



Township Of Drummond/North Elmsley

#20 Committee of the Whole – Chair, Paul Kehoe
Tuesday, October 11, 2022 following Council - Council Chambers

Agenda

PLEASE NOTE: Meetings of Council and the Committee of the Whole are open to the public however they are not a public forum. Members of the public are welcome to attend and your interest is appreciated, however due to time constraints, we request that individuals or groups wishing to appear before Council or the Committee at a regular meeting shall advise the Clerk not later than 2:00 p.m. on the Thursday prior to the meeting as per By-law No. 2010-017.

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#18 Minutes Meeting of September 27, 2022 Committee of The Whole

The Committee of the Whole met on Tuesday, September 27, 2022 at the Township of Drummond/North Elmsley Administrative Building, 310 Port Elmsley Rd.

Members Present:	Steve Fournier Ray Scissons Paul Kehoe John Matheson Paul Coutts	Reeve Deputy Reeve Councillor Councillor (Chair) Councillor
Staff Present:	Cindy Halcrow Cathy Ryder Scott Cameron Brady McGlade Peter Echlin Laura Code Rick Patterson	Chief Administrative Officer Clerk Public Works Manager Planner Chief Building Official Public Works Assistant Building Inspector

Note: Reeve Fournier chaired the meeting until 4:04 when Councillor Matheson assumed the chair. Councillor Coutts joined the meeting at 4:05

1. Call to Order

The meeting was called to order at 4:00 p.m. A quorum was present.

2. Disclosure of Pecuniary Interest

The Chair invited members wishing to disclose a pecuniary interest to do so now. No members declared a pecuniary interest.

3. Minutes of Previous Meetings

3.1. Regular Session Minutes of September 13, 2022

MOTION #COW-22-172

MOVED BY: Ray Scissons
SECONDED BY: Paul Kehoe

THAT the Committee of the Whole approves the minutes of the regular Committee of the Whole meeting held on September 13, 2022 as circulated.

ADOPTED

4. Approval of Agenda

MOTION #COW-22-173

MOVED BY: Ray Scissons
SECONDED BY: Paul Kehoe

THAT the Committee of the Whole approves the agenda for the September 27, 2022 meeting of the Committee of the Whole, as presented.

ADOPTED

5. Petitions/Delegations/Public Hearings

5.1. Pollinator Habitat Restoration on Rights-of-Way, Canadian Wildlife Federation (Victoria Woodhouse) – via Zoom

Victoria Woodhouse reviewed her presentation on Pollinator Habitat restoration on rights-of-way project. They work with land managers to restore breeding and migratory habitat for pollinators along rights-of-way. The advantages of planting native plants assist with pollinator decline, crowding out invasive noxious weeds, flood attenuation and reduced roadway runoff and creates a natural snow fence.

5.2. Weed Control Act + Wild Parsnip Control - Lanark County (Michelle Vala & Darren Umpherson)

Michelle Vala and Darren Umpherson, County of Lanark, reviewed the presentation on the Weed Control Act + Wild Parsnip Control. They reviewed the County's Integrated Pest Management Vegetation Management Plan, wild parsnip control program, option for controlling wild parsnip and the municipal responsibilities under the Weed Control Act. There has been no boom spraying since 2020 and the amount of spot spraying has dropped dramatically while hand removal efforts have increased significantly. There was discussion on remote control cutter, responsibility on private property, notification when the County sprays, cost associated with a weed control program, protection when pulling wild parsnip by hand

Note: The Committee of the Whole recessed at 5:05 p.m.

The Committee of the Whole resumed at 5:36 p.m.

5.3. Public Meeting - Armstrong Zoning Amendment – ZA-22-09

Public in Attendance: None

Councillor Matheson called the public meetings to order at 5:36 p.m. and provided an overview of the Public Meeting process including:

- the purpose and process of the meeting
- the flow and timing of documentation and the process that follows this meeting
- any person wanting a copy of the decision regarding the application is advised to leave their name and mailing address on the sheet provided at the meeting.

Planner's report and presentation:

The Planner reported that the purpose of the amendment is to re-zone a property located at 939 Drummond Concession 1 to permit a garden suite as a temporary use for a period of up to 20 years and to increase the allowable accessory building height from 5 m to 7.5 m to allow for the garden suite to be located on the second storey of a garage.

External/Internal Agency Comments: Health Unit permit was obtained by applicant, no public comments.

Presentations and Discussion:

Questions: Councillor Kehoe asked about garden suites versus storage above the garage /residential units. The Planner said that the new OP will address garden suites.

6. Communication/Correspondence

No items were pulled from the Communication package although the following item was discussed before the motion was adopted:

Item #3: Committee of Adjustment Minutes – Steve Fournier

Staff were directed to send the Committee of Adjustment notices to all Council members.

MOTION #COW-22-174

MOVED BY: Steve Fournier

SECONDED BY: Ray Scissions

THAT THE COMMITTEE OF THE WHOLE receives the remainder of the communication items for the September 27, 2022 Committee of the Whole as information.

ADOPTED

7. Committee and Board Reports

7.1. Community Development

a) Report of the Planner – Armstrong Zoning

The Planner reviewed his report regarding re-zoning a property located at 939 Drummond Concession 1 to permit a garden suite as a temporary use for a period of up to 20 years and to increase the allowable accessory building height from 5 m to 7.5 m to allow for the garden suite to be located on the second storey of a use garage. The Committee accepted the recommendation, and the following motion was adopted:

MOTION #COW-22-175

MOVED BY: Paul Kehoe

SECONDED BY: Steve Fournier

THAT the Committee of the Whole approves Application ZA-22-09; and

FURTHERMORE THAT a by-law implementing the zoning amendment be brought to Council for passage.

ADOPTED

7.2. Public Works: No reports

7.3. Corporate Services

a) Report of CAO – Private Road Name Signs Policy

The CAO reviewed her report on establishing a policy that provides for municipal responsibility to pay for road name signs on private roads. The policy would be restricted to road name signs only and any other road signage would be the responsibility of the road associations.

MOTION #COW-22-176

MOVED BY: Steve Fournier
SECONDED BY: Paul Kehoe

THAT the Committee of the Whole supports the Private Road Signage Policy; and

FURTHERMORE THAT staff are directed to bring a by-law forward for Council passage.

ADOPTED

7.4. Community Services: No reports

7.5. Clerk/Members of Council

a) Report of Reeve

- Sept 16 – CBC interview re: acclamation of all Council
- Sept 20 – Laid wreath at the Perth Hospital Cenotaph in honour of Queen Elizabeth
- Sept 27 – Lake 88 interview re: acclamation of all Council
- Sent thank you letters to all outgoing committee members.

b) Report from Fire Board, Paul Coutts

- Insurance coverage increased 20% over last year

c) Report from the Library Board – John Matheson

- The Perth and District Library has been reaccredited for the next 5 years.
- The 2023 budget was approved at a 5.74% increase of which 4.7% is salary and benefits.
- The CEO would like to come to a meeting in the spring to discuss what services the library provides.

d) Report from CA's

Mississippi Valley Conservation Authority, Paul Kehoe

- Dealing with organizational challenges

e) Report from Members of Committee: No reports

8. Closed Session: None

9. Unfinished Business

9.1. MVCA - Memorandum of Understanding for Category 2 Programs & Services and a Cost Apportionment Agreements for the Category 3 Programs and Services. Councillor Kehoe reported that the motion was deferred at the last meeting. He requested it be put back on the agenda as MVCA wanted to provide the City of Ottawa with a show of support from the local municipalities for Category and 3 programs.

