report- Skating path and the request from MAT Committee
  - 2.2 2023-2027 Preliminary 5 year Capital Projections 14 - 16
  - 2.3 2022 Projected Reserves 17
3. **2022 Operating Budget- Rate Discussion**
  - 3.1 Analysis of Tax Rates, Ratios and Assessment 18 - 29
    - Assessment 2017-2022
    - Analysis of CPI and Ratios
    - Info from EDEC where Large Industrial Tax rates are to be considered
4. **Information**
  - 4.1 January 18, 2022 letter from Allan Doheny, Assistant Deputy Minister- Pertinent Property Tax information for 2022

**5. In-Camera**

- 5.1 Personal matters about an identifiable individual, including municipal or local board employees, labour relations or employee negotiations:  
Staffing Matter
- 5.2 Personal matters about an identifiable individual, including municipal or local board employees, labour relations or employee negotiations:  
Staffing Matter

**6. Public Session Resumes**

**7. Adjournment**

**2022 DRAFT CAPITAL BUDGET**

| Line # |  | RESERVE FUND | TOTAL BUDGET   | FEDERAL GRANTS | PROVINCIAL GRANTS | CONTRIBUTION FROM OTHERS OR DONATIONS | FEDERAL GAS TAX RESERVE | RESERVE FUNDS  | WATER & SEWER RESERVE FUNDS | FUNDED BY WATER & SEWER RATES |
|--------|--|--------------|----------------|----------------|-------------------|---------------------------------------|-------------------------|----------------|-----------------------------|-------------------------------|
|        | <b>ANNUAL CAPITAL REQUESTS</b>   |              |                |                |                   |                                       |                         |                |                             |                               |
| 1      | Public Works Small Equipment Purchase (Annual)   | V&E          | 8,000          |                |                   |                                       |                         | 8,000          |                             |                               |
| 2      | Annual IT Upgrades   | P            | 92,000         |                |                   |                                       |                         | 92,000         |                             |                               |
| 3      | Bunker Gear and Helmets (Life Expectancy is 10-years)  | P            | 16,000         |                |                   |                                       |                         | 16,000         |                             |                               |
| 4      | GIS Capital Contribution   | P            | 2,500          |                |                   |                                       |                         | 2,500          |                             |                               |
| 5      | MSC Misc Ongoing Capital Repairs (Annual)  | B            | 30,000         |                |                   |                                       |                         | 30,000         |                             |                               |
| 6      | Fitness Equipment (annual)   | V&E          | 10,000         |                |                   |                                       |                         | 10,000         |                             |                               |
| 7      | Park Small Equipment Replacement (Annual)  | V&E          | 6,250          |                |                   |                                       |                         | 6,250          |                             |                               |
|        | <b>TOTAL ANNUAL CAPITAL REQUESTS</b>   |              | <b>164,750</b> | -              | -                 | -                                     | -                       | <b>164,750</b> | -                           | -                             |
|        | <b>CAPITAL CARRIED OVER FROM 2021</b>  |              |                |                |                   |                                       |                         |                |                             |                               |
| 8      | Reconstruction of Armit Avenue from Church Street to Scott Street (FGT)  |              | 136,500        |                |                   |                                       | 136,500                 |                |                             |                               |
| 9      | Replace Fire Panel - Public Works  | P            | 5,620          |                |                   |                                       |                         | 5,620          |                             |                               |
| 10     | Replace Fire Panel - Museum  | B            | 10,950         |                |                   |                                       |                         | 10,950         |                             |                               |
| 11     | Shevlin Wood Yard Development- Environmental Ph. 1-2 ESA, RSC  | P            | 120,000        |                |                   |                                       |                         | 120,000        |                             |                               |
| 12     | Replace 2003 Holder Sidewalk Machine with new Sidewalk machine with blower and sweeper attachments (Committed 2021 delivery January 2022)                      | V&E          | 212,729        |                |                   |                                       |                         | 212,729        |                             |                               |
| 13     | Carryover from 2021 Replacement of 478 meters of water main along Colonization Road West (ICIP Funding 83.33% roads only)                                      | P            | 212,374        |                | 176,971           |                                       |                         | 35,403         |                             |                               |
| 14     | Sprinkler System Repairs and Testing (5 Year Required - 2021 Carry Over - To be completed while system is down for tie in of new system in 52 Canadians Arena) | B            | 32,000         |                |                   |                                       |                         | 32,000         |                             |                               |
| 15     | Completion of Town Wide Stormwater Management Plan Development   | P            | 42,862         |                |                   |                                       |                         | 42,862         |                             |                               |
| 16     | Replace Dry-O-Tron Compressor  | B            | 5,000          |                |                   |                                       |                         | 5,000          |                             |                               |
| 17     | PLC Upgrade at Lift Station  | W&S          | 64,800         |                |                   |                                       |                         |                | 64,800                      |                               |
| 18     | Replacement of East End Hall Entry Stairs  | B            | 3,000          |                |                   |                                       |                         | 3,000          |                             |                               |
| 19     | Replace Landfill Scales (\$58.5k + installation & commissioning)   | P            | 78,500         |                |                   |                                       |                         | 78,500         |                             |                               |
| 20     | Library- Maker Space   | LB           | 20,450         |                |                   |                                       |                         | 20,450         |                             |                               |
| 21     | Library- Computer Equipment  | LB           | 62,800         |                |                   |                                       |                         | 62,800         |                             |                               |
| 22     | IT- 2021 Annual upgrades- Items not shipped  | P            | 36,500         |                |                   |                                       |                         | 36,500         |                             |                               |
| 23     | IT- 2021 Surveillance- Items not shipped   | P            | 50,000         |                |                   |                                       |                         | 50,000         |                             |                               |
| 24     | IT- Disaster Recovery Project  | P            | 28,500         |                |                   | 14,250                                |                         | 14,250         |                             |                               |
| 25     | IT- 2021 Honeywell Project   | P            | 20,000         |                |                   |                                       |                         | 20,000         |                             |                               |
| 26     | IT- Video Surveillance (Downtown Core)- Approved Mid 2021  | P            | 340,000        |                | 170,000           | 22,000                                |                         | 148,000        |                             |                               |

2022 DRAFT CAPITAL BUDGET

| Line # |  | RESERVE FUND | TOTAL BUDGET     | FEDERAL GRANTS | PROVINCIAL GRANTS | CONTRIBUTION FROM OTHERS OR DONATIONS | FEDERAL GAS TAX RESERVE | RESERVE FUNDS    | WATER & SEWER RESERVE FUNDS | FUNDED BY WATER & SEWER RATES |
|--------|--|--------------|------------------|----------------|-------------------|---------------------------------------|-------------------------|------------------|-----------------------------|-------------------------------|
| 27     | Laneway Matter- Approved at Aug 9/21 Meeting   | P            | 10,000           |                |                   |                                       |                         | 10,000           |                             |                               |
| 28     | Fire- Single Axel Quint Aerial Ladder Truck - Approved in 2021   | V&E          | 1,152,381        |                |                   |                                       |                         | 1,152,381        |                             |                               |
|        | <b>TOTAL CAPITAL CARRIED OVER FROM 2021</b>  |              | <b>2,644,966</b> | <b>0</b>       | <b>346,971</b>    | <b>36,250</b>                         | <b>136,500</b>          | <b>2,060,445</b> | <b>64,800</b>               | <b>0</b>                      |
|        | <b>DEPENDENT ON FUNDING</b>  |              |                  |                |                   |                                       |                         |                  |                             |                               |
| 29     | Reconstruction of Sinclair Street from Victoria Ave to Armit Ave (ICIP Green + Infrastructure Fund) (Dependent on Funding) | P            | 859,141          | 293,129        | 432,578           |                                       |                         | 133,434          |                             |                               |
| 30     | Expansion of Phair Avenue Park (Canada Community Revitalization Fund) (Dependent on Funding)                               | P            | 430,000          | 322,500        |                   |                                       |                         | 107,500          |                             |                               |
| 31     | Sister Kennedy Centre HVAC Upgrades  | B            | 20,000           |                | 15,000            |                                       |                         | 5,000            |                             |                               |
|        |  |              | <b>1,309,141</b> | <b>615,629</b> | <b>447,578</b>    | <b>0</b>                              | <b>0</b>                | <b>245,934</b>   | <b>0</b>                    | <b>0</b>                      |
|        | <b>Connecting Link</b>   |              |                  |                |                   |                                       |                         |                  |                             |                               |
| 32     | Design Works for the Reconstruction of Scott Street from Reid Avenue to Armit Avenue (Dependent on Funding)                | P            | 84,123           |                | 75,711            |                                       |                         | 8,412            |                             |                               |
| 33     | Reconstruction of Kings Highway from Pit Road #2 to Oakwood Road (Phase 2 - Dependent on Funding)                          | P            | 1,951,510        |                | 1,756,359         |                                       |                         | 195,151          |                             |                               |
|        | <b>TOTAL DEPENDENT ON FUNDING</b>  |              | <b>2,035,633</b> | <b>0</b>       | <b>1,832,070</b>  | <b>0</b>                              | <b>0</b>                | <b>203,563</b>   | <b>-</b>                    | <b>0</b>                      |
|        |  |              | <b>3,344,774</b> | <b>615,629</b> | <b>2,279,648</b>  | <b>0</b>                              | <b>0</b>                | <b>449,497</b>   | <b>0</b>                    | <b>0</b>                      |
|        | <b>GENERAL GOVERNMENT</b>  |              |                  |                |                   |                                       |                         |                  |                             |                               |
| 34     | Complete Governance Review   | Mod          | 65,000           |                |                   |                                       |                         | 65,000           |                             |                               |
| 35     | IT- Backup Upgrades  | P            | 53,000           |                |                   |                                       |                         | 53,000           |                             |                               |
| 36     | IT- Council Upgrades   | P            | 19,000           |                |                   |                                       |                         | 19,000           |                             |                               |
| 37     | IT- Disaster Recovery  | P            | 231,000          |                |                   | 115,500                               |                         | 115,500          |                             |                               |
| 38     | IT- FFPC Isolation (Microsoft GP-Diamond Segregation)  | P            | 32,000           |                |                   | 16,000                                |                         | 16,000           |                             |                               |
| 39     | IT- Network Upgrades   | P            | 107,000          |                |                   |                                       |                         | 107,000          |                             |                               |
| 40     | IT- Photocopiers   | P            | 25,500           |                |                   |                                       |                         | 25,500           |                             |                               |
|        | <b>TOTAL GENERAL GOVERNMENT</b>  |              | <b>532,500</b>   | <b>0</b>       | <b>0</b>          | <b>131,500</b>                        | <b>0</b>                | <b>401,000</b>   | <b>0</b>                    | <b>0</b>                      |

