

# TOWN OF FORT FRANCES

## Administration & Finance Executive Committee

### AGENDA - July 3, 2018, 12:00 PM

#### MEETING - Committee Room, Civic Centre

Session # 73

Page

1. **Call to Order**
2. **Non-agenda items identified to be considered later in this meeting, both in-camera and in open meeting.**
3. **Disclosure of pecuniary interest and the general nature thereof**
4. **Approval of Previous Committee Minutes**
  - 4.1 Session No. 72 dated June 19, 2018. 2 - 4
5. **In-Camera**
6. **Items Referred from Council**
  - 6.1 Belluz Concrete and Rentals Ltd. 5 - 8
7. **New Business**
  - 7.1 Automatic Aid Agreement with the Townships of Chapple, Emo and LaVallee. 9 - 14
  - 7.2 Automatic Aid Agreement with Couchiching First Nation. 15 - 19
  - 7.3 Municipal Alcohol Policy (for review and comments). 20 - 27
8. **Non-agenda Items**
9. **Information**
  - 9.1 BDO Canada LLP - Final report to Mayor and Council (2017 Audited Financial Statements). 28 - 40
10. **Adjourn / Next Meeting Date - August 7, 2018**

## TOWN OF FORT FRANCES

### MINUTES

SESSION NO. # 72

June 19, 2018

The meeting of Administration & Finance Executive Committee of the Town of Fort Frances was held in the Committee Room, Civic Centre on June 19, 2018 from 12:01 p.m. to 1:02 p.m.

PRESENT: Councillor K. Perry, Chair, Mayor R. Avis, Councillor W. Brunetta and Councillor G.P. Ryan

ALSO PRESENT: Doug Brown, CAO, L. Lindberg, Treasurer, D. Galusha, Deputy Treasurer, J. Forbes, Human Resources Coordinator, T. Moffitt, Fire Chief/CEMC (12:01 p.m. to 12:20 p.m.), C. Herr, Northwestern Health Unit (12:01 p.m. to 12:12 p.m.) and K. Lawson, Secretary

### REGRETS:

1. **Call to Order 12:01 p.m.**
2. **Non-agenda items identified to be considered later in this meeting, both in-camera and in open meeting. - None identified.**
3. **Disclosure of pecuniary interest and the general nature thereof - none identified.**
4. **Approval of Previous Committee Minutes**
  - 4.1 Session No. 71 dated June 5, 2018.

Brunetta-Ryan: Approved as presented.

CARRIED

5. **In-Camera - No items identified.**
6. **Items Referred from Council**
  - 6.1 Watten Volunteer Fire Department.  
- committee recommended approval of a financial donation to the Watten Fire Department donation in the amount of \$300.00.
7. **New Business**
  - 7.1 Memorandum of Understanding - Naloxone Agreement with the Northwestern Health Unit.  
C. Herr, Northwestern Health Unit was in attendance to provide any additional clarification as required (12:01 p.m. to 12:12 p.m.) - committee recommended approval of a Memorandum of Understanding - Naloxone Agreement with the Northwestern Health Unit for signing the Mayor and Clerk, and further that an authorizing by-law be prepared accordingly.

- 7.2 Request for Reconsideration Minutes of Settlement (MOS) re:  
5 Mile Dock Road West (2018);  
731 Riverview Drive (2018);  
1044 Cornwall Avenue North (2018);  
512 Church Street (2018);  
1210 Olde Shambles Rd (2018);  
1287 Idylwild Drive (2018)  
- committee recommended processing of the Minutes of Settlement for properties located at 5 Mile Dock Road West (2018); 731 Riverview Drive (2018); 1044 Cornwall Avenue North (2018); 512 Church Street (2018); 1210 Olde Shambles Rd (2018); 1287 Idylwild Drive (2018) as outlined in the report.
- 7.3 357/358 Applications for Tax Adjustment re: 700 Scott Street (2018).  
- committee recommended approval of the adjustment of 2018 taxes under Section 357/358 of the Municipal Act for property located at 700 Scott Street resulting from revised property valuation and classification from commercial to residential due to conversion of prior commercial space to residential apartments.
- 7.4 Amended Property Assessment Notice re:  
1012 Victoria Avenue (2018);  
1167 River Road West (2018);  
1008 Walker Ave. (2018);  
353 Scott Street (2018);  
605 McIrvine Road (2018);  
375 Scott Street (2018);  
740 Sixth Street West (2018)  
- committee recommended receiving the Amended Property Assessment Notices for properties located at 1012 Victoria Avenue (2018); 1167 River Road West (2018); 1008 Walker Avenue (2018); 353 Scott Street (2018); 605 McIrvine Road (2018); 375 Scott Street (2018); 740 Sixth Street West (2018) for the 2018 taxation year as received from MPAC.
- 7.5 Violence and Harassment Policy - Annual Review.  
- committee recommended approval of the Workplace Violence and Workplace Harassment Policies.
- 7.6 Addition of Modules for Financial Software.  
- committee recommended approval of the purchase of eSend and Virtual City Hall modules, as components of the Microsoft Dynamics GP Diamond financial software with the purchase amount of \$30,690 to be funded utilizing the Corporate Projects Reserve fund with the annual costs of \$4620 funded through the treasury operating budget.
- 7.7 Collection (Accounts Receivable, Taxation and Water and Sewer) Policy Update.  
- committee recommended approval of the Collection (Accounts Receivable, Taxation and Water and Sewer) Policy Number 1.9 as presented.

**8. Non-agenda Items - none identified**

**9. Information**

9.1 Fort Frances Fire & Rescue Service - May 2018 Report. received as information.

9.2 Town of Fort Frances (Operating) Summary for the Five Months Ending Thursday, May 31, 2018. - received as information.

9.3 Town of Fort Frances Capital Financial Statement for the Five Months Ending May 31, 2018. - received as information.

9.4 Town of Fort Frances Water & Sewer Fund (Operating) Summary for the Five Months Ending Thursday, May 31, 2018. - received as information.

**10. Adjourn 1:02 p.m./ Next Meeting Date - July 3, 2018**

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Executive Committee Chair

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D. Brown, CAO

**TO: Administration & Finance Executive Committee**  
**FROM: Dawn Galusha, Deputy Treasurer**  
**DATE: June 28, 2018**  
**SUBJECT: Belluz Concrete and Rentals Ltd.**

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### **BACKGROUND**

At the June 25, 2018 Council Meeting, the attached request received from Rob Belluz, Belluz Concrete and Rentals Ltd. was referred to the Administration & Finance Executive Committee for recommendation with input from the Operations and Facilities Executive Committee.

The letter explains that they are looking at constructing a building to manufacture precast products at 1530 Kings Highway which requires the installation of town water services by directional drilling. The quote came in higher than expected and so they are asking Council to consider a payment plan of 40 months with no interest charges.

Attached is the report from the Operations and Facilities Executive Committee, stating that due to the late request for the payment plan, with the expected date of completion during the week of July 3<sup>rd</sup>, the work cannot be completed within this contract. The Town will continue to work with the property owner to get the requested water service installed under the roadway.

July 3, 2018

Report To: Administration and Finance Executive Committee

From: Travis Rob, Manager of Operations and Facilities

**RE: Request Dated June 25, 2018 from Belluz Concrete and Rental for Payment Plan**

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On June 25, 2018 the Town received a request from Belluz Concrete and Rentals to make payments for the installation of water service at their location at 1530 Kings Highway. Belluz reached out to the Town looking for this service to be installed in the fall of 2017 and the Town, with the property owner's permission, included this work in their 2018 Road Works tender as we would require this installation to be completed by directional drilling to not impact the roadway. The Town was planning on the installation of additional works by directional drilling this year so this was the opportune time to have this work completed.