MOTION #COW-22-177

MOVED BY: Paul Kehoe
SECONDED BY: Paul Coutts

THE COMMITTEE OF THE WHOLE RECOMMENDS TO COUNCIL,
THAT Council supports continued delivery of Category 2 and 3 programs by Mississippi Valley Conservation Authority (MVCA) subject to the City of Ottawa's continued support; and

FURTHERMORE THAT Township staff work with MVCA staff on a Memorandum of Understanding (MOU) and Cost Apportionment Agreement (CAA) development to be presented to Council in early 2023.

ADOPTED

9.2. Noxious Weed Policy Discussion

There was discussion on what should be included in the Noxious Weed Policy such as spraying, cutting, mowing etc. Councillor Kehoe raised concerns about the use of chemical spraying and would not be in favour of a policy that supports spraying. Reeve Fournier requested that the policy include cutting, mowing and limited emergency spraying. Councillor Kehoe requested that before any option is performed, that this is communicated to Council members prior to being carried out. Reeve Fournier requested that the Township manage this program inhouse. The CAO reported that the Township will investigate the provisions for planting pollinators.

Action Item: Direction given to staff to prepare a Noxious Weed Policy and bring back for review and comment.

10. New Business: None

11. Adjournment

MOTION #COW-22-178

MOVED BY: Ray Scissions
SECONDED BY: Paul Kehoe

THAT the Committee of the Whole stand adjourned at 6:10 p.m.

ADOPTED

CHAIR

CLERK

Consolidated Financial Statements of

**CORPORATION OF THE
TOWNSHIP OF
DRUMMOND/NORTH
ELMSLEY**

Year ended December 31, 2021

DRAFT

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Consolidated Financial Statements

Year ended December 31, 2021

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Management's Responsibility for the Consolidated Financial Statements

Independent Auditors' Report

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Corporation of the Township of Drummond/North Elmsley are the responsibility of the Township's management and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards. A summary of significant accounting policies are described in note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

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

Cindy Halcrow, Clerk Administrator

Angela Millar, Treasurer

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Drummond/North Elmsley

Opinion

We have audited the consolidated financial statements of the Corporation of the Township of Drummond/North Elmsley (the "Entity"), which comprise:

- the consolidated statement of financial position as at December 31, 2021
- the consolidated statement of operations and accumulated municipal equity for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

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

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

Other Matter – Comparative Information

The financial statements as at and for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 11, 2021.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

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

Chartered Professional Accountants, Licensed Public Accountants

Perth, Canada

October 11, 2022

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Consolidated Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Financial assets:		
Cash	\$ 4,419,241	\$ 2,730,008
Investments (note 3)	565,946	804,400
Taxes receivable	570,706	587,916
Accounts receivable	445,773	1,494,123
	<u>6,001,666</u>	<u>5,616,447</u>
Financial liabilities:		
Accounts payable and accrued liabilities	1,398,632	1,348,180
Accrued landfill closure and post closure (note 8)	1,785,089	844,973
Prepaid property taxes	441,390	424,209
Deferred revenue (note 4)	683,292	19,922
Long-term debt (note 5)	104,513	310,463
	<u>4,412,916</u>	<u>2,947,747</u>
Net financial assets	1,588,750	2,668,700
Non-financial assets:		
Tangible capital assets (note 12)	18,297,036	18,133,805
Inventories	28,000	42,100
Prepaid expenses	61,052	65,201
Total non-financial assets	<u>18,386,088</u>	<u>18,241,106</u>
Commitments (note 10)		
Contingent liabilities (note 11)		
Subsequent events (note 16)		
Accumulated municipal equity (note 6)	<u>\$ 19,974,838</u>	<u>\$ 20,909,806</u>

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

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Consolidated Statement of Operations and Accumulated Municipal Equity

Year ended December 31, 2021, with comparative information for 2020

	Budget 2021	Actual 2021	Actual 2020
	(note 14)		
Revenue:			
Property taxation	\$ 5,374,515	\$ 5,399,066	\$ 5,363,469
User charges	185,416	238,189	255,168
Government grants	904,900	1,132,110	3,159,868
Government grants - gas tax	—	206,641	221,270
Contributions from developers	—	1,200	220,665
Licenses and permits	139,000	98,437	149,451
Investment income	55,000	64,599	107,862
Penalties and interest on taxes	94,000	91,978	82,502
Provincial offenses	50,000	15,082	47,975
Other	67,910	91,323	45,628
	6,870,741	7,338,625	9,653,858
Expenses (note 13):			
General government	1,163,019	1,095,979	955,813
Protection to persons and property	1,955,695	1,938,238	1,855,685
Transportation services	2,693,261	2,721,796	2,526,260
Environmental services	1,030,168	1,805,731	934,051
Recreation and culture services	504,854	549,079	550,923
Planning and development	151,773	162,770	172,430
	7,498,770	8,273,593	6,995,162
Annual surplus (deficit)	(628,029)	(934,968)	2,658,696
Accumulated municipal equity, beginning of year	20,909,806	20,909,806	18,251,110
Accumulated municipal equity, end of year	\$ 20,281,777	\$ 19,974,838	\$ 20,909,806

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

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2021, with comparative information for 2020

	Budget 2021 (note 14)	Actual 2021	Actual 2020
Annual surplus (deficit)	\$ (628,029)	\$ (934,968)	\$ 2,658,696
Amortization of tangible capital assets	908,504	1,047,621	1,021,820
Acquisition of tangible capital assets	(1,481,000)	(1,210,852)	(4,732,159)
Disposal of tangible capital assets	—	—	5,985
Change in prepaid expenses	—	4,149	3,157
Acquisition of long-term debt	1,000,000	—	—
Change in inventories	—	14,100	(6,750)
Change in net financial assets	(200,525)	(1,079,950)	(1,049,251)
Net financial assets, beginning of year	2,668,700	2,668,700	3,717,951
Net financial assets, end of year	\$ 2,468,175	\$ 1,588,750	\$ 2,668,700

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

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Consolidated Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Operating activities:		
Annual surplus (deficit)	\$ (934,968)	\$ 2,658,696
Item not involving cash:		
Amortization of tangible capital assets	1,047,621	1,021,820
Accrued landfill closure and post closure	940,116	103,125
Change in non-cash operating working capital:		
Taxes receivable	17,210	(50,647)
Prepaid expenses	4,149	3,157
Accounts receivable	1,048,350	(1,082,739)
Accounts payable and accrued liabilities	50,452	449,429
Deferred revenue	663,370	(71,657)
Prepaid property taxes	17,181	38,644
Inventories	14,100	(6,750)
	2,867,581	3,063,078
Capital activities:		
Acquisition of tangible capital assets	(1,210,852)	(4,732,159)
Disposal of tangible capital assets	—	5,985
	(1,210,852)	(4,726,174)
Financing activities:		
Repayment of long-term debt	(205,950)	(201,911)
Investing activities:		
Redemption of investments	238,454	—
Increase (decrease) in cash	1,689,233	(1,865,007)
Cash, beginning of year	2,730,008	4,595,015
Cash, end of year	\$ 4,419,241	\$ 2,730,008

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

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements

Year ended December 31, 2021

The Corporation of the Township of Drummond/North Elmsley (the 'Township') was incorporated January 1, 1998 (being an amalgamation of the former Township of Drummond and Township of North Elmsley) and assumed its responsibilities under the authority of the Minister of Municipal Affairs and the Municipal Act. The Township operates as a lower tier government in the Corporation of the County of Lanark (the "County of Lanark"), in the Province of Ontario, Canada and provides municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations.