2022 DRAFT CAPITAL BUDGET

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|        | <b>PROTECTION</b>   |              |                  |                |                   |                                       |                         |                |                             |                               |
|        | <i>Fire</i>   |              |                  |                |                   |                                       |                         |                |                             |                               |
| 41     | Radio System Upgrade  | P            | 18,000           |                |                   |                                       |                         | 18,000         |                             |                               |
| 42     | Safety Harnesses, Rope, and Hardware etc. for Quint Aerial Ladder Truck and Low Slope Rescue (Life Expectancy is 10-years; our Safety Harness for the Aerial Ladder Truck and Rope for Low Slope Rescues are aging out) | P            | 15,000           |                |                   |                                       |                         | 15,000         |                             |                               |
|        | <b>TOTAL PROTECTION</b>   |              | <b>33,000</b>    | <b>0</b>       | <b>0</b>          | <b>0</b>                              | <b>0</b>                | <b>33,000</b>  | <b>-</b>                    | <b>0</b>                      |
|        | <b>TRANSPORTATION</b>   |              |                  |                |                   |                                       |                         |                |                             |                               |
|        | <i>Large Equipment &amp; Vehicles</i>   |              |                  |                |                   |                                       |                         |                |                             |                               |
| 43     | Replace unit 178 - 2002 Ford 1/2 ton with new half ton extended cab 4x4   | V&E          | 39,500           |                |                   |                                       |                         | 39,500         |                             |                               |
| 44     | Replace unit 121 - 2007 Peterbilt Tandem with new Tandem Dump Truck   | V&E          | 200,000          |                |                   |                                       |                         | 200,000        |                             |                               |
|        |   |              | <b>239,500</b>   | <b>0</b>       | <b>0</b>          | <b>0</b>                              | <b>0</b>                | <b>239,500</b> | <b>-</b>                    | <b>0</b>                      |
|        | <i>Roads / Storm Sewers</i>   |              |                  |                |                   |                                       |                         |                |                             |                               |
| 45     | Reconstruction of Mowat Avenue from Scott Street to Second Street (FGT/OCIF/NORDS)  | P            | 2,168,463        |                | 838,328           |                                       | 1,143,500               | 186,635        |                             |                               |
| 46     | Design work for Underpass Superstructure rehabilitation (OSIM Recommendation)   | P            | 150,000          |                |                   |                                       |                         | 150,000        |                             |                               |
|        | <b>TOTAL TRANSPORTATION</b>   |              | <b>2,318,463</b> | <b>0</b>       | <b>838,328</b>    | <b>0</b>                              | <b>1,143,500</b>        | <b>336,635</b> | <b>0</b>                    | <b>0</b>                      |
|        |   |              | <b>2,557,963</b> | <b>0</b>       | <b>838,328</b>    | <b>0</b>                              | <b>1,143,500</b>        | <b>576,135</b> | <b>-</b>                    | <b>0</b>                      |
|        | <b>PARKS &amp; CEMETERIES</b>   |              |                  |                |                   |                                       |                         |                |                             |                               |
|        | <i>Parks</i>  |              |                  |                |                   |                                       |                         |                |                             |                               |
| 47     | Replace 1995 Gang Mower   | V&E          | 50,880           |                |                   |                                       |                         | 50,880         |                             |                               |
| 48     | Boat, motor, trailer for dock work  | V&E          | 15,000           |                |                   |                                       |                         | 15,000         |                             |                               |
| 49     | Traffic Control Fence - St Francis Sports Fields near CN  | P            | 3,500            |                |                   |                                       |                         | 3,500          |                             |                               |
| 50     | Completion of Lillie Ave/Phair Ave Park Tree Planting Project   | P            | 1,500            |                |                   |                                       |                         | 1,500          |                             |                               |
| 51     | Parks Timber Replacement and Protective Surface Replacement   | P            | 30,000           |                |                   |                                       |                         | 30,000         |                             |                               |
| 52     | Furnace Replacement- McIrvine Rink Shack  | P            | 5,000            |                |                   |                                       |                         | 5,000          |                             |                               |
| 53     | Riverfront Dock Repairs   | P            | 15,000           |                |                   |                                       |                         | 15,000         |                             |                               |
|        |   |              | <b>120,880</b>   | <b>0</b>       | <b>0</b>          | <b>0</b>                              | <b>0</b>                | <b>120,880</b> | <b>-</b>                    | <b>0</b>                      |

2022 DRAFT CAPITAL BUDGET

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|--------|---|--------------|--------------|----------------|-------------------|---------------------------------------|-------------------------|---------------|-----------------------------|-------------------------------|
|        | <i>Cemeteries</i>   |              |              |                |                   |                                       |                         |               |                             |                               |
| 54     | Replace 1997 Ford F 350 with new 2 ton 4x4 regular cab truck with dump box                                | V&E          | 85,000       |                |                   |                                       |                         | 85,000        |                             |                               |
| 55     | Completion of Installation of 3 new Columbaria at Riverview Cemetery - Walkway work                       | CEM          | 20,000       |                |                   |                                       |                         | 20,000        |                             |                               |
|        |   |              | 105,000      | 0              | 0                 | 0                                     | 0                       | 105,000       | 0                           | 0                             |
|        |   |              |              |                |                   |                                       |                         |               |                             |                               |
|        | <b>TOTAL PARKS &amp; CEMETERIES</b>   |              | 225,880      | 0              | 0                 | 0                                     | 0                       | 225,880       | 0                           | 0                             |
|        | <i>AIRPORT</i>  |              |              |                |                   |                                       |                         |               |                             |                               |
| 56     | Airport Improvement Project (Flooring, gates, parking) (NOHFC Grant)                                      | B            | 224,678      |                | 168,508           |                                       |                         | 56,170        |                             |                               |
| 57     | Replace 1999 International Plow Truck (Committed in 2021 ACAP Funded)                                     | -            | 312,398      | 312,398        |                   |                                       |                         |               |                             |                               |
| 58     | Replace 1999 International Fuel Truck (FedNor RATI funded)  | Air/V&E      | 300,000      | 225,705        |                   |                                       |                         | 74,295        |                             |                               |
|        | <b>TOTAL AIRPORT</b>  |              | 837,076      | 538,103        | 168,508           | 0                                     | 0                       | 130,465       | -                           | 0                             |
|        | <i>WASTE MANAGEMENT SYSTEM</i>  |              |              |                |                   |                                       |                         |               |                             |                               |
| 59     | Landfill Site Expansion and first phase design activities (Ongoing from 2020)                             | P            | 60,000       |                |                   |                                       |                         | 60,000        |                             |                               |
| 60     | Replace Landfill Scale Shack (includes delivery)  | B            | 63,000       |                |                   |                                       |                         | 63,000        |                             |                               |
|        | <b>TOTAL WASTE MANAGEMENT SYSTEM</b>  |              | 123,000      | 0              | 0                 | 0                                     | 0                       | 123,000       | 0                           | 0                             |
|        | <i>ENVIRONMENT</i>  |              |              |                |                   |                                       |                         |               |                             |                               |
|        | <i>Sanitary Sewer - Collection System</i>   |              |              |                |                   |                                       |                         |               |                             |                               |
| 61     | Sanitary Sewer tools and equipment (Annual)   | W&S          | 10,000       |                |                   |                                       |                         |               | 10,000                      |                               |
| 62     | Refurbishing Sanitary Manholes (Annual)   | W&S          | 50,000       |                |                   |                                       |                         |               | 50,000                      |                               |
| 63     | Design for White Pine & Church Lift Station Wet Well Upgrades (2018 Study Finding, 2019, 2020 Carry Over) | W&S          | 65,000       |                |                   |                                       |                         |               | 65,000                      |                               |
| 64     | Reconstruction of Mowat Avenue from Scott Street to Second Street (OCIF)                                  | W&S          | 410,350      |                | 332,437           |                                       |                         |               | 77,913                      |                               |
| 65     | Reconstruction of Sinclair Street from Victoria Ave to Armit Ave (ICIP Green)                             | W&S          | 322,516      |                |                   |                                       |                         |               | 322,516                     |                               |
| 66     | GIS Capital Contribution  | W&S          | 2,290        |                |                   |                                       |                         |               | 2,290                       |                               |
| 67     | Design for Infrastructure Renewal Project for 2023 construction work                                      | W&S          | 37,500       |                |                   |                                       |                         |               | 37,500                      |                               |
| 68     | Structural Sanitary Main Re-lining (5 locations)  | W&S          | 200,000      |                |                   |                                       |                         |               | 200,000                     |                               |
|        |   |              | 1,097,656    | 0              | 332,437           | 0                                     | 0                       | 0             | 765,219                     | 0                             |

2022 DRAFT CAPITAL BUDGET

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|--------|---|--------------|----------------|------------------|-------------------|---------------------------------------|-------------------------|---------------|-----------------------------|-------------------------------|
|        | <b>Sewage Treatment Plant</b>   |              |                |                  |                   |                                       |                         |               |                             |                               |
| 69     | Miscellaneous Capital Upgrades  | W&S          | 120,000        |                  |                   |                                       |                         |               | 120,000                     |                               |
| 70     | Replace mobile generator for lift stations  | W&S          | 90,000         |                  |                   |                                       |                         |               | 90,000                      |                               |
| 71     | PLC Upgrade at 5th Street East Lift Station to Delta V (annual)                                   | W&S          | 68,000         |                  |                   |                                       |                         |               | 68,000                      |                               |
| 72     | Installation of Emergency Standby Generator 2022 portion  | W&S          | 715,298        |                  |                   |                                       |                         |               | 715,298                     |                               |
|        |   |              | <b>993,298</b> | <b>0</b>         | <b>0</b>          | <b>0</b>                              | <b>0</b>                | <b>0</b>      | <b>993,298</b>              | <b>0</b>                      |
|        | <b>Water System</b>   |              |                |                  |                   |                                       |                         |               |                             |                               |
|        | <b>Water Distribution System</b>  |              |                |                  |                   |                                       |                         |               |                             |                               |
| 73     | Replacing main line water valves/hydrants included in the 2022 Roadworks Tender (Annual)          | W&S          | 100,000        |                  |                   |                                       |                         |               | 100,000                     |                               |
| 74     | Reconstruction of Sinclair Street from Victoria Ave to Armit Ave (ICIP Green)                     | W&S          | 270,358        | 108,143          | 90,110            |                                       |                         |               | 72,105                      |                               |
| 75     | Reconstruction of Mowat Avenue from Scott Street to Second Street (OCIF)                          | W&S          | 368,110        |                  | 322,437           |                                       |                         |               | 45,673                      |                               |
| 76     | General Miscellaneous Tools/Equipment (Annual)  | W&S          | 10,000         |                  |                   |                                       |                         |               | 10,000                      |                               |
| 77     | Design for Infrastructure Renewal Project for 2023 construction work (Annual)                     | W&S          | 37,500         |                  |                   |                                       |                         |               | 37,500                      |                               |
| 78     | GIS Capital Contribution  | W&S          | 4,579          |                  |                   |                                       |                         |               | 4,579                       |                               |
| 79     | Reconstruction of Kings Highway from Pit Road #2 to Oakwood Road (Phase 2 - Dependent on Funding) | W&S          | 48,228         |                  |                   |                                       |                         |               | 48,228                      |                               |
| 80     | Inspection of Water Tower by ROV (5 year inspection)  | W&S          | 25,500         |                  |                   |                                       |                         |               | 25,500                      |                               |
| 81     | Replace unit 182 - 2009 Chevy 3/4 ton with new 1/2 ton extended cab 4x4                           | W&S          | 39,500         |                  |                   |                                       |                         |               | 39,500                      |                               |
|        |   |              | <b>903,775</b> | <b>108,143</b>   | <b>412,547</b>    | <b>0</b>                              | <b>0</b>                | <b>0</b>      | <b>383,085</b>              | <b>0</b>                      |
|        | <b>Water Treatment Plant</b>  |              |                |                  |                   |                                       |                         |               |                             |                               |
| 82     | Miscellaneous Small Capital Equipment   | W&S          | 50,000         |                  |                   |                                       |                         |               | 50,000                      |                               |
| 83     | WTP Electrical Upgrades   | W&S          | 100,000        |                  |                   |                                       |                         |               | 100,000                     |                               |
| 84     | Design for Backwash Dechlorination & WTP Life Assessment (WAG)                                    | W&S          | 50,000         |                  |                   |                                       |                         |               | 50,000                      |                               |
| 85     | Anthracite (950 bags @ 44.45 per bag)   | W&S          | 42,228         |                  |                   |                                       |                         |               | 42,228                      |                               |
| 86     | Security upgrades at WTP (video, entry system)  | W&S          | 16,150         |                  |                   |                                       |                         |               | 16,150                      |                               |
| 87     | MCC Thermography and Inspection & Starter Replacement   | W&S          | 10,000         |                  |                   |                                       |                         |               | 10,000                      |                               |
| 88     | Integrate Delta V Mobile for on-call at WTP (2020 Carryover)                                      | W&S          | 35,000         |                  |                   |                                       |                         |               | 35,000                      |                               |
|        |   |              | <b>303,378</b> | <b>0</b>         | <b>0</b>          | <b>0</b>                              | <b>0</b>                | <b>0</b>      | <b>303,378</b>              | <b>0</b>                      |
|        | <b>TOTAL ENVIRONMENT</b>  |              |                | <b>3,298,107</b> | <b>108,143</b>    | <b>744,984</b>                        | <b>0</b>                | <b>0</b>      | <b>2,444,980</b>            | <b>0</b>                      |