The tender was closed on May 1, 2018 and a full cost estimate including the portion of bonds and insurance and engineering was provided to the property owner on May 2, 2018. There was an error in the spreadsheet and the number was revised slightly on June 11, 2018, the Spreadsheet can be found attached.

The contractor, Makkinga Contracting and Equipment Rentals has their drilling subcontractor coming to Town to complete their works starting July 3, 2018. This means that the work to be completed will be completed within that week. The contractor needs time to order and receive the materials to complete this work.

Unfortunately given this late request for the payment plan, the work can not be completed within this contract. The Town will continue to work with the property owner to get the requested water service installed under the roadway.

Respectfully Submitted

Paul Ryan, Chairman

Operations and Facilities Executive Committee

	Makki nga Bi d	Porti on of Cont ract	Porti on of Gener al	Porti on of Engi neer i ng	Subt ot al
1530 Kings Hwy Water Service (Directional Drill)	\$15,000.00	0.51%	\$1,159.83	\$1,615.98	\$17,775.81

HST

\$2, 310. 86

TOTAL COST

\$20, 086. 67

" General " i ncl udes mobi lizati on, demobi lizati on, bonds and i nsur ance



To whom it may concern,

We are currently looking at constructing a building to manufacture our precast products on 1530 Kings Hwy. One of the utilities that we require is town water services. We received quotations for installation of water by directional drilling and the final price is 20,086.67 (this does not include installation of sewer). The price has come in much higher than we anticipated. We would like to proceed with this installation but due to budget constraints with construction we are asking council if they would agree upon making equal payments for the installation of water over (40 months) without any incurred interest charges. As many of you are aware we have outgrown our current location and look forward to adding increased manufacturing space for our business, but it must make sense financially to expand.

Thank You,

Rob Belluz

President

Belluz Concrete and Rentals Ltd.



**To:** Administration & Finance Executive Committee  
**From:** Tyler Moffitt, Fire Chief/CEMC  
**Date:** June 28, 2018  
**Subject:** Automatic Aid Agreement with The Townships of Chapple, Emo, and La Vallee

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### **Background**

Council approved by consent my report dated May 9, 2018 re: Automatic Aid Agreement be approved to agree with the recommendation of the Administration & Finance Executive Committee to proceed with initiating an Automatic Aid Agreement with the Townships of Alberton, La Vallee, Emo and Chapple.

Josh Collings, Fire Chief of Chapple, Emo, and La Vallee has informed me that all **three** of the respective Townships are satisfied with the Town of Fort Frances edits to the agreement.

The Township of Alberton is not in the position to be part of the agreement; we are all moving forward without them.

Two of the **three** Townships have officially approved going forward with the signing of the agreement.

Josh Collings has requested that we print four copies of the agreement and have Mayor Roy Avis initiate the signing.

Attached is a Draft of the Updated Automatic Aid Agreement.

### **Recommendation**

That the Administration & Finance Executive Committee approves this report and directs Council to bring forward the resolution to proceed with signing of the Updated Automatic Aid Agreement with the Townships of Chapple, Emo, and La Vallee, as well as adopt a By-Law.

Respectfully submitted,



Tyler Moffitt Fire Chief/CEMC  
Fort Frances Fire & Rescue Service

**THIS AGREEMENT** made this            day of            , 2018.

**BETWEEN:**

**THE CORPORATION OF THE TOWNSHIP OF CHAPPLE,**

**THE CORPORATION OF THE TOWNSHIP OF EMO,**

**THE CORPORATION OF THE TOWNSHIP OF LAVALLEE**

**And The CORPORATION OF THE TOWN OF FORT FRANCES**

(herein collectively referred to as the "Parties")

**WHEREAS** Section 2. (6) of the *Fire Protection and Prevention Act, 1997*, S.O. 1997, c.4, authorizes a municipality to enter into an automatic aid agreement with other municipalities to provide and/or receive fire protection services;

**AND WHEREAS** the Townships of Chapple, Emo, La Vallee & The Town of Fort Frances operate fire protection services and manage assets suitable to meet municipal responsibilities required by the *Fire Protection and Prevention Act, 1997*, through their respective fire departments;

**AND WHEREAS** each of The Townships Chapple, Emo, La Vallee & The Town of Fort Frances are willing and prepared to make available fire protection services to the municipality nearest it via automatic aid and in coverage situations on certain terms and conditions;

**NOW THEREFORE**, in consideration of the mutual covenants conditions, considerations and payments herein contained, the respective Councils for the Townships of Chapple, Emo, La Vallee & Town of Fort Frances mutually agree as follows:

**1. Definitions for the purpose of this Agreement:**

- a) **"Designate"** means a person who, in the absence of the Fire Chief, has the same powers and authority as the Fire Chief.
- b) **"Automatic Aid Agreement Services Fees"** means the current MTO provincial rate per apparatus.
- c) **"Emo Fire & Emergency Service"** means the Township of Emo Fire & Emergency Service, herein referred to as EFES. (District Station #7)
- d) **"Chapple Fire & Emergency Service"** means The Township of Chapple Fire & Emergency Service, herein referred to as CFES. (District Station #5 South and #5 North)

- e) **“La Vallee Fire & Emergency Service”** means the Township of La Vallee Fire & Emergency Service, herein referred to as LFES. (District Station #8)
- f) **“Fort Frances Fire & Rescue Service”** means the Town of Fort Frances Fire & Rescue Service, herein referred to as FFRS (District Station #11)
- g) **“Incident Commander”** means the person in command of an incident, also referred to in this Agreement as IC.
- h) **“Fire Protection Services”** means and includes the activities defined in the *Fire Protection and Prevention Act*, more particularly described as including fire suppression, rescue and emergency services, and the delivery of all those services,
- i) **“Sufficient Resources”** means staffing and equipment to provide a response that meets the most current OFM guidelines for the particular emergency type.
- j) **“Limited Services”** refers to a variation of services differentiating from the norm as a result of extenuating circumstances, including but not limited to, levels of training, resources available, environmental variables, obstructions, roads, public highways, remote properties, private road ways, lanes, drives, and access.

## **2. Automatic Aid:**

- a) This agreement is intended to be used on a day to day basis in order to meet the following objectives:
  - (i) Ensuring the provision of equipment and personnel, which are neither practical nor reasonable for each Fire Service to provide due to economic and other conditions inherent to their provision.
  - (ii) Provide The Town of Fort Frances assist coverage for areas that are not hydrant protected, as deemed required by the Incident Commander. In the event of a hydrant system failure the coverage would also be provided to those areas.
  - (iii) Provide the Townships of Chapple, Emo, and La Vallee assist coverage for areas/situations that may require an aerial ladder apparatus, as deemed required by the Incident Commander.

## **3. Conditions of Response**

- a) Each municipality is responsible to its own taxpayers first and, as such, may refuse to supply response if its Fire Service personnel, apparatus, and or equipment are required in its own jurisdiction at the time of an incident, or in the event it deems that another Fire Service cannot provide sufficient coverage to its jurisdiction for the duration of the incident response.