1. Significant accounting policies:

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

(a) Basis of consolidation:

- (i) The consolidated financial statements reflect financial assets, liabilities, operating revenues and expenses, reserves, reserve funds and changes in investment in tangible capital assets of the Township. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Township and which are owned or controlled by the Township. Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated. These consolidated financial statements include the following joint local boards, which are not controlled by the Township, have been consolidated on a proportionate basis:

- Perth and District Public Library Board
- Drummond/North Elmsley Tay Valley Fire Rescue

- (ii) The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these consolidated financial statements.

(b) Basis of accounting:

- (i) The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(b) Basis of accounting (continued):

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

(c) Taxation and related revenues:

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

(d) Tangible capital assets:

Tangible capital assets are recorded at historical cost or where historical cost records were not available, other methods determined to provide a best estimate of historical cost and accumulated amortization of the assets. Costs include all amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies (continued):

(d) Tangible capital assets (continued):

The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Buildings	20 to 60 years
Machinery and equipment	5 to 30 years
Vehicles	3 to 25 years
Roads	5 to 20 years
Bridges	75 years

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

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

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

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

(e) Inventories:

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

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(f) Employee future benefit obligations:

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

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

(g) Government transfers:

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

(h) Deferred revenue:

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

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

Deferred revenue represents certain user charges and fees which have been collected but for which the related services have yet to be performed. Deferred revenue also represents contributions that the Township has received pursuant to legislation, regulation or agreement that may only be used for certain programs or in the completion of specific work. These amounts are recognized as revenue in the fiscal year the services are performed or related expenses incurred.

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(i) Investments:

Investments are recorded at cost plus accrual interest. If the market value of investments become lower than cost and the decline in value is considered to be other than temporary, the investments are written down to market value.

(j) Landfill closure and post-closure liabilities:

The Township accrues landfill closure and post-closure care requirements that have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a twenty-five year period using the best information available to management.

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

(k) Liability for contaminated sites:

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

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

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

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

1. Significant accounting policies (continued):

(l) Use of estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

2. Operations of school boards:

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

	School boards		County of Lanark	
	2021	2020	2021	2020
Property taxes	\$ 1,981,839	\$ 2,074,725	\$ 4,356,963	\$ 4,267,167
Taxation from other governments	13,668	16,321	15,115	14,990
Amounts requisitioned and paid	\$ 1,995,507	\$ 2,091,046	\$ 4,372,078	\$ 4,282,157

3. Investments:

Investments reported on the Consolidated Statement of Financial Position have cost and market values as follows:

	2021 Cost	2021 Market value
Guaranteed investment certificates	\$ 565,946	\$ 656,946

	2020 Cost	2020 Market value
Guaranteed investment certificates	\$ 804,400	\$ 804,400

The guaranteed investment certificates yield interest between 2.70% and 3.36% and have maturities ranging from November 2022 to November 2023.

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

4. Deferred revenue:

A requirement of public sector accounting standards of the Chartered Professional Accountants of Ontario is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as Provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded. The transactions for the year are summarized below:

	OCIF	Parkland	Gas tax	Development charges	Building	Total
January 1, 2021	\$ -	\$ 4,253	\$ 11	\$ 15,658	\$ -	\$ 19,922
Government grants	1,055	-	483,510	-	-	484,565
Contributions	-	-	-	232,000	151,806	383,806
Interest	-	39	2,201	600	-	2,840
Transfer for capital projects	-	-	(206,641)	(1,200)	-	(207,841)
December 31, 2021	\$ 1,055	\$ 4,292	\$ 279,081	\$ 247,058	\$ 151,806	\$ 683,292

5. Long-term debt:

(a) The balance of long-term liabilities reported on the Consolidated Statement of Financial Position is comprised of the following:

	2021	2020
Ontario Infrastructure and Lands Corporation (1.99%), with semi annual blended payments of \$211,108, maturing February 2022.	\$ 104,513	\$ 310,463

(b) Principal payments are due as follows:

2022	\$ 104,513
------	------------

(c) Interest expense on long-term liabilities in 2021 amounted to \$5,159 (2020 - \$9,197).

(d) These payments are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

6. Municipal equity:

	2021	2020
Investment in tangible capital assets:		
Tangible capital assets	\$ 18,297,036	\$ 18,133,805
Long-term liabilities	(104,513)	(310,463)
	18,192,523	17,823,342
Unrestricted surplus	28,000	42,100
Unfinanced capital projects:		
Roads	(820,134)	(500,000)
Environmental	(1,208,865)	(318,750)
	(2,028,999)	(818,750)
Reserves (Schedule 1)	3,783,314	3,863,114
Total accumulated municipal equity	\$ 19,974,838	\$ 20,909,806

7. Pension contributions:

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

The last available report was at December 31, 2021 and at that time, the plan reported a \$31 billion actuarial deficit (2020 - \$3.2 billion actuarial deficit).

The amount contributed to OMERS was \$133,009 (2020 - \$134,004) for current services and is included as an expense on the Consolidated Statement of Operations.

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

8. Landfill closure and post-closure liability:

The Environment Protection Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage and is in accordance with the Township's accounting policy.

The anticipated closure plan of the active site involves placement of low permeability native soils over the buried wastes, landscaping and revegetation and ongoing annual monitoring and maintenance at an estimated capital cost of \$3,615,501. Annual post closure maintenance and monitoring requirements are estimated to be \$35,000 per annum.

The Township currently has one active and three inactive landfill sites.

The three inactive landfill sites were closed in 1970 (Drummond site) and 1980 (North Elmsley and Ebb's Bay Road) and involved covering the site. The North Elmsley and Ebb's Bay Road sites were leased by the Township. The Township purchased the North Elmsley site in 2004. The inactive sites are no longer subject to annual post closure costs.

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a twenty-five year period using the best information available to management. Preparation of the revised Closure Plan started in 2017. According to the 2021 Annual Report, the plan will combine Phase 1 of the site that has an expectant life of 5 to 6 years, with Phase 2 that has a capacity projection of 55 years based on average density of 681 kg/m³. Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities discounted at the Township's average long term borrowing rate of 2.59% and using an assumed rate of 2.5% for inflation. The estimated total landfill closure and post-closure care expenses are calculated to be approximately \$3,615,501. For sites that are inactive, the estimated liability for these expenses is recognized immediately as an operational expense. Included in liabilities on the Consolidated Statement of Financial Position at December 31, 2021 is an amount of \$1,785,089 (2020 - \$844,973) with respect to landfill closure and post-closure liabilities recognized to date.

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

9. Provincial Offences Administration (POA):

The Corporation of The Town of Perth (the "Town of Perth") has assumed the administration of the Provincial Offences office for all County of Lanark resident municipalities. The transfer of administration from the Ministry of the Attorney General to the Town of Perth was a result of the Provincial Offences Act ("POA") 1997, which provides the framework for the transfer of responsibility and administration of POA courts.

The POA is a procedural law for administering and prosecuting provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor Licence Act, Municipal By-Laws and minor federal offences. The POA governs all aspects of legal process from serving notice to a defendant, to conducting trials, including sentencing and appeals.