2022 DRAFT CAPITAL BUDGET

| Line # |   | RESERVE FUND | TOTAL BUDGET     | FEDERAL GRANTS | PROVINCIAL GRANTS | CONTRIBUTION FROM OTHERS OR DONATIONS | FEDERAL GAS TAX RESERVE | RESERVE FUNDS  | WATER & SEWER RESERVE FUNDS | FUNDED BY WATER & SEWER RATES |
|--------|---|--------------|------------------|----------------|-------------------|---------------------------------------|-------------------------|----------------|-----------------------------|-------------------------------|
|        | <b>SOCIAL &amp; FAMILY SERVICES</b>   |              |                  |                |                   |                                       |                         |                |                             |                               |
|        | <i>Fort Frances Seniors' Centre</i>   |              |                  |                |                   |                                       |                         |                |                             |                               |
| 89     | Building Expansion (Funding awarded in 2021)                                      | B            | 621,500          |                | 466,125           |                                       |                         | 155,375        |                             |                               |
|        | <b>TOTAL SOCIAL &amp; FAMILY SERVICES</b>   |              | <b>621,500</b>   | <b>0</b>       | <b>466,125</b>    | <b>0</b>                              | <b>0</b>                | <b>155,375</b> | <b>0</b>                    | <b>0</b>                      |
|        | <i>Memorial Sports Centre</i>   |              |                  |                |                   |                                       |                         |                |                             |                               |
| 90     | MSC Facility Upgrades (ICIP Funded Project 2022 Portion) Ongoing Project          | B            | 2,261,187        |                | 1,578,534         |                                       |                         | 682,653        |                             |                               |
| 91     | IFK Ice Plant Compressor #2 Controller Replacement                                | V&E          | 30,000           |                |                   |                                       |                         | 30,000         |                             |                               |
| 92     | MSC Roof repairs- Auditorium- Possibly insurance funded                           | B            | 15,000           |                |                   |                                       |                         | 15,000         |                             |                               |
| 93     | Small Man Lift for working on second floor  | V&E          | 21,000           |                |                   |                                       |                         | 21,000         |                             |                               |
| 94     | Weightroom Dumbell Replacement (COVID)  | P            | 13,000           |                |                   |                                       |                         | 13,000         |                             |                               |
| 95     | Replace Chairs (100 This year)  | P            | 8,000            |                |                   |                                       |                         | 8,000          |                             |                               |
| 96     | Replace Main Lobby AC Unit (Failed 2021)  | B            | 8,000            |                |                   |                                       |                         | 8,000          |                             |                               |
| 97     | 52 Canadians Dehumidifier Replacement (Failed in 2018)                            | B            | 38,000           |                |                   |                                       |                         | 38,000         |                             |                               |
| 98     | Recreation Master Plan  | PP           | 80,000           |                |                   |                                       |                         | 80,000         |                             |                               |
|        |   |              | <b>2,474,187</b> | <b>0</b>       | <b>1,578,534</b>  | <b>0</b>                              | <b>0</b>                | <b>895,653</b> | <b>-</b>                    | <b>0</b>                      |
|        | <i>Sorting Gap Marina</i>   |              |                  |                |                   |                                       |                         |                |                             |                               |
| 99     | Dock Replacement Project (NOHFC and FedNor Funded in 2021)                        | P            | 345,772          | 95,186         | 243,470           |                                       |                         | 7,116          |                             |                               |
|        |   |              | <b>345,772</b>   | <b>95,186</b>  | <b>243,470</b>    | <b>0</b>                              | <b>0</b>                | <b>7,116</b>   | <b>-</b>                    | <b>0</b>                      |
|        | <b>TOTAL RECREATION &amp; CULTURAL SERVICES</b>                                   |              | <b>2,819,959</b> | <b>95,186</b>  | <b>1,822,004</b>  | <b>0</b>                              | <b>0</b>                | <b>902,769</b> | <b>0</b>                    | <b>0</b>                      |
|        | <i>Library</i>  |              |                  |                |                   |                                       |                         |                |                             |                               |
| 100    | HVAC Repairs (possible insurance claim)   | LB           | 50,000           |                |                   |                                       |                         | 50,000         |                             |                               |
|        |   |              | 50,000           | 0              | 0                 | 0                                     | 0                       | 50,000         | -                           | 0                             |
|        | <b>PLANNING &amp; DEVELOPMENT</b>   |              |                  |                |                   |                                       |                         |                |                             |                               |
| 101    | Official Plan & Zoning By-law Review/Renewal per Planning Act renewal legislation | P            | 100,000          |                |                   |                                       |                         | 100,000        |                             |                               |
| 102    | Shevlin Wood Yard Remediation   | P            | 120,000          |                |                   |                                       |                         | 120,000        |                             |                               |
|        |   |              | <b>220,000</b>   | <b>0</b>       | <b>0</b>          | <b>0</b>                              | <b>0</b>                | <b>220,000</b> | <b>-</b>                    | <b>0</b>                      |



2022 DRAFT CAPITAL BUDGET

| Line # |   | RESERVE FUND | TOTAL BUDGET | FEDERAL GRANTS | PROVINCIAL GRANTS | CONTRIBUTION FROM OTHERS OR DONATIONS | FEDERAL GAS TAX RESERVE | RESERVE FUNDS | WATER & SEWER RESERVE FUNDS | FUNDED BY WATER & SEWER RATES |
|--------|---|--------------|--------------|----------------|-------------------|---------------------------------------|-------------------------|---------------|-----------------------------|-------------------------------|
|        | Civic Centre  |              |              |                |                   |                                       |                         |               |                             |                               |
| 103    | Civic Centre - Replace Deteriorated Garden Stones   | B            | 7,500        |                |                   |                                       |                         | 7,500         |                             |                               |
|        |   |              | 7,500        | 0              | 0                 | 0                                     | 0                       | 7,500         | -                           | 0                             |
|        | TOTAL PLANNING & DEVELOPMENT  |              | 227,500      | 0              | 0                 | 0                                     | 0                       | 227,500       | -                           | 0                             |
|        | TOTAL CAPITAL   |              | 17,480,975   | 1,357,061      | 6,666,568         | 167,750                               | 1,280,000               | 5,499,816     | 2,509,780                   | -                             |
|        | Use of Reserve Funds for 2022 Capital Budget  |              |              |                |                   |                                       |                         |               |                             |                               |
|        | Modernization Fund  | Mod          |              |                |                   |                                       |                         | 65,000        |                             |                               |
|        | Airport   | Air          |              | 225,705        |                   |                                       |                         |               |                             |                               |
|        | Corporate Building Reserve Fund   | B            |              |                |                   |                                       |                         | 1,111,648     |                             |                               |
|        | Cemetery  | CEM          |              |                |                   |                                       |                         | 20,000        |                             |                               |
|        | Federal Gas Tax *   | FGT          |              |                |                   |                                       | 1,280,000               |               |                             |                               |
|        | Townshend Theatre   | T            |              |                |                   |                                       |                         |               |                             |                               |
|        | Library Board Building  | L/B          |              |                |                   |                                       |                         | 133,250       |                             |                               |
|        | Corporate Projects Reserve Fund   | P            |              |                |                   |                                       |                         | 2,184,883     |                             |                               |
|        | Point Park Reserve  | PP           |              |                |                   |                                       |                         | 80,000        |                             |                               |
|        | Waterworks & Sanitary Sewer Reserve Fund  | W/S          |              |                |                   |                                       |                         |               | 2,509,780                   |                               |
|        | Corporate Vehicles & Equipment Reserve Fund   | V&E          |              |                |                   |                                       |                         | 1,905,035     |                             |                               |
|        |   |              |              |                |                   |                                       | 1,280,000               | 5,499,816     | 2,509,780                   |                               |
|        |   |              |              |                |                   |                                       |                         | \$9,289,596   |                             |                               |
|        | MEDIUM PRIORITY ITEMS (Can be deferred to 2023 or input into 2022)  |              |              |                |                   |                                       |                         |               |                             |                               |
| 1      | Public Works Conference Room Upgrades (projector, screen, table & chairs)                                   | P            | 10,000       |                |                   |                                       |                         | 10,000        |                             |                               |
| 2      | Sidewalk on Kings Highway from First Street to Webster Ave (2021 Public Request)                            | P            | 70,000       |                |                   |                                       |                         | 70,000        |                             |                               |
| 3      | 2021 Pole Replacement - 20 poles along Phase 1 Waterfront walkway- Not completed in 2020, 2021 Due to COVID | P            | 30,000       |                |                   |                                       |                         | 30,000        |                             |                               |
| 4      | Replace Downtown Light Poles (28 poles)   | P            | 90,000       |                |                   |                                       |                         | 90,000        |                             |                               |
|        | TOTAL MEDIUM PRIORITY FOR DISCUSSION  |              | 200,000      | 0              | 0                 | 0                                     | 0                       | 200,000       | 0                           | 0                             |

January 31, 2022

Report To: Mayor and Council

From: Travis Rob, Manager of Operations and Facilities

**RE: 2022 Budget Request from MAT Committee**

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In December 2021, the MAT Committee forwarded a letter to the Treasurer for consideration in the 2022 Budget for the creation of a skating trail on Rainy Lake. This matter has yet to be considered by Council and no funds are currently included in the 2022 budget for this initiative.

The letter requests that the Town construct a trail on Rainy Lake for the purposes of skating through the winter. This request is extremely complicated and before Administration could look into the cost of such a request Council has to consider a number of issues related to this potential project.

1. Where would the trail be located? The Town of Fort Frances is bound on its east and south boundaries by water however much of this water is moving year-round which results in poor to no ice conditions for most, if not all the winter. The closest place that a trail could possibly start would be at the end of School Road and head northeast. Rusty Meyers Flying Service does have their docks and ramp in this area, and this is a primary lake access point from the OFSC trails in town. Further there is no maintained area for parking along this section of the roadway.
2. Should the Town consult with Couchiching First Nation? Given the limited ability to access safe ice, the trail would be located entirely along the portion of the lake along that community. There is an opportunity to partner with them to share access and both benefit from any tourism activities spurred from the trail, however at the very least we should discuss the project with them.
3. Would the Town insurance cover workers operating equipment on ice? We would have to confirm with our insurance provider that we would be covered to take our equipment on the ice. Would Council be open to an increase in premiums to cover this type of work?
4. Typically, these types of trails have benches to tie skates at the entrance to the trail as well as benches or warming shelters along their length. Are these amenities something that Council wants to include as part of this initiative?

In addition to these questions, there are several other considerations that Council needs to be aware of before a decision is made to proceed or not.

1. Working on ice is extremely dangerous at the best of times and would require the establishment of very strict ice safety policies and procedures including a rigorous thickness monitoring program to ensure that the ice was as safe as possible for both our workers as well as patrons utilizing the trails through the winter.
2. Plowing the ice is extremely tough on equipment. The lake is a punishing environment, plowing the hard packed, drifted snow is very difficult. Add in snowmobile tracks, slush, cracks and heaved ice and the task becomes even more difficult. Additional expenses incurred for equipment breakage and downtime are a guarantee.
3. The Town would need to acquire some type of equipment to flood the trail once ice thickness was adequate to access the trail. Lake ice is very rough even in the best of years. The trail would have to be flooded regularly to maintain a smooth surface for comfortable skating.

Page 10 of 33

There are so many factors to consider with this request, determining a cost is near impossible. We do know that the plowing and maintenance that this would require would be an almost daily task and

would be time consuming. To make this a feasible project, we would need to keep one additional staff on in Parks and Cemeteries for the winter dedicated to looking after the maintenance of this trail. In addition, going forward we would need to look to purchasing lighter equipment better suited to working on ice. The best piece of equipment we have to work on the ice is our John Deere 3046 tractor with blower. This unit is perfectly suited to this work; however it is heavy for its size (3670lb/1665kg) and given its small cab would sink very quickly trapping the operator inside in the event that the unit broke through the ice. Alternatively, we do have a ¾ ton truck with a plow (10,195lb/4624kg) which would not be feasible to put on the ice until later into the season. Parks does have a side by side for work in the cemeteries which would be a good unit to open the trail early in the season but currently we do not have a plow or cab for this unit as it is not intended for winter use.

The letter from the MAT Committee references several other trails in other communities and, in researching this report, it was found that all of these trails are either volunteer initiatives or done by private entities. In addition, all of these trails are along low or no flow rivers or small lakes where the ice conditions would be less variable and there is protection from wind blown snow, pack ice, heaves and large cracks. Given the current ice conditions, the ability to get a trail constructed this late in the season may not be possible this year, however at this time the ice in the area of the potential trail has not been checked for condition or thickness.

Before pricing could be determined, a location needs to be determined, ice conditions need to be checked in this area, and consultation should be undertaken with stakeholders. At this point Administration is looking for direction from Council on this initiative. Does Council wish to have Administration undertake the work to determine the cost for a trail of this type on Rainy Lake in 2022 or defer this to the 2023 budget process?