- b) In the event an incident occurs in the jurisdiction of the Fire Service that is assisting another, the applicable Commanding Officer or designate may order the release of any or all personnel, apparatus and/or equipment of their Service.
- c) Conditions a and b above will be decided by the assisting Fire Service as per the chain of command.

## **6. Conditions of Agreement**

- a) This Agreement shall remain in force until any of the Parties provides written notice of termination to all other Parties not less than six months prior to the desired date of termination.
- b) This Agreement may be amended in writing by way of an Addendum to this Agreement or may be repealed and replaced with a revised Agreement at any time with the mutual consent of all Parties.
- c) In the event that there may be any dispute between the Parties to this Agreement, or any of them, with respect to any matter contained in this Agreement, including but not limited to the interpretation of this Agreement, such dispute shall be submitted to arbitration under the provisions of the *Municipal Arbitrations Act*, R.S.O 1990 c. M. 48, and the decision rendered in respect of such proceedings shall be final and binding upon the Parties to this Agreement.
- d) If for any reason the said arbitration cannot be conducted pursuant to the provisions of the *Municipal Arbitrations Act*, then the Parties hereto shall agree to the selection of a single arbitrator, and failing agreement on the selection of an arbitrator, such arbitrator shall be appointed by a judge of the Supreme Court of Ontario pursuant to the provisions of the Arbitrations Act, S.O. 1991 c. 17, or pursuant to any successor legislation.
- e) Cost for an arbitrator will be split even (50% cost sharing arrangement) between parties.

## **6. Billing Conditions**

- a) Billings under this Agreement will be completed on a monthly basis as required.
- b) The Chief Officer or designate shall notify the applicable Town or Township when any billable service has been provided by its Fire Service under this Agreement. The said Town or Township will, in accordance with its billing policies, prepare and submit a bill for all services provided during the month to each Town or Township which received such service.
- c) Billing shall be at the current MTO provincial rate per apparatus.
- d) The Township or Town receiving a bill for services under this Agreement shall remit payment of same upon receipt.

## **7. Legal**

- a) This Agreement shall come into force and effect on the date of passing thereof by the Councils of the Townships of Chapple, Emo, La Vallee, & Town of Fort Frances.
- b) This Agreement shall be reviewed by the Parties at least once every five years.
- c) If for any reason, any section, clause or provision of this Agreement is declared to be inconsistent or is declared by a Court of competent jurisdiction to be invalid, the same shall not affect the validity of this Agreement as a whole or any part thereof and shall be deemed to be severed by this Agreement.
- d) Due to the reliance of all Parties on volunteer firefighters, the topographic and geographic configuration of the respective jurisdictions, the level of firefighter training in the area on any given day, limited levels of equipment, available resources, and other constraints, the services described in this by-law are provided as “Limited Services” as defined in Section 1 of this Agreement.
- e) The Townships of Chapple, Emo, La Vallee, and the Town of Fort Frances shall not accept, sustain or incur liability for the delay or inability of their respective Fire Services to supply any of the services under this Agreement due to the provision of its approved services as Limited Services or due to the existence of unsafe conditions encountered en route, environmental factors and impeded access.
- f) No liability shall attach or accrue to the Townships of Chapple, Emo, La Vallee, and the Town of Fort Frances under this Agreement by reason of any injury or damage sustained by personnel, apparatus, and/or equipment of the Fire Service while engaged in the provision of fire protection services to any area outside of the municipal jurisdictions of the Parties.
- g) That this Agreement may be cited as the “Chapple, Emo, La Vallee & Fort Frances Automatic Aid Agreement”.
- h) This Agreement comes into effect on the day it is passed by the respective Councils of all Parties hereto.

**IN WITNESS WHEREOF** the Parties hereto have hereunto affixed their corporate seals duly attested by the hands of their authorized signatories.

**The Corporation of the Township of Chapple**

\_\_\_\_\_  
REEVE (seal)

\_\_\_\_\_  
CAO

WE HAVE AUTHORITY TO BIND THE CORPORATION.

**The Corporation of the Township of Emo**

\_\_\_\_\_  
MAYOR (seal)

\_\_\_\_\_  
CAO

WE HAVE AUTHORITY TO BIND THE CORPORATION.

**The Corporation of the Township of La Vallee**

\_\_\_\_\_  
REEVE (seal)

\_\_\_\_\_  
CLERK-TREASURER

WE HAVE AUTHORITY TO BIND THE CORPORATION.

**The Corporation of the Town of Fort Frances**

\_\_\_\_\_  
MAYOR (seal)

\_\_\_\_\_  
CLERK

WE HAVE AUTHORITY TO BIND THE CORPORATION.

**To:** Administration & Finance Executive Committee  
**From:** Tyler Moffitt, Fire Chief/CEMC  
**Date:** June 28, 2018  
**Subject:** Automatic Aid Agreement with Couchiching First Nation

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## **Background**

The Fort Frances Fire & Rescue Service is a member of the Rainy River District Mutual Aid Association. Mutual Aid is an agreement between participating municipalities in the Rainy River District that have established a fire department by-law.

This association is intended to provide voluntary reciprocal fire protection services to each other if the need arises. Presently, we can request Mutual Aid from Couchiching First Nation Fire Department for extra firefighters and pumper trucks, because we have firefighters and pumper trucks, and vice versa.

However, Couchiching First Nation Fire Department cannot request an aerial ladder truck, which Fort Frances Fire Rescue Service has, because Couchiching First Nation Fire Department does not have one.

Meanwhile, if the Couchiching First Nation Fire Department ever acquires a tanker truck that has the capacity of 1500 Imperial Gallons or greater (it may happen in the next year) ... the Fort Frances Fire Rescue Service could not request one, because we do not have one.

As well, both the Fort Frances Fire Rescue Service and the Couchiching Fire Department have Fire Protection Service Agreements with different facilities/groups situated on Couchiching First Nation and Agency One Land.

If either one of our Fire Services are called upon to respond to a fire at one of these facilities, and additional resources are needed ... Mutual Aid cannot be called because of the Fire Protection Agreements, which are in place with all of these individual facilities/groups.

Going forward, I would like to initiate the signing of an Automatic Aid Agreement with Couchiching First Nation, which will enable Couchiching First Nation Fire Department to request an Aerial Ladder Truck if the need arises and if at the time one can be provided. When the Couchiching First Nation Fire Department acquires a tanker truck that has the capacity of 1500 Imperial Gallons or greater ... it will enable us to request it ... if the need arises and if at the time one can be provided.

As well, it will enable either the Fort Frances Fire Rescue Service and Couchiching First Nation Fire Department the ability to request additional resources such as firefighters and fire apparatus if the need arises, and if at the time either fire service can provide them for fires/incidents at any of the facilities that are under a Fire Protection Agreement.

As well, the agreement will allow either fire service to return to their community at any time should the need arise.

Invoicing will be monthly and will be at the current MTO hourly rate per apparatus.

Attached is a Draft of the Automatic Aid Agreement, which needs to be reviewed, as well as necessary additions and/or changes made. The Fire Chief of Couchiching First Nation Fire Department will also be bringing forward the same recommendation to his respected chief and council.

## **Recommendation**

That the Administration & Finance Executive Committee approves this report and directs Council to bring forward the resolution to proceed with initiating the future signing of an Automatic Aid Agreement with the Couchiching First Nation.

Respectfully submitted,



Tyler Moffitt Fire Chief/CEMC  
Fort Frances Fire & Rescue Service

THIS AGREEMENT made this            day of            , 2018.