If fines are paid at other court offices, the receipt is recorded in the Integrated Courts Operation Network System ("ICON") operated by the Province of Ontario. Revenue is recognized when receipt of funds is recorded by the provincial ICON system regardless of the location where payment is made.

The Township shares net POA revenues based on weighted assessment.

The Township's share of net revenues arising from operation of the POA office have been consolidated with these financial statements. The revenue of the court office consists of fines levied under Parts I and III (including delay penalties) for POA charges filed in the Town of Perth court.

10. Commitments:

- (a) The Township is provided police services by the Ontario Provincial Police under Section 5.1 of the Police Services Act. The annual charges are determined based on base costs and calls for service, overtime, prisoner transport, cleaning and accommodation. The adjustment as a result of the 2021 reconciliation of annual costs will be included on the 2022 billing statement. The amount paid in 2021 for police service usage was \$1,098,458 (2020 - \$1,144,656).
- (b) The Township has negotiated a contract with Glenview Iron & Metal for the handling and collection of waste and the collection and disposal of recycled materials. In 2020 the Township extended the contract to December 31, 2024 with the option of extending via two one-year extensions at negotiated pricing to the limits of Consumer Price Index. Annual charges under the contract are determined by the number of pick ups that are required annually, which is based on the number of units calculated annually plus the Consumer Price Index and a fuel surcharge clause. Payments made under the contract for the year 2021 were \$477,462 (2020 - \$464,103).

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

10. Commitments (continued):

- (c) During the year, the Township entered into a capital contract for the Buttermilk Hill Road Bridge. The project will be completed in fiscal 2022. The remaining contract is \$180,000, plus HST.

11. Contingent liabilities:

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. With respect to claims as at December 31, 2021, management believes that the Township has valid defences and adequate insurance coverages in place.

In the event any claims are successful, the amount of any potential liability is not determinable, therefore, no amount has been accrued in the consolidated financial statements.

12. Tangible capital assets:

Cost	Balance, January 1, 2021	Additions	Disposals	Balance, December 31, 2021
Land	\$ 522,900	\$ 20,119	\$ —	\$ 543,019
Buildings	2,599,773	99,216	—	2,698,989
Machinery and equipment	3,463,426	163,792	(20,000)	3,607,218
Vehicles	871,384	—	—	871,384
Roads	27,203,196	107,590	—	27,310,786
Bridges	1,183,589	820,135	—	2,003,724
	\$ 35,844,268	\$ 1,210,852	\$ (20,000)	\$ 37,035,120

Accumulated amortization	Balance, January 1, 2021	Amortization	Adjustments	Balance, December 31, 2021
Land	\$ —	\$ —	\$ —	\$ —
Buildings	1,266,324	70,056	—	1,336,380
Machinery and equipment	1,554,057	210,200	(20,000)	1,744,257
Vehicles	414,410	34,005	—	448,415
Roads	14,140,415	717,882	—	14,858,297
Bridges	335,257	15,478	—	350,735
	\$ 17,710,463	\$ 1,047,621	\$ (20,000)	\$ 18,738,084

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

12. Tangible capital assets:

	2020 Net book value	2021 Net book value
Land	\$ 522,900	\$ 543,019
Buildings	1,333,449	1,362,609
Machinery and equipment	1,909,369	1,862,961
Vehicles	456,974	422,969
Roads	13,062,781	12,452,489
Bridges	848,332	1,652,989
	\$18,133,805	\$18,297,036

13. Segmented information:

The Township is a diversified municipal government that provides a wide range of services to its citizens. The services are provided by departments and their activities are reported in the Consolidated Statement of Operations.

Departments have been separately disclosed in the segmented information, along with the service they provide, are set out in the schedule below.

For each reported segment, expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

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

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

13. Segmented information (continued):

2021	Salaries wages and employee benefits	Debenture debt interest	Material and services	External transfers	Amortization	Total
General government	\$ 728,406	\$ -	\$ 341,922	\$ 1,200	\$ 24,451	\$ 1,095,979
Protection to persons and property	344,611	-	1,460,833	78,099	54,695	1,938,238
Transportation services	668,393	5,159	1,173,890	-	874,354	2,721,796
Environmental services	176,575	-	1,586,872	-	42,284	1,805,731
Recreation and cultural services	145,435	-	118,339	233,468	51,837	549,079
Planning and development	119,886	-	42,884	-	-	162,770
	\$ 2,183,306	\$ 5,159	\$ 4,724,740	\$ 312,767	\$ 1,047,621	\$ 8,273,593

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

13. Segmented information (continued):

2020	Salaries wages and employee benefits	Debenture debt interest	Material and services	External transfers	Amortization	Total
General government	\$ 669,281	\$ -	\$ 265,846	\$ -	\$ 20,686	\$ 955,813
Protection to persons and property	340,762	-	1,388,382	68,732	57,809	1,855,685
Transportation services	610,665	9,197	1,027,520	25,101	853,777	2,526,260
Environmental services	172,159	-	724,542	-	37,350	934,051
Recreation and cultural services	132,882	-	117,989	247,854	52,198	550,923
Planning and development	99,481	-	72,949	-	-	172,430
	\$ 2,025,230	\$ 9,197	\$ 3,597,228	\$ 341,687	\$ 1,021,820	\$ 6,995,162

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

14. Budget figures:

The 2021 budget amounts that were approved were not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Board Standards). The budget included capital items such as infrastructure replacements and estimated costs for constructed assets, as program expenses, but the actual expenses have been removed in the Consolidated Statement of Operations. The revenues attributable to these items continue to be included in the Consolidated Statement of Operations, resulting in a significant variance. The following analysis is provided to assist readers in their understanding of differences between the approved budget and the audited consolidated financial statements:

	Budget	Actual
Total revenue	\$ 6,870,741	\$ 7,338,625
Total expenses	7,498,770	8,273,593
Annual deficit	(628,029)	(934,968)
Amortization	908,504	1,047,621
Available funds	280,475	112,653
Capital expenses	(1,481,000)	(1,210,853)
Acquisition of long-term debt	1,000,000	—
Acquisition of inventory	—	14,100
Principal debt repayment	(206,000)	(205,950)
Decrease in operating surplus	\$ (406,525)	\$ (1,290,050)
Allocated as follows:		
Net transfers from reserves	\$ (353,400)	\$ (79,800)
Net increase in unfinanced capital	(53,125)	(1,210,250)
	\$ (406,525)	\$ (1,290,050)

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2021

15. Impact of COVID-19 pandemic:

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian, Ontario and municipal governments, enacting emergency measures to combat the spread of the virus. The pandemic has had significant operational and financial impacts as a result of social and market disruption. The Township continued to experience impacts of the pandemic in the 2021 fiscal year.

Impacts have been mitigated by associated funding and other cost saving measures. The outcome and time frame for a recovery from the pandemic is unknown, and therefore it is not practicable to estimate and disclose its financial effect on future operations at this time.

16. Subsequent events:

- (a) In February 2022, the Township entered into a debenture agreement for the Armstrong and Buttermilk Hill Road Bridges. The debenture is for \$1,000,000 at an interest rate of 2.59% over a 10-year term.
- (b) In June 2022, the Township entered into an agreement for the construction of a winter sand storage structure in the amount of \$566,016 plus applicable taxes.

17. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted for the current year.