Respectfully Submitted

A handwritten signature in black ink, appearing to read 'Travis Rob', with a stylized flourish at the end.

Travis Rob, P.Eng  
Manager of Operations and Facilities



**RAINY RIVER FUTURE  
DEVELOPMENT CORPORATION**  
A Community Futures Development Corporation



**To: Town of Fort Frances**

**From: RRFDC MAT Advisory Committee**

**December 13, 2021**

**Budget Request: Creation of Winter Skating Trail on Rainy Lake**

The Fort Frances (RRFDC) Municipal Accommodation Tax Committee has made significant investments in the development of a tourism market in the Town of Fort Frances despite the limitations created by a global pandemic. The Committee has developed and packaged new experience-based products and offered several promotional events to neighbouring communities.

Responding to traditional higher vacancy periods, the MAT Advisory Committee has worked to create a winter focused program ( [www.wegotsnow.ca](http://www.wegotsnow.ca)). We thank The Town of Fort Frances Council for the changes it has made to the snowmobile bylaw that will allow increased access to businesses for enthusiasts.

In February 2022 we will host the first annual Rainy Lake Drill and Chill Ice Fishing Derby, working with community partners including the Chamber and BIA we are excited to add several other winter activities through out Family Day weekend.

When the Municipal Accommodation Tax was introduced, Council committed to utilizing portions of its newly realized tax revenue to help grow the communities' economic interests. To that end, we are requesting Council to build an annually an ice-skating trail on Rainy Lake. Increasingly the most utilized park spaces are trails. We have experienced the success of this style of park locally with the high rate of use of the waterfront trail and 8<sup>th</sup> Street walking/skiing trails.

We believe developing a Rainy Lake skating trail will not only assist with growing our tourism potential but will be very popular with Fort Frances citizens.

We are attaching examples of ice trails to this request.

**Spray Lake, MB Skating Trail**



Examples of Other Ontario Skating Trails: <https://www.todocanada.ca/coolest-outdoor-skating-trails-ontario>

**Warroad, MN USA Skating Path**



**Portage La Prairie MB. Skating Path**



PRELIMINARY 5-YEAR CAPITAL PROJECTIONS



|   | PURPOSE  | ESTIMATED CAPITAL EXPENDITURE (2023 - 2027) |                  |                  |                  |        |         | COMMENTS   |
|---|--|---|------------------|------------------|------------------|--------|---------|--|
|   |  | 2023  | 2024             | 2025             | 2026             | 2027   | Total   |  |
|   |  |   |                  |                  |                  |        |         |  |
| A | GENERAL GOVERNMENT   |   |                  |                  |                  |        | -       |  |
|   | Budget Software- Capital   | 26,500                                      |                  |                  |                  |        | 26,500  | Next Steps in FMW Budgeting  |
|   | Budget Software- Salaries Admin  |   | 19,500           |                  |                  |        | 19,500  | Next Steps in FMW Budgeting  |
|   |  |   |                  |                  |                  |        | -       |  |
| B | FIRE SERVICES  |   |                  |                  |                  |        | -       |  |
|   | Bunker Gear and Helmets (Life Expectancy is 10-years)  | 16,000                                      | 16,000           | 16,000           | 16,000           | 16,000 | 80,000  |  |
|   | 24 FT. Heavy-Duty Aluminium Boat   | 128,000                                     |                  |                  |                  |        | 128,000 |  |
|   | Fire Hall 6000 PSI Rated Air Compressor with Four Cascade Cylinders (Filling Air Cylinders). Current Air Compressor is over 22-years old; does not completely fill 4500 psi air cylinders. | 80,000                                      |                  |                  |                  |        | 80,000  |  |
|   | Multi-Use Facility: Fire Hall/EOC/Regional Training Centre/Disaster Resilient Building   | 24,000                                      | To be determined | To be determined | To be determined |        | 24,000  | Feasibility Study & Conceptual Design 2023/ Site & Design 2024/ Construct 2025 & 2026<br><b>NOTE: CURRENT FIRE HALL HAS MANY DEFICIENCIES WITH REGARD TO COMPARTMENTATION / SIZE / TRAINING ROOM &amp; AREA / DECON / ETC.</b> |
|   | E-Hydraulic Extrication Ram  | 16,000                                      |                  |                  |                  |        | 16,000  |  |
|   | Six Carbon 4500 psi, 60 Min. Cylinders   | 15,000                                      |                  |                  |                  |        | 15,000  |  |
|   |  |   |                  |                  |                  |        | -       |  |
|   |  |   |                  |                  |                  |        | -       |  |
| C | PUBLIC WORKS   |   |                  |                  |                  |        | -       |  |
|   |  |   |                  |                  |                  |        | -       |  |
|   | Large Equipment & Vehicles   |   |                  |                  |                  |        | -       |  |
|   | Side Dump Bucket for new John Deere Loader   | 31,200                                      |                  |                  |                  |        | 31,200  |  |
|   |  |   |                  |                  |                  |        | -       |  |
|   | Public Works Miscellaneous   |   |                  |                  |                  |        | -       |  |
|   |  |   |                  |                  |                  |        | -       |  |
| D | TRANSPORTATION SYSTEM  |   |                  |                  |                  |        | -       |  |
|   |  |   |                  |                  |                  |        | -       |  |
|   | Municipal Roads/Storm Sewer System   |   |                  |                  |                  |        | -       |  |
|   | Reconstruction of Mowat Avenue between Scott Street and Second Street  | 133,984                                     |                  |                  |                  |        | 133,984 |  |
|   |  |   |                  |                  |                  |        | -       |  |
|   | Connecting Link Highway  |   |                  |                  |                  |        | -       |  |
|   | Reconstruction of Kings Highway From Pit Road #2 to Oakwood Road   | 218,509                                     |                  |                  |                  |        | 218,509 |  |
|   |  |   |                  |                  |                  |        | -       |  |
| E | STREET & TRAFFIC LIGHTING  |   |                  |                  |                  |        | -       |  |
|   |  |   |                  |                  |                  |        | -       |  |

|   | PURPOSE  | ESTIMATED CAPITAL EXPENDITURE (2023 - 2027) |           |           |        |        |           | COMMENTS   |
|---|--|---|-----------|-----------|--------|--------|-----------|--|
|   |  | 2023  | 2024      | 2025      | 2026   | 2027   | Total     |  |
| F | <b>SIDEWALKS</b>   |   |           |           |        |        | -         |  |
|   |  |   |           |           |        |        | -         |  |
| G | <b>WASTE MANAGEMENT SYSTEM</b>                               |   |           |           |        |        | -         |  |
|   | Landfill Expansion Design                                    | 60,000                                      | 60,000    | 60,000    | 60,000 | 60,000 | 300,000   |  |
|   |  |   |           |           |        |        | -         |  |
| H | <b>AIRPORT</b>   |   |           |           |        |        | -         |  |
|   | Loader and Brush Cutter for JD3720 Tractor                   | 13,000                                      |           |           |        |        | 13,000    |  |
|   |  |   |           |           |        |        | -         |  |
| I | <b>PARKS &amp; CEMETERIES</b>                                |   |           |           |        |        | -         |  |
|   |  |   |           |           |        |        | -         |  |
|   | <b>Parks</b>   |   |           |           |        |        | -         |  |
|   | Design and Construction of Splash Pad                        | 35,000                                      | 5,000,000 |           |        |        | 5,035,000 | Upon completion of Recreation Master Plan, the design of the Future Splash pad will commence (2023) with construction expected the following year. |
|   | Rehabilitation of McIrvine Rink- Dependent on Funding        | 608,000                                     |           |           |        |        | 608,000   |  |
|   | Replacement of John Deere X390 with new X390                 | 6,800                                       |           |           |        |        | 6,800     |  |
|   | <b>Cemetery</b>  |   |           |           |        |        | -         |  |
|   |  |   |           |           |        |        | -         |  |
| J | <b>FACILITIES</b>  |   |           |           |        |        | -         |  |
|   |  |   |           |           |        |        | -         |  |
|   | <b>Public Works</b>  |   |           |           |        |        | -         |  |
|   |  |   |           |           |        |        | -         |  |
|   | <b>Civic Centre</b>  |   |           |           |        |        | -         |  |
|   | Civic Centre Yard Lighting                                   |   |           | 30,000    |        |        | 30,000    |  |
|   | CC - Treasury Office Renovation                              | 610,000                                     |           |           |        |        | 610,000   | Per Office Renovation Study  |
|   | CC - Basement Accessible Washroom Renovation per AODA        | 82,000                                      |           |           |        |        | 82,000    | Per Office Renovation Study  |
|   | CC - Upstairs Washroom Renovation - Accessibility Component  |   | 122,000   |           |        |        | 122,000   | Per Office Renovation Study  |
|   | CC - Downstairs Washrom Renovation - Accessibility Component |   |           | 110,000   |        |        | 110,000   | Per Office Renovation Study  |
|   | CC - Vestibule/Lobby Renovations                             |   |           | 30,000    |        |        | 30,000    | Per Office Renovation Study  |
|   | CC - Robomower   | 5,500                                       |           |           |        |        | 5,500     |  |
|   |  |   |           |           |        |        | -         |  |
|   | <b>Memorial Sports Centre</b>                                |   |           |           |        |        | -         |  |
|   | ICIP Grant Upgrade Project                                   | 541,800                                     | 600,000   |           |        |        | 1,141,800 | Project Ongoing  |
|   | Replace Gym/Cardio Equipment                                 | 12,000                                      |           |           |        |        | 12,000    |  |
|   | MSC Expansion Project  | 233,750                                     | 2,500,000 | 1,941,250 |        |        | 4,675,000 | Defer design to 2023- Completion of Recreation Master Plan and since Federal Grant is unknown, then Construction 2024 and 2025                     |
|   | Pool Roof Ventilation Fans                                   | 5,000                                       |           |           |        |        | 5,000     |  |
|   | <b>Sorting Gap Marina</b>                                    |   |           |           |        |        | -         |  |
|   |  |   |           |           |        |        | -         |  |

|   | PURPOSE  | ESTIMATED CAPITAL EXPENDITURE (2023 - 2027) |           |           |         |         |            | COMMENTS  |
|---|--|---|-----------|-----------|---------|---------|------------|---|
|   |  | 2023  | 2024      | 2025      | 2026    | 2027    | Total      |   |
|   | Museum   |   |           |           |         |         | -          |   |
|   | Owandem Berthing   |   | 65,000    |           |         |         | 65,000     | Based on schedule of Shevlin Woodyard project   |
|   | Hallet Repairs   | 350,000                                     |           |           |         |         |            | Looking for a grant to do major renovations on the Hallet   |
|   | Sister Kennedy Centre  |   |           |           |         |         | -          |   |
|   |  |   |           |           |         |         | -          |   |
|   | East End Hall  |   |           |           |         |         | -          |   |
|   |  |   |           |           |         |         | -          |   |
|   | Library  |   |           |           |         |         | -          |   |
|   |  |   |           |           |         |         |            |   |
|   | PLANNING AND DEVELOPMENT                                     |   |           |           |         |         | -          |   |
|   | Renew Community Improvement Plan                             |   | 50,000    |           |         |         | 50,000     |   |
|   | Streetscape Beautification Plan                              |   |           | 30,000    |         |         | 30,000     |   |
|   | Shevlin Wood Yard Plan of Subdivision and Zoning/OP Policies | 100,000                                     |           |           |         |         | 100,000    |   |
|   |  |   |           |           |         |         | -          |   |
| K | IT SERVICES  |   |           |           |         |         | -          |   |
|   |  |   |           |           |         |         | -          |   |
|   | Computer Hardware  | 58,000                                      | 35,000    | 61,000    | 35,000  | 61,000  | 250,000    | Workstation replacement Progression   |
|   |  |   |           |           |         |         | -          |   |
|   | Network Equipment  | 40,000                                      | 200,000   |           | 15,000  | 70,000  | 325,000    | Fibre engineering in 2023. Fibre install in 2024. Phone system lifecycle in 2024. Switches in 2027. |
|   |  |   |           |           |         |         | -          |   |
|   | Video Conferencing   | 5,000                                       |           |           |         |         | 5,000      |   |
|   |  |   |           |           |         |         | -          |   |
|   | Disaster Recovery  | 35,000                                      | 5,000     | 5,000     | 5,000   | 5,000   | 55,000     | Fire detection, ongoing investment.   |
|   |  |   |           |           |         |         | -          |   |
|   | Isolation from FFPC  | 278,000                                     |           |           |         |         | 278,000    | Isolate production and backup servers   |
|   |  |   |           |           |         |         | -          |   |
|   | Video Surveillance   | 10,000                                      | 10,000    | 10,000    | 10,000  | 10,000  | 50,000     | Ongoing investment.   |
|   |  |   |           |           |         |         | -          |   |
| L | ENVIRONMENT  |   |           |           |         |         | -          |   |
|   |  |   |           |           |         |         | -          |   |
|   | Sanitary Sewer Collection System                             |   |           |           |         |         | -          |   |
|   | Design of Infrastrucutre - Shevlin Yard (50% Share)          | 50,000                                      |           |           |         |         | 50,000     |   |
|   |  |   |           |           |         |         | -          |   |
|   | Sewage Treatment Plant                                       |   |           |           |         |         | -          |   |
|   |  |   |           |           |         |         | -          |   |
|   | Water Distribution System                                    |   |           |           |         |         | -          |   |
|   | Design of Infrastrucutre - Shevlin Yard (50% Share)          | 50,000                                      |           |           |         |         | 50,000     |   |
|   |  |   |           |           |         |         | -          |   |
|   | Water Treatment Plant  |   |           |           |         |         | -          |   |
|   |  |   |           |           |         |         | -          |   |
|   | TOTAL  | 3,878,044                                   | 8,682,500 | 2,293,250 | 141,000 | 222,000 | 14,866,794 |   |