**BETWEEN:  
COUCHICHING FIRST NATION**

**And The CORPORATION OF THE TOWN OF FORT FRANCES**

(herein collectively referred to as the "Parties")

**WHEREAS** Section 2. (6) of the *Fire Protection and Prevention Act, 1997*, S.O. 1997, c.4, authorizes a municipality to enter into an automatic aid agreement with other municipalities to provide and/or receive fire protection services;

**AND WHEREAS** Couchiching First Nation & The Town of Fort Frances operate fire protection services and manage assets suitable to meet municipal responsibilities required by the *Fire Protection and Prevention Act, 1997*, through their respective fire departments;

**AND WHEREAS** each of Couchiching First Nation & The Town of Fort Frances are willing and prepared to make available fire protection services to the municipality nearest it via automatic aid and in coverage situations on certain terms and conditions;

**NOW THEREFORE**, in consideration of the mutual covenants conditions, considerations and payments herein contained, the respective Councils for Couchiching First Nation & Town of Fort Frances mutually agree as follows:

**1. Definitions for the purpose of this Agreement:**

- a) **"Designate"** means a person who, in the absence of the Fire Chief, has the same powers and authority as the Fire Chief.
- b) **"Automatic Aid Agreement Services Fees"** means the current MTO provincial rate per apparatus.
- c) **"Couchiching Fire Department"** means the Couchiching First Nation Fire Department, herein referred to as CFD. (District Station #12)
- d) **"Fort Frances Fire & Rescue Service"** means the Town of Fort Frances Fire & Rescue Service, herein referred to as FFRS (District Station #11)
- e) **"Incident Commander"** means the person in command of an incident, also referred to in this Agreement as IC.
- f) **"Fire Protection Services"** means and includes the activities defined in the *Fire Protection and Prevention Act*, more particularly described as including fire suppression, rescue and emergency services, and the delivery of all those services,
- g) **"Sufficient Resources"** means staffing and equipment to provide a response that meets the most current OFM guidelines for the particular emergency type.



- h) **“Limited Services”** refers to a variation of services differentiating from the norm as a result of extenuating circumstances, including but not limited to, levels of training, resources available, environmental variables, obstructions, roads, public highways, remote properties, private road ways, lanes, drives, and access.

## **2. Automatic Aid:**

- a) This agreement is intended to be used on a day to day basis in order to meet the following objectives:
  - (i) Ensuring the provision of equipment and personnel, which are neither practical nor reasonable for each Fire Service to provide due to economic and other conditions inherent to their provision.
  - (ii) Provide The Town of Fort Frances assist coverage for areas that are not hydrant protected, as deemed required by the Incident Commander. In the event of a hydrant system failure the coverage would also be provided to those areas.
  - (iii) Provide Couchiching First Nation assist coverage for areas/situations that may require an aerial ladder apparatus, as deemed required by the Incident Commander.
  - (iv) Provide Couchiching First Nation assist coverage for areas under a Fire Protection Agreement that may require additional resources, as deemed required by the Incident Commander.
  - (v) Provide The Town of Fort Frances assist coverage for areas under a Fire Protection Agreement that may require additional resources, as deemed required by the Incident Commander.

## **3. Conditions of Response**

- a) Each community is responsible to its own citizens first and, as such, may refuse to supply response if its Fire Service personnel, apparatus, and or equipment are required in its own jurisdiction at the time of an incident, or in the event it deems that another Fire Service cannot provide sufficient coverage to its jurisdiction for the duration of the incident response.
- b) In the event an incident occurs in the jurisdiction of the Fire Service that is assisting another, the applicable Commanding Officer or designate may order the release of any or all personnel, apparatus and/or equipment of their Service.
- c) Conditions a and b above will be decided by the assisting Fire Service as per the chain of command.

## **6. Conditions of Agreement**

- a) This Agreement shall remain in force until any of the Parties provides written notice of termination to all other Parties not less than six months prior to the desired date of termination.

- b) This Agreement may be amended in writing by way of an Addendum to this Agreement or may be repealed and replaced with a revised Agreement at any time with the mutual consent of all Parties.
- c) In the event that there may be any dispute between the Parties to this Agreement, or any of them, with respect to any matter contained in this Agreement, including but not limited to the interpretation of this Agreement, such dispute shall be submitted to arbitration under the provisions of the *Municipal Arbitrations Act*, R.S.O 1990 c. M. 48, and the decision rendered in respect of such proceedings shall be final and binding upon the Parties to this Agreement.
- d) If for any reason the said arbitration cannot be conducted pursuant to the provisions of the *Municipal Arbitrations Act*, then the Parties hereto shall agree to the selection of a single arbitrator, and failing agreement on the selection of an arbitrator, such arbitrator shall be appointed by a judge of the Supreme Court of Ontario pursuant to the provisions of the Arbitrations Act, S.O. 1991 c. 17, or pursuant to any successor legislation.
- e) Cost for an arbitrator will be split even (50% cost sharing arrangement) between parties.

## **6. Billing Conditions**

- a) Billings under this Agreement will be completed on a monthly basis as required.
- b) The Chief Officer or designate shall notify the applicable First Nation or Town when any billable service has been provided by its Fire Service under this Agreement. The said Town or Township will, in accordance with its billing policies, prepare and submit a bill for all services provided during the month to each First Nation or Town, which received such service.
- c) Billing shall be at the current MTO provincial rate per apparatus.
- d) The First Nation or Town receiving a bill for services under this Agreement shall remit payment of same upon receipt.

## **7. Legal**

- a) This Agreement shall come into force and effect on the date of passing thereof by the Councils of Couchiching First Nation, & Town of Fort Frances.
- b) This Agreement shall be reviewed by the Parties at least once every five years.
- c) If for any reason, any section, clause or provision of this Agreement is declared to be inconsistent or is declared by a Court of competent jurisdiction to be invalid, the same shall not affect the validity of this Agreement as a whole or any part thereof and shall be deemed to be severed by this Agreement.

**AUTOMATIC AID AGREEMENT BETWEEN COUCHICHING FIRST NATION, AND THE TOWN OF FORT FRANCES**

- d) Due to the reliance of all Parties on volunteer firefighters, the topographic and geographic configuration of the respective jurisdictions, the level of firefighter training in the area on any given day, limited levels of equipment, available resources, and other constraints, the services described in this by-law are provided as “Limited Services” as defined in Section 1 of this Agreement.
- e) Couchiching First Nation, and the Town of Fort Frances shall not accept, sustain or incur liability for the delay or inability of their respective Fire Services to supply any of the services under this Agreement due to the provision of its approved services as Limited Services or due to the existence of unsafe conditions encountered en route, environmental factors and impeded access.
- f) No liability shall attach or accrue to Couchiching First Nation, and the Town of Fort Frances under this Agreement by reason of any injury or damage sustained by personnel, apparatus, and/or equipment of the Fire Service while engaged in the provision of fire protection services to any area outside of the municipal jurisdictions of the Parties.
- g) That this Agreement may be cited as the “Couchiching & Fort Frances Automatic Aid Agreement”.
- h) This Agreement comes into effect on the day it is passed by the respective Councils of all Parties hereto.

**IN WITNESS WHEREOF** the Parties hereto have hereunto affixed their corporate seals duly attested by the hands of their authorized signatories.