CORPORATION OF THE TOWNSHIP OF DRUMMOND/NORTH ELMSLEY

Schedule 1 - Continuity of Reserves and Reserve Funds

Year ended December 31, 2021, with comparative information for 2020

	Budget 2021 (note 14)	Actual 2021	Actual 2020
Net transfers from (to) other funds			
Transfers from operations	\$ —	\$ 154,237	\$ 1,092,856
Transfers to capital acquisitions	353,400	(234,037)	(1,794,050)
Total net transfers	353,400	(79,800)	(701,194)
Reserves and reserve fund balances, beginning of year	3,863,114	3,863,114	4,564,308
Reserves and reserve fund balances, end of year	\$ 4,216,514	\$ 3,783,314	\$ 3,863,114
Composition of Reserves and Reserve Funds			
		2021	2020
Reserves set aside for specific purposes by Council:			
For operating purposes:			
Working capital		\$ 756,187	\$ 743,011
Contingencies		676,009	682,541
Waste sites		576,812	379,633
Election		40,680	22,425
Library and joint boards		778,224	694,268
		2,827,912	2,521,878
For capital purposes:			
Acquisition of capital assets		955,402	1,341,236
Total reserves and reserve funds		\$ 3,783,314	\$ 3,863,114

Corporation of the Township of Drummond/North Elmsley

Audit Findings Report
for the year ended December 31, 2021

KPMG LLP

Licensed Public Accountants

Prepared as of October 5, 2022 for the Council Meeting
on October 11, 2022

kpmg.ca/audit



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KPMG contacts

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Our refreshed Values

What we believe



Integrity
We do what is right.



Excellence
We never stop learning and improving.



Courage
We think and act boldly.



Together
We respect each other and draw strength from our differences.



For Better
We do what matters.

Audit highlights

Purpose of this report¹

The purpose of this Audit Findings Report is to assist you, as a member of Council, in your review of the results of our audit of the consolidated financial statements (“financial statements”) as at and for the year ended December 31, 2021 for the Corporation of the Township of Drummond/North Elmsley (the “Township”).

Changes from the audit plan

There have been no significant changes regarding our audit plan.

Status of the audit

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

- obtaining evidence of Council’s approval of the financial statements;
- receipt of signed management representation letter; and
- completion of subsequent event review procedures.

We will update the Council, and not solely the Reeve, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditors’ report will be dated upon the completion of any remaining procedures.

Significant risks and other significant matters

There are no significant findings to communicate related to significant risks or other significant matters.

Control deficiencies

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

Uncorrected and corrected differences

During our audit, we identified differences which remain uncorrected as well as certain adjustments that were communicated to management and subsequently corrected in the financial statements.

See page 14.

Significant accounting policies and practices

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

Independence

We are independent with respect to the Township, in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada.

¹ This Audit Findings Report is intended solely for the information and use of Management and Council and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Significant changes from our audit plan

We have not made any significant changes to our audit plan which was communicated to you in the audit planning report, and note that:

Consideration from Audit Plan	Our Response
Your Audit Team	The senior team remained consistent from the team presented in the Audit Plan.
Materiality	Materiality was set at \$150,000, which represented approximately 2.15% of prior year total expenses. Current year actual total expenses increased to \$8.3M, therefore, materiality represented 1.81% of current year expenses. This falls within the acceptable range of our required benchmark of between 0.5% - 3.0%. No changes to materiality were required.
Significant financial reporting risks	In the Audit Plan, we did not identify any significant financial reporting risk other than the presumed risks of fraud noted below. We did not identify any additional significant financial reporting risks that required additional audit procedures.
Areas of audit focus	We identified certain areas of audit focus in our Audit Plan. We did not identify any additional areas of audit focus and have no significant findings to report as a result of these procedures.
Fraud Risk	We performed our required audit procedures in professional standards over fraud risk as communicated in the Audit Plan and did not identify any additional fraud risks from our audit work. As part of our unpredictable procedures, we reviewed the corporate purchasing cards throughout the year to ensure existence of supporting documentation and appropriate secondary review. We identified a control observation related to this, which was communicated to management.
External auditor transition	We worked closely with Management to ensure a seamless transition of the external audit relationship and completed all steps required by our professional standards, including communications with the predecessor auditor.
Additional audit related work – requests of Council	No additional audit-related work was requested by Council.

Financial statement highlights

Consolidated Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
Financial assets:		
Cash	\$ 4,419,241	\$ 2,730,008
Investments (note 3)	565,946	804,400
Taxes receivable	570,706	587,916
Accounts receivable	445,773	1,494,123
	6,001,666	5,616,447
Financial liabilities:		
Accounts payable and accrued liabilities	1,398,632	1,348,180
Accrued landfill closure and post closure (note 8)	1,785,089	844,973
Prepaid property taxes	441,390	424,209
Deferred revenue (note 4)	683,292	19,922
Long-term debt (note 5)	104,513	310,463
	4,412,916	2,947,747
Net financial assets	1,588,750	2,668,700
Non-financial assets:		
Tangible capital assets (note 12)	18,297,036	18,133,805
Inventories	28,000	42,100
Prepaid expenses	61,052	65,201
Total non-financial assets	18,386,088	18,241,106
Commitments (note 10)		
Contingent liabilities (note 11)		
Subsequent events (note 16)		
Accumulated municipal equity (note 6)	\$ 19,974,838	\$ 20,909,806

Financial Assets:

- Strong cash position
- Decrease in investments due to redemption during the year
- Accounts receivable decrease mainly due to receipt of \$1M outstanding grants for Tennyson Road project in the prior year

Financial Liabilities:

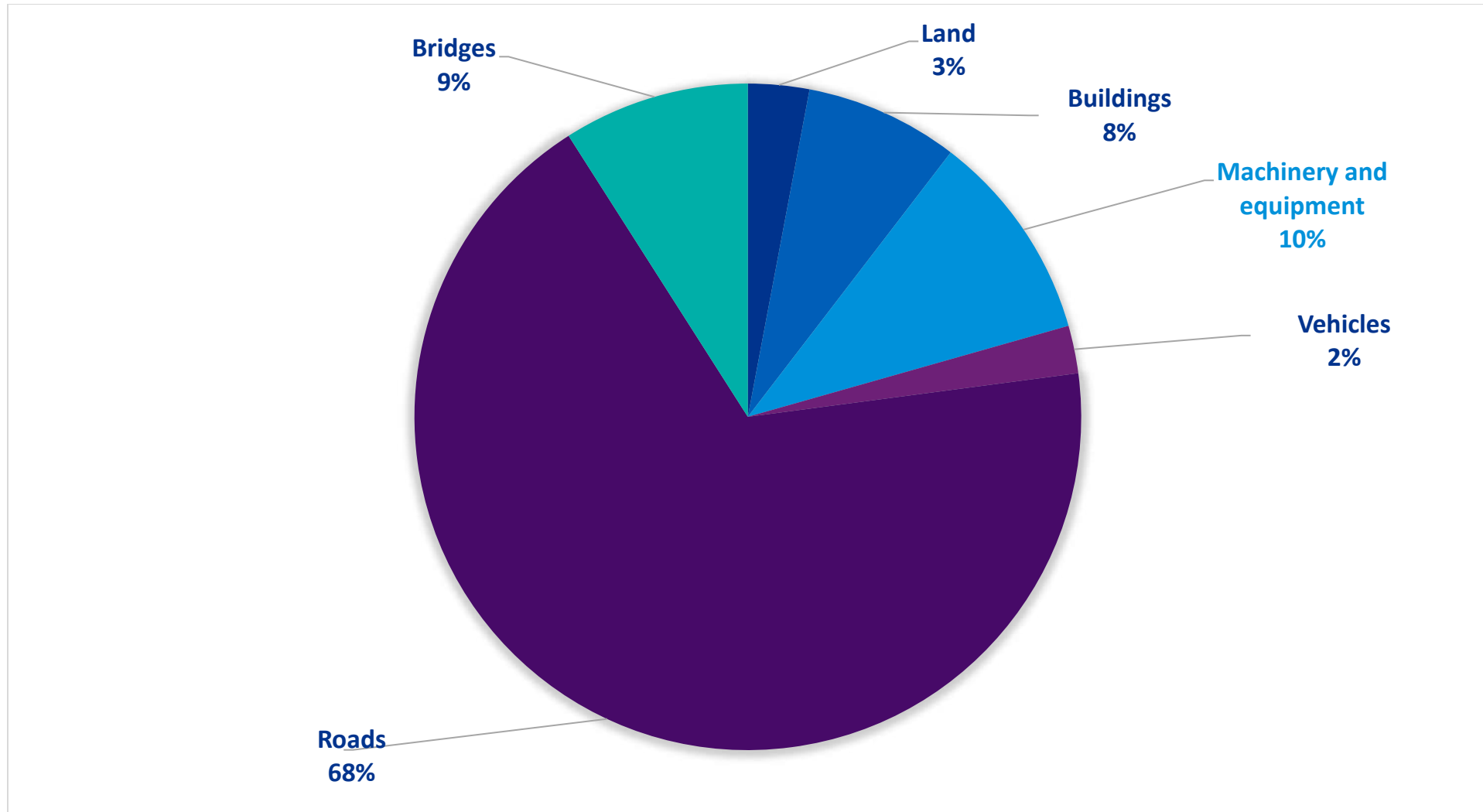
- Increase in accrued landfill closure and post closure costs based on the estimates from the engineer report of \$940k
- Deferred revenue increase as a result of 2021 unspent gas tax and development charges to be utilized in fiscal 2022 and accumulated building surplus of \$152k

Non-financial assets:

- Tangible capital assets: additions of \$1.2 million offset by \$1.0 million of amortization

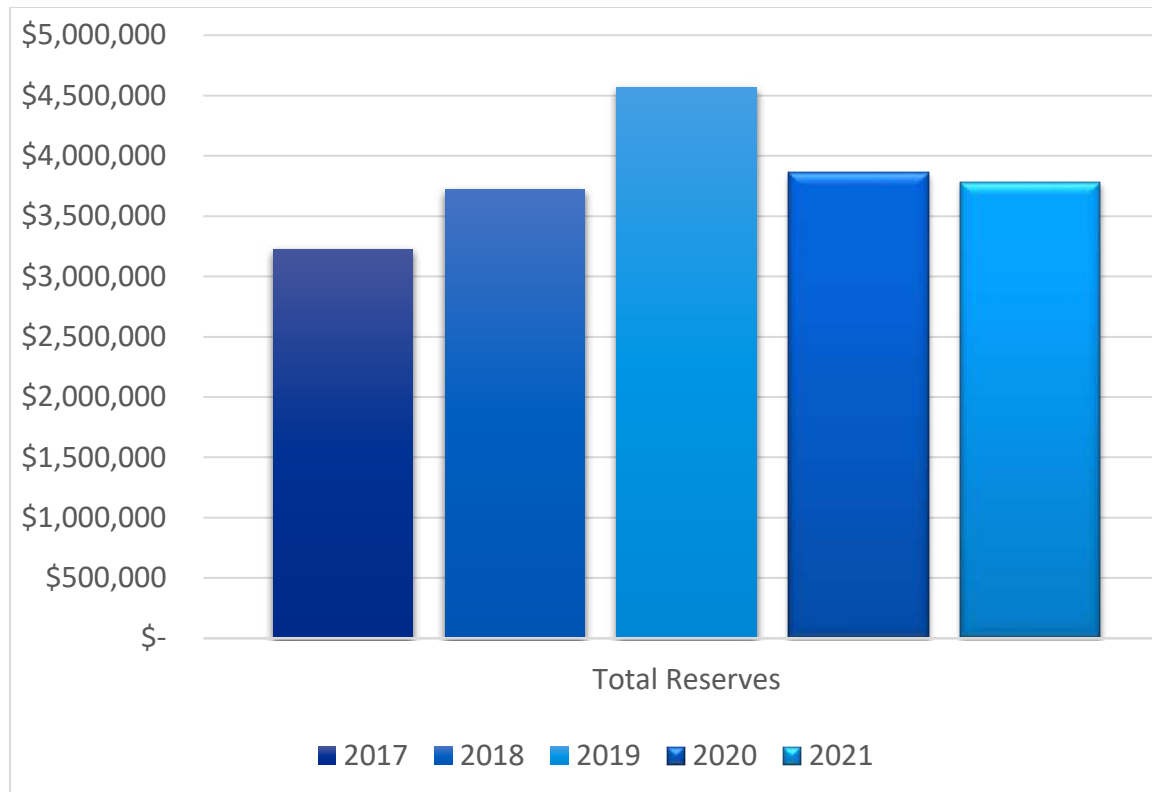
Financial statement highlights (continued)

Net Book Value of Tangible Capital Assets



Financial statement highlights (continued)

Total Reserves



Key changes in 2021:

- \$205,000 of allocated surplus to reserves including \$112,000 to Waste Disposal reserves
- \$52,000 decrease in Building reserve related to transfer to obligatory reserve funds in the current year
- \$130,000 decrease in Technology reserve due to financial system upgrades

Financial statement highlights (continued)

Consolidated Statement of Operations and Accumulated Municipal Equity

Year ended December 31, 2021, with comparative information for 2020

	Budget 2021 (note 14)	Actual 2021	Actual 2020
Revenue:			
Property taxation	\$ 5,374,515	\$ 5,399,066	\$ 5,363,469
User charges	185,416	238,189	255,168
Government grants	904,900	1,132,110	3,159,868
Government grants - gas tax	—	206,641	221,270
Contributions from developers	—	1,200	220,665
Licenses and permits	139,000	98,437	149,451
Investment income	55,000	64,599	107,862
Penalties and interest on taxes	94,000	91,978	82,502
Provincial offenses	50,000	15,082	47,975
Other	67,910	91,323	45,628
	6,870,741	7,338,625	9,653,858
Expenses (note 13):			
General government	1,163,019	1,095,979	955,813
Protection to persons and property	1,955,695	1,938,238	1,855,685
Transportation services	2,693,261	2,721,796	2,526,260
Environmental services	1,030,168	1,805,731	934,051
Recreation and culture services	504,854	549,079	550,923
Planning and development	151,773	162,770	172,430
	7,498,770	8,273,593	6,995,162
Annual surplus (deficit)	(628,029)	(934,968)	2,658,696
Accumulated municipal equity, beginning of year	20,909,806	20,909,806	18,251,110
Accumulated municipal equity, end of year	\$ 20,281,777	\$ 19,974,838	\$ 20,909,806

Revenue:

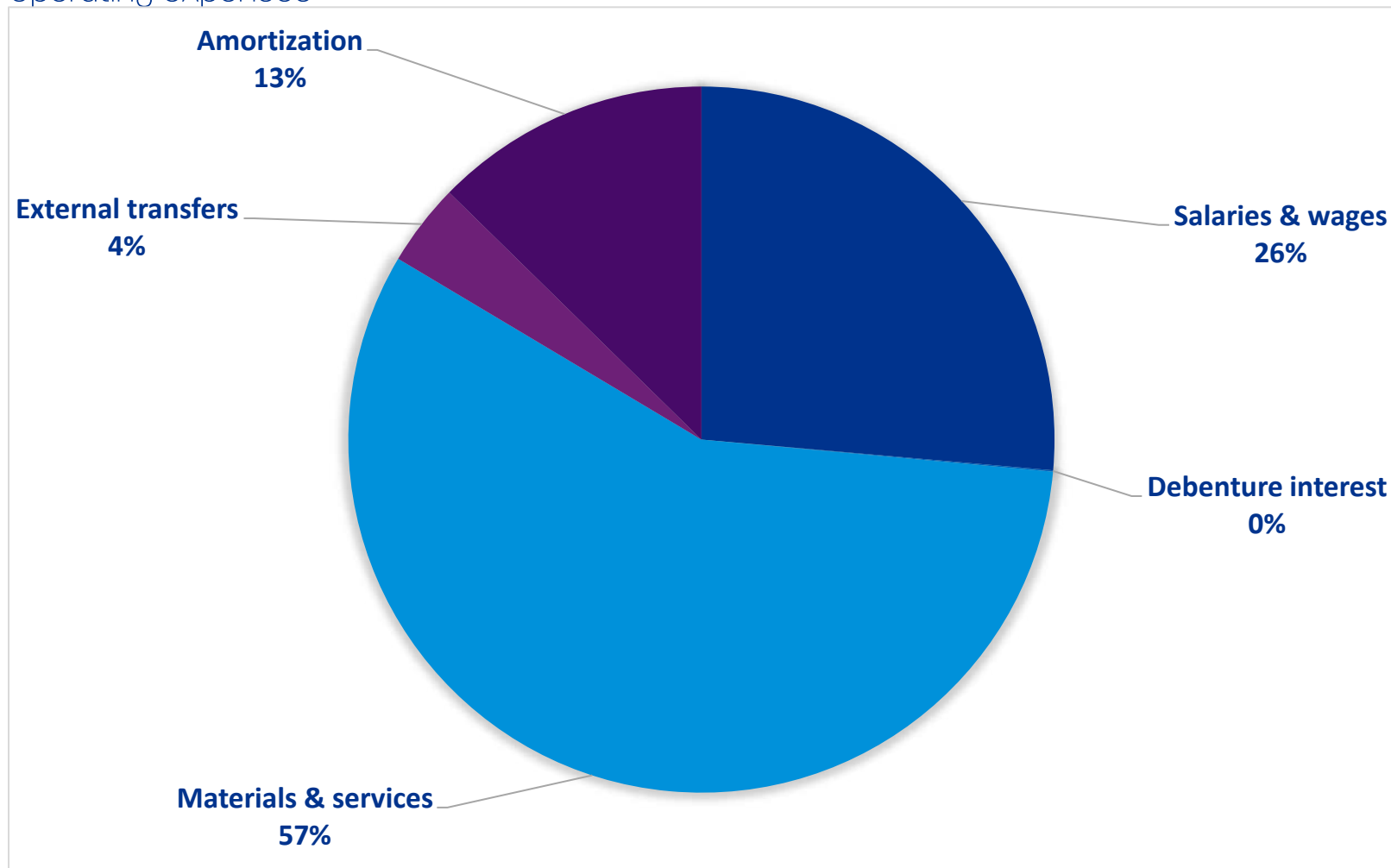
- Taxation increase due to growth, rate increase
- Government grants decrease due to \$2.0M funding for capital projects in the prior year
- Contribution from developers decreased as a result of prior year having \$220k of development charges recognized for capital projects

Expenses:

- Relatively stable year over year:
 - o Main increase in landfill closure and post closure monitoring of \$940k in environmental services
- Segmented disclosure in notes to the financial statements shows expenses by category (no significant changes year over year)

Financial statement highlights (continued)

Operating expenses



Financial statement highlights (continued)

Five-Year Review (Unaudited)

Statistics	2021	2020	2019	2018	2017
Population (Statistics Canada)	8,183	7,833	7,833	7,883	7,773
Number of Households (MPAC)	3,801	3,798	3,771	3,753	3,685

Taxable Assessment (000's)	2021	2020	2019	2018	2017
Residential and farm	1,153,814	1,144,495	1,101,225	1,061,215	1,033,054
Commercial and industrial	36,226	34,892	38,720	38,797	33,629
Total	1,190,040	1,179,387	1,139,945	1,100,012	1,066,683

Commercial, industrial as % of assessment	3.04%	2.96%	3.40%	3.53%	3.15%
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Rates of Taxation	2021	2020	2019	2018	2017
Residential:					
For general municipal purposes	0.387367	0.387367	0.388110	0.385442	0.394226
For county purposes	0.371978	0.367114	0.369753	0.370048	0.376627
For school board purposes	0.153000	0.153000	0.161000	0.170000	0.179000
Total	0.912345	0.907481	0.918863	0.925490	0.949853

Multi-Residential	1.757014	1.753586	1.823215	1.855827	1.911161
Commercial (total)	2.279418	2.640454	2.642246	2.631361	2.650596
Industrial (total)	2.802384	3.160070	3.225734	3.287274	3.392761

Tax Arrears	2021	2020	2019	2018	2017
Percentage of current levy (<10%)	4.86%	5.09%	4.83%	5.09%	5.29%

Taxes Transferred (000's)	2021	2020	2019	2018	2017
County of Lanark	4,372	4,282	4,174	4,081	4,011
School Boards	1,996	2,091	2,113	2,161	2,204
Total	6,368	6,373	6,287	6,242	6,215

Financial statement highlights (continued)

Five-Year Review (Unaudited)

Revenues (000's)	2021	2020	2019	2018	2017
Taxation and payments in lieu	5,399	5,363	8,026	4,890	4,915
Government transfers	1,132	3,594	2,474	2,197	972
Fees and service charges	336	255	441	605	378
Other	472	441	421	349	421
Total	7,339	9,653	11,362	8,041	6,686

Expenditures (000's)	2021	2020	2019	2018	2017
Operations	7,226	5,973	5,982	5,671	5,474
Amortization	1,048	1,022	1,000	941	936
Total	8,274	6,995	6,982	6,612	6,410

Net Financial Assets (Net Debt)	2021	2020	2019	2018	2017
% of Operating Revenue (>20%)	21.65%	36.89%	52.03%	42.59%	32.13%
% of Taxation and User Charges (>50%)	29.76%	49.76%	75.34%	57.62%	42.53%

Long Term Debt	2021	2020	2019	2018	2017
Net long term debt (000's)	105	310	512	710	904
Long term debt charges (000's)	211	211	211	211	108
Total annual repayment limit (000's)	1,461	1,450	1,406	1,403	1,300
Long term debt per household	28	82	136	189	245

Municipal Equity (000's)	2021	2020	2019	2018	2017
Surplus and Reserves	1,782	3,086	4,334	3,559	3,087
Invested in capital assets	18,193	17,823	13,917	13,313	12,355
Asset consumption ratio	50.60%	49.41%	53.92%	53.80%	53.74%
Reserves as % of operating expenses (20%)	45.73%	55.23%	65.37%	56.27%	50.29%