\* Please note, this list of projects is just the preliminary list. Throughout 2022 we will continue to work on the list of Capital Projects and will update it at the 2023 Budget Process  
As funding is unknown at this time, this section has been removed from these projections



2022 RESERVE FUND ESTIMATES

| Account Name                       | G/L Account #          | TOTAL 2021<br>Interest<br>Earned | Contributions to<br>Reserve Funds | Estimated Reserve<br>Cont'n to<br>Capital/General | Reserve Fund<br>Balance December<br>31, 2021 | Estimated Interest<br>Earned 2022-<br>0.55% | 2022 Estimated<br>Contributions to<br>Reserve Funds | 2022 Estimated<br>Reserve Cont'n to<br>Capital/General | Reserve Fund Balance<br>December 31, 2022 |
|------------------------------------|------------------------|----------------------------------|-----------------------------------|---|--|---|---|--|---|
| Museum Projects                    | 30-002-0000-0810-20805 | 209.28                           |                                   |   | 36,270.55                                    | 199.49                                      |   |  | 36,470.04                                 |
| Handi-Transit MTO Gas Tax          | 30-002-0000-0810-20809 | 707.23                           |                                   |   | 122,569.54                                   | 674.13                                      |   |  | 123,243.67                                |
| Parks & Cemeteries Projects        | 30-002-0000-0810-20823 | 326.24                           |                                   |   | 56,540.24                                    | 310.97                                      |   |  | 56,851.21                                 |
| Public Library & Technology Centre | 30-002-0000-0810-20827 | 1,170.22                         |                                   | - 5,749.09  | 197,062.55                                   | 1,083.84                                    |   |  | 198,146.39                                |
| Sister Kennedy Centre Projects     | 30-002-0000-0810-20832 | 128.40                           |                                   | - 6,568.10  | 15,686.88                                    | 86.28                                       |   |  | 15,773.16                                 |
| Post Landfill Closure              | 30-002-0000-0810-20851 | 5,349.36                         | 23,360.00                         |   | 950,464.42                                   | 5,227.55                                    | 23,360.00   |  | 979,051.97                                |
| Waterworks & Sanitary Sewer        | 30-002-0000-0810-20860 | 36,565.78                        | 2,625,619.00                      | - 1,028,201.86                                    | 7,934,668.06                                 | 43,640.67                                   | 2,608,016.00  | - 2,509,780.00   | 8,076,544.73                              |
| Point Park Reserve                 | 30-002-0000-0810-20865 | 8,143.75                         |                                   |   | 1,411,403.76                                 | 7,762.72                                    |   | - 80,000.00  | 1,339,166.48                              |
| Safe Restart Funding               | 30-002-0000-0810-20866 | 1,679.44                         | 424,000.00                        |   | 424,000.00                                   | 2,332.00                                    |   |  | 426,332.00                                |
| Watermeter Replacement             | 30-002-0000-0810-20870 | 900.46                           | 17,892.00                         |   | 173,953.07                                   | 956.74                                      | 17,892.00   |  | 192,801.81                                |
| Townshend Theatre                  | 30-002-0000-0810-20871 | 736.60                           |                                   |   | 127,661.41                                   | 702.14                                      |   |  | 128,363.55                                |
| Municipal Accom. Tax Reserve Fund  | 30-002-0000-0810-20872 | 781.62                           |                                   |   | 135,463.73                                   | 745.05                                      |   |  | 136,208.78                                |
| Corporate Vehicles/Equipment       | 30-002-0000-0810-20874 | 4,163.01                         | 500,000.00                        | - 416,265.80                                      | 930,988.69                                   | 5,120.44                                    | 1,500,000.00  | - 1,905,035.00   | 531,074.13                                |
| Corporate Building                 | 30-002-0000-0810-20875 | 13,995.28                        | 200,000.00                        | - 214,073.64                                      | 2,411,463.60                                 | 13,263.05                                   |   | - 1,111,648.00   | 1,313,078.65                              |
| Corp. Projects Reserve             | 30-002-0000-0810-20876 | 13,596.17                        | 1,163,000.00                      | - 1,149,665.00                                    | 2,369,702.21                                 | 13,033.36                                   | 522,900.00  | - 2,184,883.00   | 720,752.57                                |
| Corporate Contingency              | 30-002-0000-0810-20877 | 8,170.63                         |                                   |   | 1,416,060.83                                 | 7,788.33                                    |   |  | 1,423,849.16                              |
| Federal Gas Tax Reserve            | 30-002-0000-0810-20878 | 4,788.59                         |                                   | - 409,812.83                                      | 814,890.50                                   | 4,481.90                                    | 462,000.00  | - 1,280,000.00   | 1,372.40                                  |
| Modernization Reserve Fund         | 30-002-0000-0810-20879 | 4,122.05                         |                                   |   | 714,396.82                                   | 3,929.18                                    |   | - 65,000.00  | 653,326.00                                |
| Tax Rate Stabilization Reserve     | 30-002-0000-0810-20880 | 574.41                           |                                   |   | 99,551.41                                    | 547.53                                      |   |  | 100,098.94                                |
|                                    |                        | 106,108.52                       | 4,953,871.00                      | - 3,230,336.32                                    | 20,342,798.27                                | 111,885.39                                  | 5,134,168.00  | - 9,136,346.00   | 16,452,505.66                             |
| Cemeteries                         | 80-001-0000-0010-10046 |                                  |                                   | - 131,255.85                                      | 945,466.00                                   | 5,200.06                                    |   | - 20,000.00  | 930,666.06                                |
| Library Building                   | 30-002-0000-0811-20828 | 7,298.89                         |                                   |   | 950,722.30                                   | 5,228.97                                    |   | - 133,250.00   | 822,701.27                                |
|                                    |                        |                                  |                                   |   |  |   |   |  | -   |
|                                    |                        | 113,407.41                       | 4,953,871.00                      | - 3,361,592.17                                    | 22,238,986.57                                | 122,314.43                                  | 5,134,168.00  | - 9,289,596.00   | 18,205,873.00                             |

Please note: These are estimates only for discussion purposes for the Capital Budget

**Agenda Item- Assessment Roll Comparison**

|   |      | Assessment Cycle Year |             |             |             | Province held            | Province held            |             |
|---|------|-----------------------|-------------|-------------|-------------|--------------------------|--------------------------|-------------|
|   |      | Yr 1                  | Yr 2        | Yr 3        | Yr 4        | Assesment at 2020<br>CVA | Assesment at 2020<br>CVA | Difference  |
| Classification  | Code | 2017                  | 2018        | 2019        | 2020        | 2021                     | 2022                     | 2021-2022   |
| Commercial Payment-In-Lieu:Full/No support                      | CF   | 5,270,375             | 5,353,650   | 5,412,116   | 5,495,200   | 4,135,200                | 4,135,200                | -           |
| Commercial PIL:General/No Support                               | CG   | 3,136,975             | 3,597,162   | 3,725,431   | 3,880,400   | 3,880,400                | 6,182,700                | 2,302,300   |
| Commercial Taxable: Full, Shared PIL/No Support                 | CH   | 417,625               | 426,750     | 435,875     | 445,000     | 445,000                  | 445,000                  | -           |
| Commercial Taxable: General/No Support                          | CM   | 79,750                | 80,500      | 81,250      | 500,000     | 2,075,000                | 2,075,000                | -           |
| Commercial PIL: Full, Taxable Tenant of Prov./No Support        | CP   | 459,250               | 486,800     | 514,350     | 446,900     | 455,900                  | 455,900                  | -           |
| Commercial Taxable: Full/No Support                             | CT   | 59,136,570            | 62,012,307  | 61,888,562  | 63,758,400  | 63,303,600               | 63,893,903               | 590,303     |
| Commercial Taxable: Excess Land/No Support                      | CU   | 945,979               | 583,057     | 559,768     | 613,000     | 613,000                  | 613,000                  | -           |
| Commercial Taxable: Vacant Land/No Support                      | CX   | 1,899,250             | 1,968,961   | 2,006,739   | 2,067,700   | 2,023,200                | 1,826,600                | (196,600)   |
| Office Building: Full/No Support                                | DT   | 199,918               | 532,010     | 692,355     | 852,700     | 852,700                  | 905,355                  | 52,655      |
| Exempt: No Support  | E    | 62,964,185            | 65,346,740  | 67,799,482  | 69,986,500  | 71,898,600               | 71,264,000               | (634,600)   |
| Farm Taxable: Full/English-Public                               | FT   | 165,875               | 175,050     | 181,368     | 277,400     | 221,000                  | 221,000                  | -           |
| Parking Lot Taxable: Full/No Support                            | GT   |                       |             |             |             | 184,000                  | 184,000                  | -           |
| Industrial PIL:Full/No Support - Excess Land (Hydro)            | IK   | 71,800                | 71,800      | 71,800      | 71,800      | 71,800                   | 71,800                   | -           |
| Industrial Taxable: Full, Shared PIL: No Support                | IH   | 406,950               | 413,700     | 430,450     | 437,200     | 437,200                  | 437,200                  | -           |
| Industrial PIL:Full, Taxable Tenant of Prov./ No Support        | IP   |                       |             |             |             |                          |                          | -           |
| Industrial Taxable: Full/No Support                             | IT   | 1,598,364             | 1,559,443   | 1,547,515   | 1,291,600   | 1,291,600                | 1,188,600                | (103,000)   |
| Industrial Taxable: Excess Land/No Support                      | IU   | 180,260               | 182,540     | 188,570     | 194,600     | 194,600                  | 252,942                  | 58,342      |
| Industrial Taxable: Vacant Land/ No Support                     | IX   | 762,025               | 928,418     | 1,041,024   | 1,273,300   | 1,357,800                | 1,430,800                | 73,000      |
| Industrial PIL:General, Vacant Land/No Support                  | IZ   |                       |             | 116,058     | 120,000     | 120,000                  | -                        | (120,000)   |
| Large Industrial Taxable: Full/No Support                       | LT   | 6,142,385             | 6,236,190   | 6,329,995   | 6,423,800   | 1,796,700                | 1,778,300                | (18,400)    |
| Multi-Residential Taxable: Full/English Public                  | MTP  | 12,481,291            | 13,114,687  | 13,718,944  | 13,893,177  | 13,893,177               | 13,720,315               | (172,862)   |
| Multi-Residential Taxable: Full/English Separate                | MTS  | 698,903               | 716,467     | 789,044     | 836,644     | 836,644                  | 881,131                  | 44,487      |
| Multi-Residential Taxable: Full/French Public                   | MTPF | 56,306                | 59,782      | 61,630      | 63,479      | 63,479                   | 62,854                   | (625)       |
| New Multi-Residential Taxable: Full/English Public              | NT   |                       |             |             | 428,000     | 428,000                  | 428,000                  | -           |
| Pipeline Taxable: Full/No Support                               | PT   | 2,891,000             | 2,974,713   | 3,059,689   | 3,148,000   | 3,151,000                | 3,175,000                | 24,000      |
| Residential PIL: General/No Support                             | RG   |                       |             |             |             |                          |                          | -           |
| Residential PIL: General/English Public                         | RGEP |                       |             |             |             |                          |                          | -           |
| Residential PIL: General/English Separate                       | RGES |                       |             |             |             |                          |                          | -           |
| Residential PIL: Full, Taxable Tenant of Prov./English Public   | RPP  | 5,767                 | 5,891       | 6,125       | 6,249       | 6,245                    | 6,255                    | 10          |
| Residential PIL: Full, Taxable Tenant of Prov./English Separate | RPS  | 1,208                 | 1,259       | 1,200       | 1,251       | 1,255                    | 1,245                    | (10)        |
| Residential Taxable: Full / English Public                      | RTEP | 337,798,297           | 345,818,380 | 353,300,852 | 362,350,485 | 367,918,260              | 372,448,770              | 4,530,510   |
| Residential Taxable: Full / English Separate                    | RTES | 67,931,624            | 67,861,733  | 68,780,117  | 68,304,415  | 65,782,840               | 63,791,930               | (1,990,910) |
| Residential Taxable: Full / French Public                       | RTFP | 682,250               | 690,500     | 516,500     | 522,000     | 522,000                  | 522,000                  | -           |
| Residential Taxable: Full / French Separate                     | RTFS | 1,590,267             | 1,595,567   | 1,720,700   | 1,591,500   | 1,518,500                | 1,439,500                | (79,000)    |
| Residential Taxable: Full / No Support                          | RT   | 68,152                | 70,535      | 72,917      | 75,300      | 75,300                   | 75,300                   | -           |
| New Construction Commercial: Full / No Support                  | XT   | 882,550               | 1,161,211   | 1,850,068   | 1,930,200   | 2,099,200                | 2,099,200                | -           |
| Totals  |      | 568,925,151           | 584,025,803 | 596,900,494 | 611,286,200 | 611,653,200              | 616,012,800              | 4,359,600   |
| Less: Exempt Properties- No taxes received                      |      | 62,964,185            | 65,346,740  | 67,799,482  | 69,986,500  | 71,898,600               | 71,264,000               | (634,600)   |
| Net Taxable Assessment  |      | 505,960,966           | 518,679,063 | 529,101,012 | 541,299,700 | 539,754,600              | 544,748,800              | 4,994,200   |