**Couchiching First Nation**

\_\_\_\_\_  
CHIEF IN COUNCIL

(seal)

\_\_\_\_\_  
CAO/CLERK

WE HAVE AUTHORITY TO BIND THE CORPORATION.

**The Corporation of the Town of Fort Frances**

\_\_\_\_\_  
MAYOR

(seal)

\_\_\_\_\_  
CLERK

WE HAVE AUTHORITY TO BIND THE CORPORATION.

# THE TOWN OF FORT FRANCES

## Section: Community Services

### Policy: Municipal Alcohol Policy

Creation Date: FEBRUARY 1995

Resolution Number:

Revision Date: JUNE 2018

Policy Number: 2.1

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#### **1. POLICY OBJECTIVES**

- A. To develop appropriate procedures and provide education to individuals or groups wishing to hold events in municipally-owned facilities to ensure that all legislation pertaining to Special Occasion Permits is properly understood and strictly complied with.
- B. To ensure proper supervision and operation of Special Occasion Permit events to protect the organizers, the participating public, volunteers, the Corporation and its staff from liability by providing education in prevention and intervention techniques and through effective management procedures.
- C. To encourage and reinforce responsible, moderate drinking practices for consumers through the development of appropriate operational procedures, controls, training and education.
- D. To respect the decision of abstainers not to drink alcohol and to encourage their participation by providing alternative non-alcoholic drinks.
- E. To provide for a balanced use of alcohol and no-alcoholic beverages through Special Occasion Permits so that alcohol becomes a responsible part of a social function rather than the reason for it.

#### **2. MUNICIPAL FACILITIES ELIGIBLE FOR SPECIAL OCCASION PERMITS (SOP) OR CATERER'S ENDORSEMENT**

- A. Arena Auditorium
- B. Arena Main Floor when ice is out
- C. East End Hall
- D. Museum
- E. Library
- F. Council Chambers
- G. Committee Room (Town Hall)
- H. Airport Grounds
- I. Sorting Gap Marina
- J. Rainy Lake Square (By Caterer's Endorsement ONLY – No SOP – Stop serving alcohol by 11pm)

### **3. MUNICIPAL FACILITIES NOT ELIGIBLE FOR SPECIAL OCCASION PERMITS OR ALCOHOL CONSUMPTION**

- A. St. Francis Sports Fields
- B. Memorial Sports Centre Grounds
- C. Point Park
- D. Arena Seating Area
- E. Arena Change Rooms
- F. Fort Frances Seniors Centre (Formerly Sister Kennedy Centre)

#### **\* EVENTS NOT ELIGIBLE FOR SPECIAL OCCASION PERMITS**

All youth events and all minor sports events, including banquets, are designated as events not suitable for alcohol use. Associated adult evening social events commencing after 8:30 pm will be allowed, however, minors will not be allowed into these licensed events.

### **4. SERVER TRAINING**

In order to be eligible to rent a municipal facility for a Special Occasion Permit event, the renter must demonstrate to the facility representative that a minimum of 60% of event workers and 100% of event servers have been trained in responsible serving techniques (see 6.2). The Smart Serve Responsible Alcohol Beverage Service Training Program is approved by the Alcohol and Gaming Commission of Ontario (AGCO) as a responsible server training program.

### **5. PROVIDE FOOD AND NON-ALCOHOLIC BEVERAGES**

In order to be eligible to rent a municipal facility for a Special Occasion Permit event, the renter must demonstrate to the satisfaction of the facility representative that a quantity of non-alcohol beverages be displayed and available at no charge or at a cost much lower than that of drinks containing alcohol. Fresh drinking water must be available for those in attendance.

Food must be provided beginning no later than 8 pm and must not be removed until the bar closes. Chips, peanuts, popcorn and other snacks do not qualify as food on their own. At the very least food consists of sandwiches, cheese and vegetables with dip.

### **6. CONTROLS**

6.1 In order to be eligible to rent a municipal facility for a Special Occasion Permit event, the renter must demonstrate to the satisfaction of the facility representative that the municipal alcohol policy is understood, that the regulations will be strictly observed and that sufficient controls are in place that will assist in ensuring compliance with the policy. The renter **MUST** sign the rental agreement, failure to do so will result in the rental application being denied, even if a Special Occasion Permit has been obtained from AGCO (Alcohol and Gaming Commission of Ontario).

6.2 The event sponsor must provide a list of event workers that have been trained in a responsible server training course to the facility representative at least two weeks prior to the event. This applies whether alcohol will be sold or provided at no charge.

6.3 The event sponsor must obtain a Special Occasion Permit from the Liquor License Board of Ontario and must show proof of this to the facility representative at least one week prior to the event.

6.4 Each entrance will be diligently supervised by a minimum of two server-trained people 19 years of age or over.

6.5 Ensure that no one under the age of majority is served alcohol. Anyone who appears to be under 25 years will be required to show identification before they are allowed into the event

- 6.6 Event staff are to check the identification of all participants at masquerade events.
- 6.7 The only acceptable form of identification will be in compliance with the Ontario Regulation 389/91 s. 29 (5) of the Liquor License Act which includes:
- (a) a driver's licence with photograph;
  - (b) a Canadian passport;
  - (c) a Canadian citizenship card with photograph;
  - (d) a Canadian Armed Forces Identification Card;
  - (e) a permanent resident card issued by the Government of Canada;
  - (f) a Secure Certificate of Indian Status card issued by the Government of Canada; or,
  - (g) a photo card issued by the Liquor Control Board of Ontario.
- 6.8 At events where youth under nineteen (19) years of age are permitted entry, the Event Organizer shall not allow promotional advertising of alcoholic beverage names, brands or manufacturers outside the designated alcohol service area.
- 6.9 The person who signs the Special Occasion Permit Application and the Rental Agreement must attend the event and be responsible for making decisions regarding the operation of the event. A person may be appointed as a designate to attend the event and assume the responsibility in the permit holder's place.
- 6.10 Before the event starts, the event sponsor and facility staff must ensure that the physical setting is safe for both drinkers and non-drinkers.
- 6.11 The event sponsor and facility staff must prevent patrons from engaging in activities that can harm themselves or others.
- 6.12 All exits must be monitored.
- 6.13 A floor supervisor will be available upon request to event workers who require assistance.
- 6.14 During a Special Occasion Permit event being held at Fort Frances facilities, all bottles, with the exception of wine bottles, must be retained within the bar area and all drinks must be served in paper or plastic cups.
- 6.15 The Sorting Gap Marina & Airport Grounds Special Occasion Permit event area must be fenced appropriately.
- 6.16 Marketing practices which encourage increased consumption, such as oversize drinks, double shots of spirits, pitchers of beer, drinking contests, and volume discounts are not permitted. The sale of shooters is prohibited.
- 6.17 Alcoholic beverages are to be served in accordance with the standard drink measurements. No energy drinks (with or without alcohol in them) shall be sold, served or consumed.
- 6.18 No extra strength beer allowed (over 5%)
- 6.19 A variety of no-alcohol and low-alcohol beverages must be available for purchase (30% of the total drinks available must be no-alcohol or low-alcohol).
- 6.20 There will be no last call. When entertainers/DJs arrive, they must be informed that there is to be no "last call".
- 6.21 The licensee must abide by the rules of the Municipal Alcohol Policy as enforced by the facility representative.
- 6.22 If applicable, a minimum of two server-trained people will be designated to sell tickets. Tickets will no longer be on sale after 12:30 a.m.
- 6.23 A Special Occasion Permit event must have sixty percent of the servers and floor supervisors trained in a server training program. There must be at least one trained server behind the bar at all times.
- 6.24 All event workers must wear highly visible identification provided by the permit holder.