\*

|   |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|
| ARB Minutes of Settlement (2017-2020)- No adjustment to CVA above               |            |            |            | 1,422,272  |            |
| Vacancy Rebates provided in year (refund of rebates overpaid due to ARB Appeal) | 226,137    | 245,110    | 84,204     | (199,390)  |            |
| Final Municipal Tax Collected   | 10,403,340 | 10,423,659 | 10,960,769 | 10,470,032 | 11,470,663 |

There will be no vacancy rebates for 2020 and beyond

The large vacancy rebates in 2013 and beyond are a result of the Mill Closure- ARB Minutes of Settlement is also a result of Mill Closure

Agenda Item

Analysis of Ontario CPI, Tax Rates and Tax Ratios 2012-2022

\*Ontario CPI is for the year ending December 31

|                      |              | Tax Rates          |                    |                |                      | Tax Ratios  |          |           |            |            |               |           |
|----------------------|--------------|--------------------|--------------------|----------------|----------------------|-------------|----------|-----------|------------|------------|---------------|-----------|
| Year                 | *Ontario CPI | Municipal Tax Rate | Education Tax Rate | Total Tax Rate | Municipal % Rate +/- | Residential | Farmland | Multi-Res | Commercial | Industrial | Lg Industrial | Pipelines |
| 2012                 | 0.8          | 0.01648896         | 0.00221000         | 0.01869896     | 0.27%                | 1.000000    | 0.250000 | 2.597000  | 2.026121   | 2.811688   | 5.127100      | 2.526858  |
| 2013                 | 1.6          | 0.01670548         | 0.00212000         | 0.01882548     | 1.31%                | 1.000000    | 0.250000 | 2.597000  | 1.980000   | 2.772877   | 5.755343      | 2.526858  |
| 2014                 | 1.8          | 0.01687815         | 0.00203000         | 0.01890815     | 1.03%                | 1.000000    | 0.250000 | 2.597000  | 1.980000   | 2.744534   | 7.038400      | 2.554795  |
| 2015                 | 1.7          | 0.01675018         | 0.00195000         | 0.01870018     | -0.76%               | 1.000000    | 0.250000 | 2.672140  | 1.980000   | 2.818772   | 7.228785      | 2.581335  |
| 2016                 | 2.0          | 0.01654275         | 0.00188000         | 0.01842275     | -1.24%               | 1.000000    | 0.250000 | 2.740000  | 1.980000   | 2.857851   | 7.329005      | 2.606431  |
| 2017                 | 1.6          | 0.01686886         | 0.00179000         | 0.01865886     | 1.97%                | 1.000000    | 0.250000 | 2.649658  | 1.980000   | 2.836760   | 7.274917      | 2.606431  |
| 2018                 | 2.0          | 0.01652955         | 0.00170000         | 0.01822955     | -2.01%               | 1.000000    | 0.250000 | 2.600119  | 1.967217   | 2.823341   | 7.240504      | 2.574024  |
| 2019                 | 2.1          | 0.01682625         | 0.00161000         | 0.01843625     | 1.79%                | 1.000000    | 0.250000 | 2.553970  | 1.967217   | 2.823341   | 7.240504      | 2.574024  |
| 2020                 | 0.7          | 0.01750367         | 0.00153000         | 0.01903367     | 4.03%                | 1.000000    | 0.250000 | 2.419302  | 1.943520   | 2.711740   | 6.954301      | 2.543254  |
| 2021                 | 5.2          | 0.01788408         | 0.00153000         | 0.01941408     | 2.17%                | 1.000000    | 0.250000 | 2.299096  | 1.943520   | 2.644372   | 6.781534      | 2.543254  |
| 2022 at \$0 increase |              |                    |                    |                |                      |             |          |           |            |            |               |           |
| Starting Ratio       |              | 0.01788924         | 0.00153000         | 0.01941924     | 0.03%                | 1.000000    | 0.250000 | 2.250615  | 1.943520   | 2.616491   | 6.710033      | 2.543254  |
| Revenue Neutral      |              | 0.01788924         | 0.00153000         | 0.01941924     | 0.03%                | 1.000000    | 0.250000 | 2.250615  | 1.943520   | 2.616491   | 6.710330      | 2.543254  |

The Notional Rate represents the tax rate required to collect the same amount of taxes as the prior year, using the current year's assessment roll.

|                            |            |            |            |       |
|----------------------------|------------|------------|------------|-------|
| 2022 at \$433,469 increase | 0.01859043 | 0.00153000 | 0.02012043 | 3.80% |
|----------------------------|------------|------------|------------|-------|

CPI Averages

|                          |      |
|--------------------------|------|
| 2 year average 2020-2021 | 2.95 |
| 3 year average 2019-2021 | 2.67 |
| 4 year average 2018-2021 | 2.50 |
| 5 year average 2017-2021 | 2.32 |

Important Consideration in Setting Tax Rates: The Town has traditionally not kept up to inflation in considering the tax rates. This has contributed to the infrastructure deficit. In our most recent Asset Management Plan it was advised that we collect an additional 1.4 % in taxes in order to reduce the infrastructure deficit.

| Geography   | Ontario <a href="#">(map)</a> |               |               |                                |                                |
|---|-------------------------------|---------------|---------------|--------------------------------|--------------------------------|
| Products and product groups <sup>3, 4</sup>   | December 2020                 | November 2021 | December 2021 | November 2021 to December 2021 | December 2020 to December 2021 |
|   | 2002=100                      |               |               |                                |                                |
| All-items   | 138.8                         | 146.0         | 146.0         | 0.0                            | 5.2                            |
| Food <sup>5</sup>   | 155.2                         | 162.8         | 164.1         | 0.8                            | 5.7                            |
| Shelter <sup>6</sup>  | 152.3                         | 160.5         | 161.5         | 0.6                            | 6.0                            |
| Household operations, furnishings and equipment   | 125.4                         | 129.1         | 129.0         | -0.1                           | 2.9                            |
| Clothing and footwear   | 88.9                          | 93.8          | 90.2          | -3.8                           | 1.5                            |
| Transportation  | 142.7                         | 155.7         | 155.0         | -0.4                           | 8.6                            |
| Health and personal care  | 130.0                         | 134.8         | 134.6         | -0.1                           | 3.5                            |
| Recreation, education and reading   | 116.6                         | 118.5         | 117.8         | -0.6                           | 1.0                            |
| Alcoholic beverages, tobacco products and recreational cannabis   | 175.8                         | 178.0         | 177.1         | -0.5                           | 0.7                            |
| All-items excluding food  | 136.0                         | 143.0         | 142.9         | -0.1                           | 5.1                            |
| All-items excluding food and energy <sup>7</sup>  | 134.5                         | 139.7         | 139.9         | 0.1                            | 4.0                            |
| All-items excluding alcoholic beverages, tobacco products and smokers' supplies and recreational cannabis | 137.8                         | 145.1         | 145.2         | 0.1                            | 5.4                            |
| All-items excluding energy <sup>7</sup>   | 137.9                         | 143.4         | 143.7         | 0.2                            | 4.2                            |
| All-items excluding gasoline  | 138.2                         | 143.9         | 144.3         | 0.3                            | 4.4                            |
| Energy <sup>7</sup>   | 153.2                         | 187.9         | 182.8         | -2.7                           | 19.3                           |
| Goods <sup>8</sup>  | 120.8                         | 129.4         | 128.7         | -0.5                           | 6.5                            |
| Durable goods <sup>8</sup>  | 90.4                          | 96.0          | 95.9          | -0.1                           | 6.1                            |
| Semi-durable goods <sup>8</sup>   | 90.8                          | 94.1          | 92.0          | -2.2                           | 1.3                            |
| Non-durable goods <sup>8</sup>  | 149.3                         | 162.2         | 161.5         | -0.4                           | 8.2                            |
| Services <sup>9</sup>   | 155.1                         | 160.6         | 161.5         | 0.6                            | 4.1                            |

How to cite: Statistics Canada. [Table 18-10-0004-13 Consumer Price Index by product group, monthly, percentage change, not seasonally adjusted, Canada, provinces, Whitehorse, Yellowknife and Iqaluit](#)  
 DOI: <https://doi.org/10.25318/1810000401-eng>

**ADMINISTRATION & FINANCE DIVISION  
TREASURY REPORT 2021/59**

**TO:** Mayor Caul & Members of Council

**FROM:** Dawn Galusha, Treasurer

**DATE:** January 31, 2021

**SUBJECT:** Review of Large Industrial Tax Ratio and Rate

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**BACKGROUND**

The attached report on Industrial Taxation was presented at the Economic Development Executive Committee held on Monday, May 5, 2021. At that time, it was referred to the Administration and Finance Executive Committee for further discussion and consideration with that committee's recommendation as follows:

- That the Administration & Finance Executive Committee review the current ratio and find a path in the 2022 tax year to level Industrial and Large Industrial Classes.
- The Town is encouraged to build a multi-year plan to create a competitive Industrial ratio similar to that of Dryden (2021- 1.5000000)- keep in mind that Dryden's Large Industrial ratio is 7.9646020

I have inquired to ensure that changing one ratio in OPTA is acceptable legislatively. The answer is, there are no restrictions to reducing the large industrial ratio, as long as the large industrial ratio and the average ratio for the broad industrial class do not go below the lower limit of the allowable range which is 0.6.

The concept around reducing the industrial and large industrial ratio is to attract new industry to Fort Frances. The difficulty arises because the tax burden gets shifted onto the other property classes. Leveling the Large Industrial to the Industrial ratio and rate results in an approximate net loss in Large Industrial of \$130,570, which would impact the other tax classes causing about a 1.14% increase.

At the December 13, 2021 meeting of Council, Council agreed to the recommendation to bring the analysis of the Large Industrial Tax rate and Ratio to the 2022 Operating Budget discussions. Further to this, at the January 24, 2022 meeting of Council, Council endorsed a proposed pilot tax incentive zone and that Council will proceed to meet with the Government of Ontario to negotiate this.