- 6.25 Whenever possible, police will be notified by the permit holder or his/her representative of a potentially risky situation before the situation is out of control.
- 6.26 The bar area will close no later than 1:00 a.m. and all entertainment must be completed by 1:05 a.m. (except where otherwise specified).
- 6.27 Facilities must be vacated by patrons by 1:30 a.m. and the permit holder shall remove all evidence of the service and consumption of liquor by 1:45 a.m.
- 6.28 Patrons must purchase drink tickets from a designated ticket seller to a maximum of four (4) tickets or drinks per purchase per person.
- 6.29 Patrons indicating they wish to submit pre-purchased alcohol tickets for a full refund will have the option to do so, during the event to the time bar closes at 1:00 a.m., up to a maximum of four (4) tickets per person. Guests cannot be required to purchase a minimum number of drinks (or drink tickets) to enter or remain at the event.
- 6.30 Event workers must report any infraction of this policy to the Town within 24 hours or the start of the next business day.
- 6.31 Event workers must report any infraction that requires police involvement to the OPP and Town staff immediately. If the permit holder does not correct the infraction(s), and the police are in attendance, the police may close down the event.
- 6.32 All reported infractions will be reviewed by the Town. If determined that infractions were mismanaged, a letter will be sent describing the infraction to the permit holder informing that rental privileges may be revoked.
- 6.33 The Town of Fort Frances, at the sole discretion of Council or designate, reserves the right to require two (2) security officers for a minimum of four (4) hours at an outdoor event where there will be more than 300 patrons, the cost of which will be borne by the sponsoring group or individual.
- 6.34 Groups who fail to comply with the Municipal Alcohol Policy are subject to the consequence of not being allowed to rent a Town facility for a minimum period of 12 months.

Note: Closed Private Functions (such as weddings, anniversaries, etc. are exempted from 6.4 and 6.23.

## **7. INSURANCE**

The renter(s) with a Special Occasion Permit event being held in a municipally owned facility is required to provide proof of third party liability insurance (\$5 million minimum) or obtain third party liability insurance through the Town of Fort Frances at least fourteen (14) days before the event.

## **8. GUIDELINES FOR SPECIAL OCCASION PERMIT HOLDERS**

- 8.1 As the contact person for a Special Occasion Permit, you and your group can be held liable for injuries and damages arising from failure to adhere to the Liquor Licence Act of Ontario. These infractions include serving someone to intoxication, serving someone who is already intoxicated, serving minors, and failing to prevent impaired individuals from driving.
- 8.2 In order to reduce your group's risk of liability, the following guidelines shall be followed:
  - (a) The event sponsor is responsible for decision-making during the event and therefore shall refrain from consuming alcohol while the event is in progress.
  - (b) All event workers shall refrain from consuming alcohol while the event is in progress. Workers may only drink alcohol if they have completed their shift and their work responsibilities have ended for the entire event.

- (c) At least one municipal representative **with authority to demand correction and/or shut down an even on behalf of the Town** will be available and/or on call, and may check all Special Occasion Permit Events.
- (d) The event sponsor shall take reasonable steps to prevent impaired people from driving.
- (e) The event sponsor will be held responsible for any damages arising during the event.

## 9. SIGNAGE

- 9.1 Serving Practices signs will be provided by the Town of Fort Frances to be placed in the bar area. The signs will state: "It is against the Liquor Licence Act of Ontario for licensed establishments to serve customers to intoxication. For this reason, Servers in our facilities are required to obey the law and not serve anyone to intoxication. We are also pleased to offer non-alcohol beverages."
- 9.2 Accountability signs will be supplied by the Town of Fort Frances. These signs will be posted at the bar and main entrance of all Liquor Licenced Events. These signs will inform patrons where to direct concerns regarding the manner in which the function has been operated. In addition, to naming the sponsor of the event, these signs should include the name and address and phone numbers of the Municipal Office, Police Service and the Alcohol & Gaming Commission of Ontario.  
Having these signs visible to participants eliminates any confusion on who to contact for information or to lodge complaints regarding an event.
- 9.3 No Last Call sign stating "Last Call will not be announced" to be placed in the bar area. This sign will be provided by the Town of Fort Frances.
- 9.4 A sign must be posted at the alcohol ticket sales tables stating "ALCOHOL TICKET SALES: No more than four (4) tickets per person may be sold at a time".
- 9.5 Unused Tickets sign stating "The bar closes at 1:00 am. Unused tickets will be refundable up to the time the Liquor Licenced Event expires." This sign will be provided by the Town of Fort Frances. This sign to be placed at bar or ticket sale area.
- 9.6 Proof of age signs must be posted near entrances and in bar areas designated as eligible for alcohol use which read "You must be 19 years or older to consume alcohol at a Special Occasion Permit Event. The only acceptable proof of age is government-issued photo identification".
- 9.7 Restricted areas in Town facilities will be clearly posted "Alcohol is not permitted in this area".

## 10. SAFE TRANSPORTATION

The risk of liability is high when an impaired driver leaves an event where alcohol is served. The Event Organizer is responsible to take the necessary steps to reduce the possibility of impaired driving. The Event Organizer is responsible for promoting safe transportation options for attendees of the event or contacting police as appropriate, including for persons who may be denied entry or are removed from the event.

As a condition of rental, the Event Organizer must have a Safe Transportation Strategy in effect. Examples of a Safe Transportation Strategy include:

- Providing non-alcohol beverages either at no charge or at a cost much lower than that of drinks containing alcohol.
- Providing alternate means of transportation for those who are suspected to be intoxicated (e.g. call a friend, relative, or taxi).
- Calling police if someone who is suspected to be impaired cannot be convinced to use



alternate transportation.

- Providing a Designated Driver Program which encourages and identifies designated drivers that will use a vehicle to transport intoxicated persons to a place of safety. This program should include announcements made periodically throughout the event to those in attendance encouraging the use of a designated driver or alternate means of transportation; program information posted prominently in the licensed/alcohol service area; and plans for backup transportation options that include those for whom the intoxicated person may be responsible.
- Advertise the Use of Taxi Service – The event organizer shall advertise or announce the availability of a taxi service to attendees of the event. If not required to provide a taxi service, the liquor licence event organizer shall ensure that appropriate signage is erected at the facility, which includes the telephone number and/or use their best efforts to obtain any attendee a taxi upon request.

## **11. POLICY IMPLEMENTATION / REVIEW**

The Municipal Alcohol Policy will be reviewed as necessary, at least every three years, by the Community Services Executive Committee with revision recommendations made to Council. After revisions to the Municipal Alcohol Policy are adopted by Council, the municipality shall orient pertinent staff on the revised policy & any potential new requirements and promote the policy to the community by posting to the Town website.

## APPENDIX “A” - AGREEMENT FORM FOR SPECIAL OCCASION PERMIT HOLDER

1. I have read and understand the Town of Fort Frances Municipal Alcohol Policy.
2. I understand that I must adhere to the conditions of the Municipal Alcohol Policy and the Liquor Licence Act of Ontario.
3. I understand that if I or other individuals at the event fail to adhere to the Municipal Alcohol Policy, Fort Frances staff will take the appropriate action. This action may include eviction from the premises, revoking of the Special Occasion Permit, and the notification of local authorities.
4. I understand I can be held liable for injuries and damages arising from failure to adhere to the Liquor Licence Act of Ontario.