**RECOMMENDATION**

*Administration recommends that we re-evaluate the ratios for industrial and large industrial properties in the Town of Fort Frances after the results of the proposed pilot project.*



## A Review of Large Industrial Class Tax Ratio

## How Taxes are Calculated

Municipal property taxes are calculated using a formula of assessment X tax rate/ratio. Municipal Property Assessment Corporation determines the assessment amounts. This is an estimate of the properties value if sold. The tax ratio is set by municipal governments and varies based on the use of the property. Tax ratios allow municipalities to shift the tax burden among different property classes, subject to ranges of fairness established by the Province.

Tax ratios have been the subject of much discussion and debate. It is common in Ontario for property taxes to favour single-family residential properties over commercial and industrial properties. Some have argued that every dollar of assessment should be taxed at the same rate, that it is unfair to tax a dollar of assessment differently depending on the property class. The proponents of this argument also typically put forward that the large discrepancies that exist between residential classes and commercial and industrial taxes are because there are more votes to be obtained by lowering taxes for those with properties in the residential classes than can be obtained by doing the same for commercial or industrial classes. This review will not investigate whether all classes should be taxed the same but rather will examine the competitiveness of Fort Frances' tax ratio for its Large Industrial class.

The Harris government in Ontario established new policies that set a range of fairness that municipalities were required to move towards. As a result of this policy change many municipalities have moved closer towards those ranges of fairness.

Taxes are one important factor that influence the location decisions of new and expanding firms. But it is not the only factor. Location decisions are typically complex and include such considerations as:

- Proximity to clients, vendors and resources
- Accessibility and transportation
- Rent, maintenance and utility costs
- Cost of suitable land
- Cost of labour
- Property taxes
- Desirability of community for employees/ability to recruit

Ensuring competitive property taxes alone is not enough to attract and retain businesses. A municipality must be competitive in all the factors above and have a positive business climate.

## The Fort Frances Situation in Context

According to the most recent Financial Information Review filed with the Ministry of Finance (2019) the tax ratios for the Town of Fort Frances for Commercial, Industrial and Large Industrial are as follows.

| <b>Local</b>        | <b>Tax Ratios</b> |                   |                      |
|---------------------|-------------------|-------------------|----------------------|
|                     | <b>Commercial</b> | <b>Industrial</b> | <b>Large Indust.</b> |
| <b>Fort Frances</b> | <b>1.967217</b>   | <b>2.823341</b>   | <b>7.240504</b>      |

Using the same source and year, here are the same tax ratios for a list of comparable municipalities in southern Ontario.

| <b>Ontario Comparables</b>         | <b>Tax Ratios</b> |                   |                      |
|------------------------------------|-------------------|-------------------|----------------------|
|                                    | <b>Commercial</b> | <b>Industrial</b> | <b>Large Indust.</b> |
| Gravenhurst                        | 1.100000          | 1.100000          | 1.100000             |
| Guelph Eramosa Township            | 1.491000          | 2.400000          | 2.400000             |
| Kincardine                         | 1.233100          | 1.747700          | 1.747700             |
| Leeds and the Thousand Islands     | 1.346400          | 1.811400          | 1.811400             |
| Meaford                            | 1.306940          | 1.858187          | 1.858187             |
| Minto                              | 1.491000          | 2.400000          | 2.400000             |
| South Stormont                     | 1.634027          | 2.063433          | 4.143248             |
| Tay                                | 1.252100          | 1.347567          | 1.347567             |
| The Municipality of Grey Highlands | 1.306940          | 1.858187          | 1.858187             |
| Wellington North                   | 1.491000          | 2.400000          | 2.400000             |
| <b>AVERAGE</b>                     | <b>1.365251</b>   | <b>1.898647</b>   | <b>2.106629</b>      |



There are two important things to note. First, all but one of these comparable communities (South Stormont) has the same tax ratio for Large Industrial as it does for Industrial. Of those with the same tax ratio, four of them have not created a Large Industrial property class. This is an optional class that these municipalities have opted not to have.

Second, comparing Fort Frances with these Ontario municipalities shows that the average tax ratios for all three of these classes in Fort Frances are significantly higher than the average of these comparable communities. In the case of the Commercial class, Fort Frances has a tax ratio that is 44.1% higher. The Industrial class is similar, with a ratio in Fort Frances that is 48.7% higher. While both are significantly higher, the greatest difference is with the Large Industrial class. The Large Industrial class tax ratio is 243.7% higher in Fort Frances than in these comparators.

Historically, communities in Northern Ontario that had employers in the Large Industrial class such as paper mills, steel mills or mines and mining facilities also had high tax ratios for Large Industrial. Part of the thinking was that these companies were very profitable and had outside owners, sometimes even outside of Ontario. A higher tax ratio on these properties meant more of the revenues from Northern Ontario's resources would be kept local. In many ways, when employees unionized in these facilities and collectively bargained for wages significantly higher than the average wage, they were also attempting to retain some of those resource revenues, in this case for the employees.

Through the early 2000's the Town of Fort Frances reduced the Large Industrial ratio, but the impact of significant assessment changes prompted some municipalities to reverse these gains to level revenue.

| <b>Fort Frances 2019</b> | <b>Tax Ratios</b> |                   |                      |
|--------------------------|-------------------|-------------------|----------------------|
|                          | <b>Commercial</b> | <b>Industrial</b> | <b>Large Indust.</b> |
| <b>AVERAGE</b>           | <b>1.967217</b>   | <b>2.823341</b>   | <b>7.240504</b>      |

| <b>Fort Frances 1999</b> | <b>Tax Ratios</b> |                   |                      |
|--------------------------|-------------------|-------------------|----------------------|
|                          | <b>Commercial</b> | <b>Industrial</b> | <b>Large Indust.</b> |
| <b>AVERAGE</b>           | <b>2.990000</b>   | <b>3.118200</b>   | <b>5.238400</b>      |

The tax ratio for Commercial class properties in Fort Frances came down by 34.2% over the last two decades. The 2021 rate is 1.943520. The Industrial tax ratio has been reduced by 9.5%. However, this is still 31.7% higher than the average of the Ontario comparators. The biggest change over this period is with the Large Industrial class. In this class Fort Frances has raised its tax ratio by 38.2% and has a tax ratio that is almost four times as high as the Ontario comparators listed previously in this report.

Compared to Northwestern Ontario comparators the Fort Frances tax ratio for Large Industrial is also very high. The main outlier in these comparators is Dryden.

| <b>Northwestern Ontario Comparables</b> | <b>Tax Ratios</b> |                   |                      |
|---|-------------------|-------------------|----------------------|
| <b>2019</b>                             | <b>Commercial</b> | <b>Industrial</b> | <b>Large Indust.</b> |
| Dryden                                  | 1.8586800         | 1.5000000         | 7.9646020            |
| Kenora                                  | 2.1521640         | 2.1297610         | 2.7702310            |
| Red Lake                                | 1.9800000         | 3.8557340         | 3.8557340            |
| Sioux Lookout                           | 1.7407000         | 2.6300000         | 2.6300000            |
| <b>AVERAGE</b>                          | <b>1.9328860</b>  | <b>2.5288738</b>  | <b>4.3051418</b>     |

| <b>Northwestern Ontario Comparables</b> | <b>Tax Ratios</b> |                   |                      |
|---|-------------------|-------------------|----------------------|
| <b>2000</b>                             | <b>Commercial</b> | <b>Industrial</b> | <b>Large Indust.</b> |
| Dryden                                  | 1.8030000         | 2.4780000         | 4.4326000            |
| Kenora                                  | 1.9928000         | 3.4727000         | 3.4727000            |
| Red Lake                                | 1.7690000         | 2.6346000         | 2.7460000            |
| Sioux Lookout                           | 1.7407000         | 3.0591000         | 3.0591000            |
| <b>AVERAGE</b>                          | <b>1.8263750</b>  | <b>2.9111000</b>  | <b>3.4276000</b>     |

But this fits entirely with the historical reasons noted above for a high tax ratio for Large Industrial in many communities in Northern Ontario because Dryden has the Domtar mill. Factor out Dryden and the average is 3.0853217, less than half of the ratio in Fort Frances.

We can also see that Large Industrial tax ratios for comparable municipalities in Northwestern Ontario have gone down by 10.0% since 2000. Tax ratios for the Industrial class have gone down 13.1%. And Commercial class ratios have gone up by 5.8%.

| <b>Municipality</b>  | <b>Residential Tax Rate</b> | <b>Commercial Tax Ratio</b> |
|----------------------|-----------------------------|-----------------------------|
| Winkler (12591)      | 0.0288100                   | 1.3391184                   |
| St. Clements (10876) | 0.0254700                   | 1.3474676                   |
| Morden (8668)        | 0.0227800                   | 1.0000000                   |
| Steinbach (15829)    | 0.0283200                   | 1.3125000                   |
| Ritchot (6,679)      | 0.0307700                   | 1.0000000                   |
| <b>AVERAGE</b>       | <b>0.0272300</b>            | <b>1.1998172</b>            |

Fort Frances is also uncompetitive when compared to Manitoba rates.

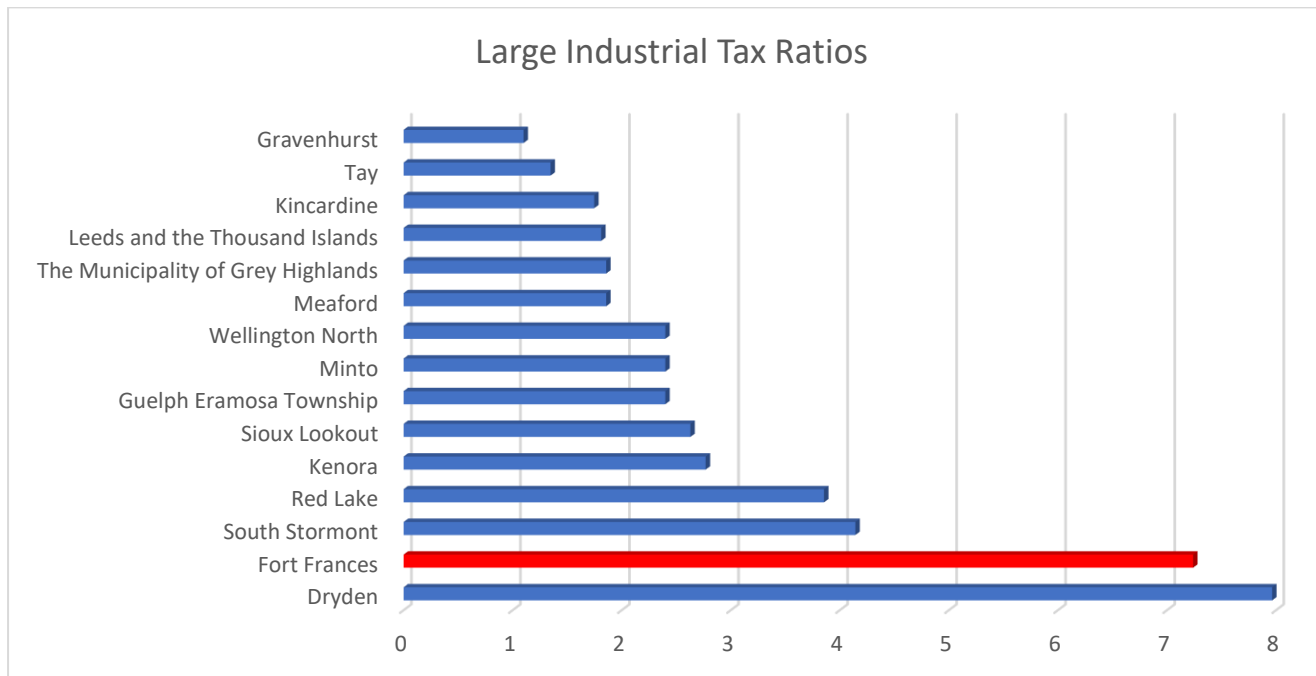
### Community Improvement Plan Incentive

The Town of Fort Frances has been innovative and was one of the first communities in Ontario to create a Community Improvement Plan with board planning powers that allow the municipality to partner with commercial and industrial development to encourage new investment. The Town utilized these tools to assist the pulp and paper mill in building the Biomass Generator. These tools allow for a short-term reduction in the taxes payable but don't address over all fairness.

### 2021 Current Tax Ratio Fort Frances

Industrial 2.644372  
Large Industrial 6.781534

## Cost Implications and the Path Forward



Two significant factors provide the community with an ideal opportunity to realign this property tax classification ratio.

- The closure and demolition of the Pulp and Paper Mill
- The need to attract new industry to the community.