\_\_\_\_\_  
Signature – Permit Holder/Event Sponsor

\_\_\_\_\_  
Name (printed)

\_\_\_\_\_  
Signature – Facility Representative

\_\_\_\_\_  
Date

### Event Workers (please print)

Bartenders	Floor Supervisors	Door Supervisors	Ticket Sellers

**Special Security** (if required) \_\_\_\_\_, \_\_\_\_\_

## APPENDIX “B” – JOB DESCRIPTIONS AND RESPONSIBILITIES FOR EVENT STAFF

**Permit Holder/Event Sponsor:** Signs the alcohol permit, is the general manager of the event and assumes responsibility and liability for the operation of the event. She or he must attend the event, ensure that there are enough server-trained staff available, co-ordinate and help staff, and ask for help from security if needed.

**Bartender:** Accepts tickets for the purchase of alcohol drinks, serves drinks, monitors for intoxication, refuses service when patron appears to be intoxicated or near intoxication and offers no-alcohol substitute.

**Floor Supervisor/Monitor:** Chats with participants, monitors patron behaviour, monitors for intoxication. Responds to problems and complaints, refuses service, removes intoxicated persons, suggests safe transportation options.

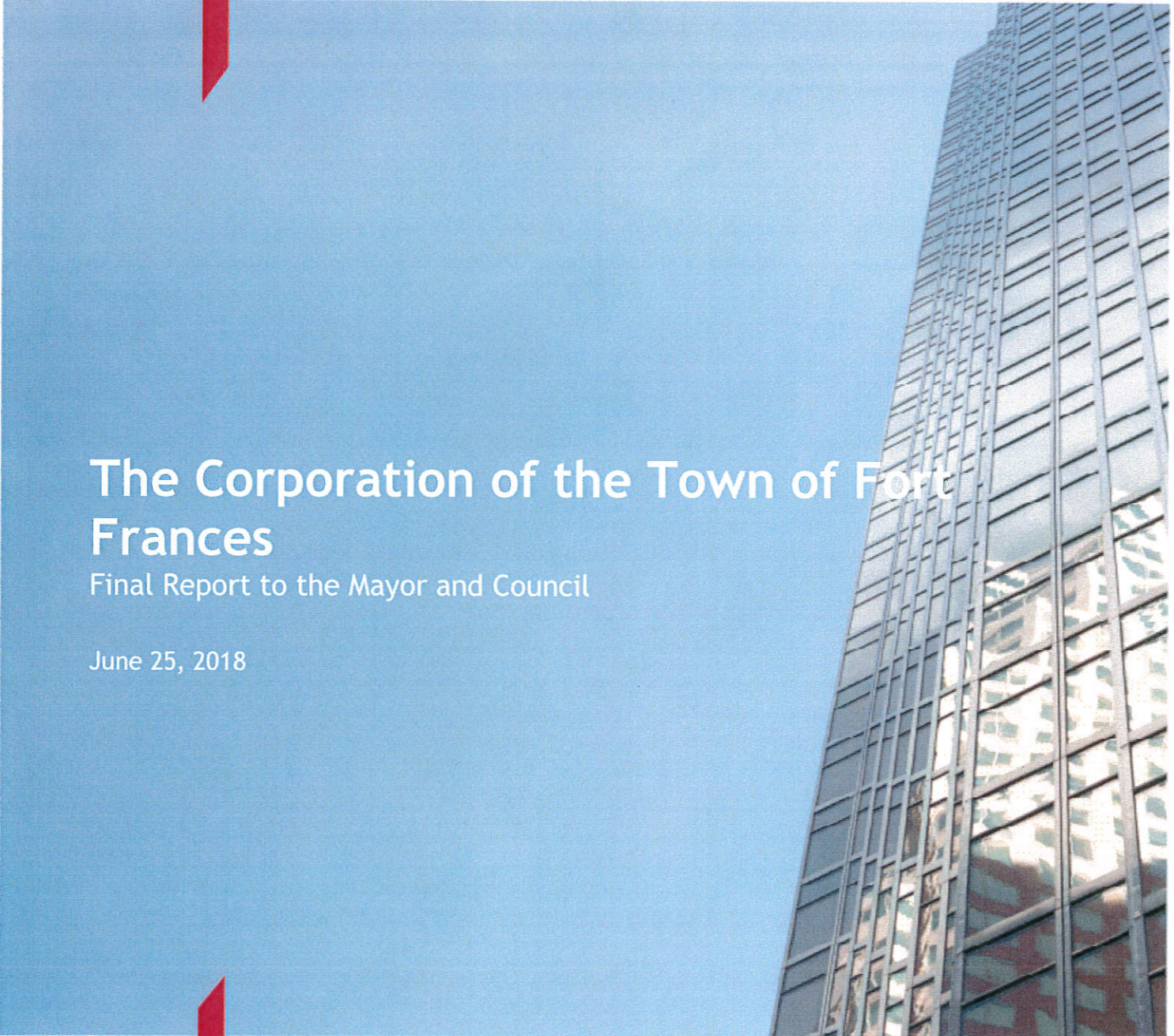
**Door Supervisor/Monitor:** Checks identification and for signs of intoxication, keeps out intoxicated and troublesome individuals, monitors for those showing signs of intoxication when leaving the event, recommends safe transportation options and arranges for coat checking.

**Ticket Seller:** Sells alcohol tickets to a maximum of four (4) per person per purchase, monitors for intoxication, refuses sale to patrons at or near intoxication, refunds tickets on request.

**Special Security:** Patrols the room, scans for potential trouble, notifies event staff and permit holder of potential incidents, helps event staff to handle disturbances.

### Suggested Ratio of Event Workers

Number of Participants	Bartenders	Floor Supervisors	Door Supervisors	Ticket Sellers
Under 25	1	0	1	0
25 to 50	1	1	1	1
51 to 100	2	2	2	2
101 to 200	2	3	3	2
201 to 300	3	3	3	3
301 to 400	3	3	4	3
401 to 500	4	4	4	5
501 to 750	6	6	6	6
751 to 1300	8	8	8	8



# The Corporation of the Town of Fort Frances

Final Report to the Mayor and Council

June 25, 2018





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BDO Canada LLP  
607 Portage Avenue  
Fort Frances, Ontario  
P9A 0A7

June 25, 2018

The Mayor and Members of Council  
The Corporation of the Town of Fort Frances

Dear Mayor and Council Members:

We are pleased to present the results of our audit of the consolidated financial statements of The Corporation of the Town of Fort Frances (the "Municipality") for the year ended December 31, 2017. The purpose of our report is to summarize certain aspects of the audit that we believe to be of interest to the Mayor and Council and should be read in conjunction with the draft consolidated financial statements and our draft audit report.

Our audit and therefore this report will not necessarily identify all matters that may be of interest to Mayor and Council in fulfilling their responsibilities.

This report has been prepared solely for the use of Mayor and Council and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

We wish to express our appreciation for the co-operation we received during the audit from the Municipality's management and staff who have assisted us in carrying out our work. We look forward to meeting with you to discuss the contents of this report and any other matters that you consider appropriate.

Yours truly,

BDO Canada LLP  
Chartered Professional Accountants, Licensed Public Accountants

A handwritten signature in black ink, appearing to read "J. Evans", with a long horizontal stroke extending to the right.