In 2001 the municipal taxation achieved from large industrial was approx. \$1.7 million

Today the taxation achieved is \$215,609.

Leveling Large Industrial to the Industrial rate would result in a net loss of \$130,570 or a 1.14% general tax increase.

## Recommendations

The Economic Development Advisory Committee recommends that the Administration and Finance Committee review the current ratio and find a path in the 2022 tax year to level Industrial and Large Industrial Classes. Further the Committee encourages the Town to build a multi year plan to create a competitive Industrial ratio similar to that of Dryden.

## Reference Chart

| Municipality                       | Population | Residential Property Tax Rates |            |            |            | Tax Ratios |            |            |               |
|------------------------------------|------------|--------------------------------|------------|------------|------------|------------|------------|------------|---------------|
|                                    |            | Lower Tier                     | Upper      | Education  | Total      |            | Commercial | Industrial | Large Indust. |
| Local                              |            |                                |            |            |            |            |            |            |               |
| Fort Frances                       |            | 0.01682625                     |            | 0.00161000 | 0.01843625 |            | 1.9672170  | 2.8233410  | 7.2405040     |
|                                    |            |                                |            |            |            |            |            |            |               |
| Northwestern Ontario Comparables   |            |                                |            |            |            |            |            |            |               |
| Dryden                             | 7749       | 0.01583049                     |            | 0.00161000 | 0.01744049 |            | 1.8586800  | 1.5000000  | 7.9646020     |
| Kenora                             | 15096      | 0.01211057                     |            | 0.00161000 | 0.01372057 |            | 2.1521640  | 2.1297610  | 2.7702310     |
| Red Lake                           | 4107       | 0.01346676                     |            | 0.00161000 | 0.01507676 |            | 1.9800000  | 3.8557340  | 3.8557340     |
| Sioux Lookout                      | 5300       | 0.01904595                     |            | 0.00161000 | 0.02065595 |            | 1.7407000  | 2.6300000  | 2.6300000     |
| AVERAGE                            |            | 0.01511344                     |            | 0.00161000 | 0.01672344 |            | 1.9328860  | 2.5288738  | 4.3051418     |
|                                    |            |                                |            |            |            |            |            |            |               |
| Ontario Comparables                |            |                                |            |            |            |            |            |            |               |
| Gravenhurst                        | 12311      | 0.00453610                     | 0.00285850 | 0.00161000 | 0.00900460 |            | 1.1000000  | 1.1000000  | 1.1000000     |
| Guelph Eramosa Township            | 12854      | 0.00260652                     | 0.00617506 | 0.00161000 | 0.01039158 |            | 1.4910000  | 2.4000000  | 2.4000000     |
| Kincardine                         | 11729      | 0.00677835                     | 0.00389693 | 0.00161000 | 0.01228528 |            | 1.2331000  | 1.7477000  | 1.7477000     |
| Leeds and the Thousand Islands     | 9465       | 0.00392731                     | 0.00370869 | 0.00161000 | 0.00924600 |            | 1.3464000  | 1.8114000  | 1.8114000     |
| Meaford                            | 10991      | 0.00775870                     | 0.00357933 | 0.00161000 | 0.01294803 |            | 1.3069400  | 1.8581870  | 1.8581870     |
| Minto                              | 8671       | 0.00544891                     | 0.00617506 | 0.00161000 | 0.01323397 |            | 1.4910000  | 2.4000000  | 2.4000000     |
| South Stormont                     | 13110      | 0.00446871                     | 0.00579000 | 0.00161000 | 0.01186871 |            | 1.6340270  | 2.0634330  | 4.1432480     |
| Tay                                | 10033      | 0.00664567                     | 0.00278999 | 0.00161000 | 0.01104566 |            | 1.2521000  | 1.3475670  | 1.3475670     |
| The Municipality of Grey Highlands | 9804       | 0.00569505                     | 0.00357933 | 0.00161000 | 0.01088438 |            | 1.3069400  | 1.8581870  | 1.8581870     |
| Wellington North                   | 11914      | 0.00481749                     | 0.00617506 | 0.00161000 | 0.01260255 |            | 1.4910000  | 2.4000000  | 2.4000000     |
| AVERAGE                            |            | 0.00540673                     | 0.00458360 | 0.00161000 | 0.01160033 |            | 1.3652507  | 1.8986474  | 2.1066289     |

This report was prepared with research by Northern Community Development Solutions, analysis by Derik Brandt Consulting and Tannis Drysdale Consulting.

**Ministry of Finance**

Provincial-Local  
Finance Division

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Télec. : 416 325-7644



January 18, 2022

Dear Municipal Treasurer / Clerk-Treasurer:

I am writing to advise you of a number of important property tax decisions for the 2022 taxation year. Regulations implementing the property tax policy decisions have been enacted and will be available on the e-laws website at [www.ontario.ca/laws](http://www.ontario.ca/laws).

**Reassessment**

As announced in the *2021 Ontario Economic Outlook and Fiscal Review*, property assessments for the 2022 and 2023 tax years will continue to be based on the same valuation date that was used for 2021. This will maintain stability for municipalities and taxpayers.

The input that has been received during the Property Assessment and Taxation Review will help to inform decisions regarding future reassessments. The government remains open to receiving further advice related to property assessment accuracy and stability.

**Education Property Tax Rates**

Education property tax rates for 2022 will remain unchanged from the previous year as assessments continue to be based on the same valuation date used for 2021. This means that the residential education tax rate will remain at 0.153 per cent and the business education tax (BET) rate reductions implemented in 2021 will be maintained. BET rates have been reduced to 0.88 for 95 per cent of Ontario municipalities. The 2022 BET rates for your municipality are attached.

BET rates for certain properties where municipalities are permitted to retain the education portion of payment in lieu of taxes (PILs) will also remain at the rates set for 2021. The government is aware of municipal concerns that the federal government may no longer make PIL payments at the BET rates prescribed in provincial regulation. The Province continues to encourage the federal government to make its payments at the prescribed rates, and has issued a [technical bulletin](#) and corresponding amendment to the *Education Act* that provide the legislative clarity for the federal government to pay at the regulated rates. The Province also continues to support municipalities as they work together to ensure the federal government is fully aware that failure to make payments at the regulated PIL rate would have a very negative financial impact on local Ontario communities.

## **Small Business Property Subclass**

Municipalities currently have the flexibility to target tax relief for small businesses through the adoption of the small business property subclass. As announced in the *2020 Budget*, the government will also consider matching municipal property tax reductions with education property tax reductions to provide further support for small businesses.

Municipalities may submit a request to the Minister for matching municipal reductions for 2022, with a copy to [info.propertytax@ontario.ca](mailto:info.propertytax@ontario.ca), by **March 31, 2022**. The submission may include the by-law outlining the program requirements; the estimated municipal tax relief to small businesses; a summary of the consultations held with business stakeholders; and the registry of eligible properties, if available.

## **Measures announced in the 2021 Ontario Economic Outlook and Fiscal Review**

### **Small-Scale On-Farm Business Subclass**

To enhance property tax programs that support farm businesses and to encourage their growth, the Province is increasing the assessment threshold for the small-scale on-farm business subclass. Currently, municipalities have the option of adopting this subclass which provides a reduced tax rate on the first \$50,000 of eligible assessment.

Starting in 2022, municipalities that adopt the small-scale on-farm business subclass will have the option to maintain the current assessment threshold of \$50,000 for municipal tax purposes, and they may also adopt a second subclass that would increase the amount of eligible assessment to \$100,000. The Province will apply a reduced business education tax rate to this increased \$100,000 threshold for all eligible properties, regardless of whether municipalities adopt the subclass.

It is anticipated that the Municipal Property Assessment Corporation will be identifying eligible properties and notifying affected property owners and municipalities by March 2022.

### **Brownfields Financial Tax Incentive Program**

The Brownfields Financial Tax Incentive Program (BFTIP) incents the redevelopment of unproductive contaminated lands by providing for the reduction of municipal and education property taxes on brownfield sites that undergo rehabilitation.

To increase the incentive provided under this program, the Province will extend the period for offering matching education property tax assistance from the current three-year period to up to six years for business developments and up to ten years for residential developments.

These enhancements also support the objectives of *More Homes, More Choice: Ontario's Housing Supply Action Plan*.

Page 31 of 33

## **OPTA's Education Property Tax Reports and Financial Information Returns**

In 2020, the Ministry of Municipal Affairs and Housing (MMAH) updated the municipal Financial Information Return (FIR). The *Education Property Tax Reports (EPT Reports)*

in the Online Property Tax Analysis (OPTA) system was updated accordingly with a new report reflecting the changes in the FIR.

Information from OPTA's new report is uploaded each spring to MMAH, when it is complete, to automatically update the FIR template for those municipalities that enter their EPT information, including payments and rebates and write-offs, in OPTA. This simplifies and streamlines the task of reporting in-year changes in the FIR.

For the 2021 FIR, eligible municipalities that enter the required information by April 4, 2022, will have their 2021 FIR template updated and available for download from MMAH, by May 2022. Municipalities can benefit from this option as this simplifies the completion of the FIR for municipalities and helps reduce the reporting burden.

## **Other Property Tax Decisions**

### **Municipal Property Tax Flexibility – Levy Restriction**

Municipalities with property classes subject to the levy restriction will continue to have the flexibility to apply a municipal tax increase to those classes of up to 50 per cent of any increase applied to the residential class. For instance, a municipality levying a 2 per cent increase in residential taxes could raise taxes on any restricted class by up to 1 per cent. A full levy restriction applies to multi-residential properties with a tax ratio greater than 2.0 in 2021.

### **New Construction Classes for Education Property Tax Purposes**

As a result of the 2021 BET rate reduction, which lowered rates below the previous new construction BET rates, the new construction property classes implemented for education tax purposes (properties with RTC codes of X, Y, Z and K) are no longer differentiated from the main business properties classes. To simplify and streamline the property tax system, properties in these classes will be returned to their respective main property classes. To ensure a smooth transition, this roll over will be reflected in the December 2022 Property Assessment Roll for the 2023 taxation year. This change would have no impact on property taxes paid by businesses.

If you have any questions related to these decisions, please contact Chris Broughton, Director of the Property Tax Policy Branch at [Chris.Broughton@ontario.ca](mailto:Chris.Broughton@ontario.ca) or 416-455-6307.

Sincerely,

*Original signed by*

Allan Doheny  
Assistant Deputy Minister  
Provincial-Local Finance Division

Page 32 of 33



**Town of Fort Frances**  
**2022 Business Education Tax (BET) Rates**

**BET Rate - Broad Classes**

| <b>Business Property Class</b>                           | <b>2022 BET Rate</b> | <b>2022 New Construction BET Rate</b> | <b>2022 Payment-in-Lieu of Taxation (PILT) BET Rate</b> | <b>2022 New Construction PILT BET Rate</b> |
|--|----------------------|---------------------------------------|---|--|
| <b>Commercial</b>  | 0.880000%            | 0.880000%                             | 0.980000%   | 0.980000%                                  |
| <b>Industrial</b>  | 0.880000%            | 0.880000%                             | 0.980000%   | 0.980000%                                  |
| <b>Pipeline</b>  | 0.880000%            | n/a                                   | 0.980000%   | n/a  |
| <b>Landfill</b>  | n/a                  | n/a                                   | n/a   | n/a  |
| <b>Small-Scale On-Farm (Commercial &amp; Industrial)</b> | 0.220000%            | n/a                                   | n/a   | n/a  |

**BET Rate - Optional Classes**

| <b>Business Property Class</b> | <b>2022 BET Rate</b> | <b>2022 New Construction BET Rate</b> | <b>2022 Payment-in-Lieu of Taxation (PILT) BET Rate</b> | <b>2022 New Construction PILT BET Rate</b> |
|--------------------------------|----------------------|---------------------------------------|---|--|
| <b>Commercial Residual</b>     | n/a                  | n/a                                   | n/a   | n/a  |
| <b>Office Building</b>         | n/a                  | n/a                                   | n/a   | n/a  |
| <b>Shopping Centre</b>         | n/a                  | n/a                                   | n/a   | n/a  |
| <b>Parking Lot</b>             | n/a                  | n/a                                   | n/a   | n/a  |
| <b>Industrial Residual</b>     | 0.880000%            | 0.880000%                             | 0.980000%   | 0.980000%                                  |
| <b>Large Industrial</b>        | 0.880000%            | 0.880000%                             | 0.980000%   | 0.980000%                                  |