Jon Evans, CPA, CA  
Partner through a corporation

## TABLE OF CONTENTS

Status of the Audit	4
Independence	5
Materiality	5
Audit Findings	6
Fraud Discussion	8
Internal Control Matters	9
Other Required Communications	10
BDO Resources	11
Appendix A - Unadjusted Differences	

## STATUS OF THE AUDIT

As of the date of this final report, we have substantially completed our audit of the 2017 consolidated financial statements pending the completion of the items highlighted below. These items will need to be completed prior to issuance of our audit report on the consolidated financial statements.

### COMPLETION OF AUDIT

- Receipt of signed Management representation letter
- Receipt of outstanding legal confirmations
- Subsequent events review through to financial statement approval date

### FINANCIAL STATEMENTS

- Approval of consolidated financial statements by Mayor and Council

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the consolidated financial statements are free from material misstatement. Except as described in this report, the scope of the work performed was substantially the same as that described in our Planning Report to Mayor and Council dated December 12, 2017.

## INDEPENDENCE

At the core of the provision of external audit services is the concept of independence. Canadian generally accepted auditing standards require us to communicate to Mayor and Council at least annually, all relationships between BDO Canada LLP and its related entities and The Corporation of the Town of Fort Frances and its related entities, that, in our professional judgment, may reasonably be thought to bear on our independence with respect to the audit of the Municipality.

Our annual letter confirming our independence was previously provided to you. We know of no circumstances that would cause us to amend the previously provided letter.

## MATERIALITY

Misstatements, including omitted financial statement disclosures, are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As communicated to you in our Planning Report to the Mayor and Council, preliminary materiality was set as outlined below. Final materiality remained unchanged from our preliminary assessment.

	Materiality
The Corporation of the Town of Fort Frances	\$ 500,000
Fort Frances Power Corporation	\$ 90,000
Fort Frances Network Services	\$ 500,000



## AUDIT FINDINGS

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

### ACCOUNTING AND AUDIT MATTERS

#### Revenue Recognition

Our audit included review for unrecognized supplemental/omitted levies and tax write offs and review of revenue recognition policy for consistency with professional standards.

#### Expenditure Recognition

Our audit included review of program expenditures to ensure that only valid expenditures have been recognized and that expenses allocated towards specific government transfers meet the eligibility criteria outlined in the related funding agreement.

## **ADJUSTED AND UNADJUSTED DIFFERENCES**

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

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

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

## **MANAGEMENT REPRESENTATIONS**

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

We will provide you a copy of the management representation letter which summarizes the representations we have requested from management.

## FRAUD DISCUSSION

Canadian generally accepted auditing standards require us to discuss fraud risk with Mayor and Council on an annual basis. As an update to the discussion held with the Mayor and Council during the planning of our audit, we have prepared the following comments:

Required Discussion	BDO Response	Question to Mayor and Council
Details of existing oversight processes with regards to fraud.	Based on our discussions during the planning of our audit, the Mayor and Council's oversight processes include: <ul style="list-style-type: none"> <li>• Mayor and Council charters;</li> <li>• Discussions at Mayor and Council meetings;</li> <li>• Review of related party transactions; and</li> <li>• Consideration of tone at the top.</li> </ul>	Are there any new processes or changes in existing processes relating to fraud since the date of our previous discussions, that we should be aware of?
Knowledge of actual, suspected or alleged fraud.	Currently, we are not aware of any actual, suspected or alleged fraud.	Are you aware of any instances of actual, suspected or alleged fraud affecting the Municipality?

### AUDITORS' RESPONSIBILITIES FOR DETECTING FRAUD

We are responsible for planning and performing the audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatements, whether caused by error or fraud.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error, because fraud may involve collusion as well as sophisticated and carefully organized schemes designed to conceal it.

The scope of the work performed was substantially the same as that described in our Planning Report to the Mayor and Council dated December 12, 2017.

## INTERNAL CONTROL MATTERS

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

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

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

We are required to report to you in writing, significant deficiencies in internal control that we have identified during the audit. A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

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



## OTHER REQUIRED COMMUNICATIONS

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

Communication Required	Auditors' Response
Potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the consolidated financial statements.	No such material risks or exposures identified.
The final draft of the representation letter.	We will provide you a copy of the management representation letter which summarized the representations we have requested from management.
Material uncertainties related to events and conditions that may cast significant doubt on the Municipality's ability to continue as a going concern.	No material uncertainties identified.
Disagreements with management about matters that, individually or in aggregate, could be significant to the Municipality's consolidated financial statements or our audit report.	We had no disagreements with management about matters which could be significant to the financial statements.
Matters involving non compliance with laws and regulations	No non-compliance with laws or regulations identified.
Significant related party transactions that are not in the normal course of operations and which involve significant judgments made by management concerning measurement or disclosure.	No significant related party transactions outside of the normal course of operations identified.
Subsequent events that have caused changes to the audit report	No such subsequent events identified.
Modifications in opinion	No modifications in opinion.
Emphasis of matters paragraphs or other matters paragraphs	No emphasis of matters paragraphs are present within the audit report.

Significant matters arising from the audit that were discussed or subject to correspondence with management.

No such matters.

Significant accounting policies, estimates and judgments

Unreasonable management's refusal to allow the auditor to send a confirmation request, or the inability to obtain relevant and reliable audit evidence from alternative audit procedures.

Management did not refuse to allow us to send any confirmation requests.

Limitation of the scope of the audit imposed by management.

No limitations of the scope of the audit imposed.

Findings from the group audit.

No issues to note regarding group audit. Results of Fort Frances Power Corporation and Fort Frances Network services were correctly accounted for in the Town's Consolidated Financial Statements.

Material misstatements that affect the prior period financial statements on which the predecessor auditor had previously reported on without modification.

No such material misstatements exist.

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

No known consultations.

Other matters

No other matters requiring communication.

## BDO RESOURCES

BDO is one of Canada's largest accounting services firms providing assurance and accounting, taxation, financial advisory, risk advisory, financial recovery and consulting services to a variety of publicly traded and privately held companies.

BDO serves its clients through 105 offices across Canada. As a member firm of BDO International Limited, BDO serves its multinational clients through a global network of over 1,100 offices in more than 100 countries. Commitment to knowledge and best practice sharing ensures that expertise is easily shared across our global network and common methodologies and information technology ensures efficient and effective service delivery to our clients.

Outlined below is a summary of certain BDO resources which may be of interest to the Mayor and Council.

## **PUBLICATIONS**

- Public Sector Accounting Standards -Annual Update
- PSAB at a Glance Series of Publications

## **TAX BULLETINS, ALERTS AND NEWSLETTERS**

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

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



## APPENDIX A Unadjusted Differences

### SUMMARY OF UNADJUSTED DIFFERENCES

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

	Assets	Increase (Decrease)			Net Income
		Liabilities	Equity		
Unrecognized retirement bonus liabilities for eligible employees	\$ -	\$ 51,000	\$ -	\$ -	(51,000)
Unrecorded invoice from Hatch Corporation	113,375	113,375	-	-	-
Impact of misstatements in Fort Frances Power Corporation	(29,481)	-	-	-	(29,481)
Total	83,894	164,375	-	-	(80,481)
Tax Effect	-	-	-	-	-
Effect of Prior Year's Reversing Errors	-	-	-	-	-
Total Unadjusted Differences	\$ 83,894	\$ 164,375	\$ -	\$ -	(80,481)