Financial statement highlights (continued)

Five-Year Review (Unaudited)

Financial Indicators	2021	2020	2019	2018	2017
Sustainability					
Financial assets to liabilities	1.36	1.91	2.44	1.91	1.79
Financial assets to liabilities (excluding long-term debt)	1.39	2.13	3.03	2.48	2.72
Long term debt to tangible capital assets	0.57%	1.71%	3.55%	5.07%	6.82%
Capital reserves to accumulated amortization	5.10%	7.57%	14.01%	8.99%	7.56%
Flexibility					
Debt charges to total operating revenue (<5%)	2.88%	2.92%	2.90%	3.19%	1.66%
Total operating revenue to taxable assessment	0.61%	0.61%	0.64%	0.60%	0.61%
Working capital to operating expenses (>10%)	9.14%	10.62%	10.76%	11.77%	11.78%
Vulnerability					
Total government transfers to total revenues	15.43%	37.23%	29.83%	32.67%	11.85%

Audit risks and results

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

Significant financial reporting risk	New or changed?	Estimate?
--------------------------------------	-----------------	-----------

Fraud risk from management override of controls

No

No

Our response

Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities.

We took the following steps to address this risk as required under professional standards:

- Evaluated the design and implementation of controls surrounding journal entries and other adjustments;
- Determined criteria to identify high-risk journal entries and other adjustments; and
- Tested high-risk journal entries and other adjustments made at the end of the reporting period.

Significant findings

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

Control deficiencies

Consideration of internal control over financial reporting

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

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

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

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

Significant deficiencies

We have not identified any significant deficiencies.

Other observations

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

Uncorrected and corrected audit adjustments

As previously noted, materiality for fiscal 2021 was set at \$150,000 which translated into an audit misstatement posting threshold of \$7,500. As such, all adjustments identified during the audit greater than \$7,500 have been recorded on our summary of adjustments and differences.

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

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

Uncorrected audit adjustments

The management representation letter includes the Summary of Uncorrected Audit Misstatements, which discloses the impact of all uncorrected differences considered to be other than clearly trivial.

As at and for the year ended December 31, 2021	Statement of Operations effect	Statement of Financial Position effect		
Description of differences greater than \$7,500 individually	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Municipal Equity (Decrease) Increase
To reflect opening Safe Restart funding recorded in accumulated municipal equity	(46,000)	–	–	–
To recognize OCIF deferral from prior year recorded in current year	(10,291)	–	–	–
To reflect opening balance of building surplus recorded in accumulated municipal equity	(51,862)	–	–	–
Total differences	(108,153)	–	–	–

Based on both qualitative and quantitative considerations, we concur with management’s representation that the differences are not material to the financial statements. Accordingly, the differences have no impact on our auditors’ report. This representation is included in the management representation letter.

Corrected audit adjustments

We identified misstatements that were subsequently corrected by management. These have been provided separately to management.

Significant accounting policies and practices



Initial selections

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



Changes

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



Future Implementation

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



Significant qualitative aspects of accounting policies and practices

There are no items to report.

Appendices

Content

Appendix 1: Draft auditors' report

Appendix 2: KPMG's system of quality control

Appendix 3: Technology in the Audit

Appendix 4: Audit and Assurance Insights

Appendix 1: Draft auditors' report

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Township of Drummond/North Elmlsey

Opinion

We have audited the consolidated financial statements of the Corporation of the Township of Drummond/North Elmlsey (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2021;
- the consolidated statement of operations and accumulated municipal equity for the year then ended;
- the consolidated statement of changes in net financial assets for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- notes to the consolidated financial statements, including a summary of significant accounting policies (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

Other Matter – Comparative Information

The financial statements as at and for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on May 11, 2021.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also:

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

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

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

Chartered Professional Accountants, Licensed Public Accountants
Perth, Canada
October 11, 2022

Appendix 2: How do we deliver audit quality?

Transparency report



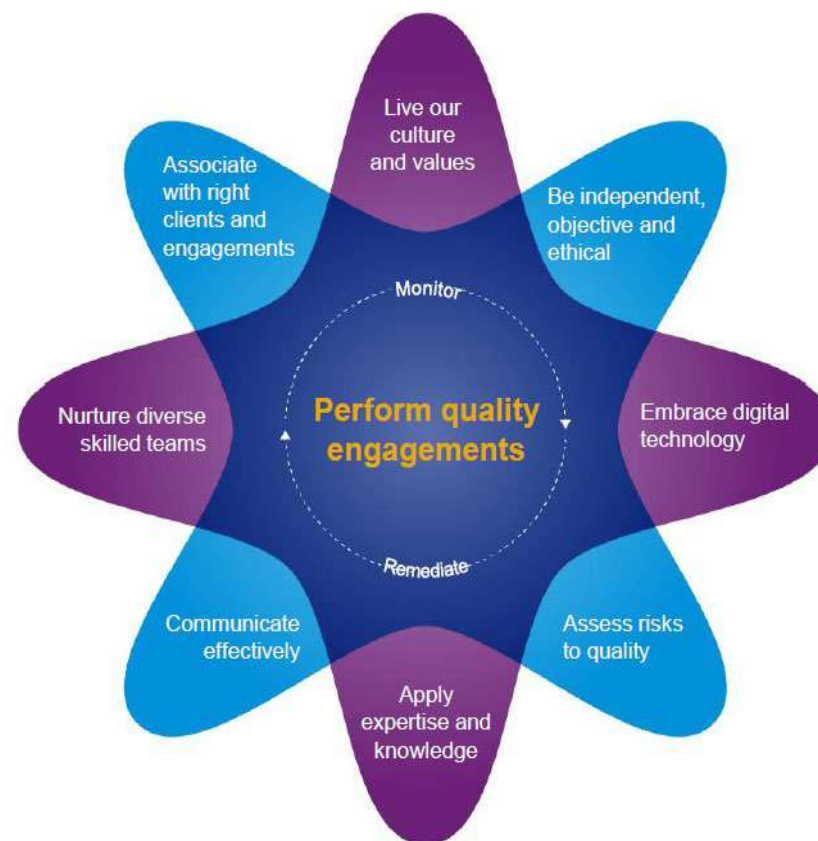
Quality essentially means doing the right thing and remains our highest priority. Our **Global Quality Framework** outlines how we deliver quality and how every partner and staff member contributes to its delivery.

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

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

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

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



Doing the right thing. Always.

Appendix 3: Technology in the Audit

We continue to utilize technology to enhance the quality and effectiveness of the audit.

Technology	Areas of the audit where Advance Technology routines were used	Results and insights
KPMG Clara Client Collaboration	We utilized our online data transfer site; allowing us to track, update and share electronic information securely and efficiently.	Enabled the audit team and management to complete the audit remotely with minimal disruption.
Journal Entry Analysis	<p>We utilized KPMG application software (IDEA) to evaluate the completeness of the journal entry population through a roll-forward of all accounts.</p> <p>We utilized computer-assisted audit techniques (CAATs) to analyze journal entries and apply certain criteria to identify potential high-risk journal entries for further testing.</p>	There were no issues or anomalies identified as a result of the performance of these procedures.

Appendix 4: Audit and Assurance Insights

Our latest thinking on the issues that matter most to Councils and Management.

Featured insight	Summary	Reference
Accelerate 2022	The key issues driving the audit committee agenda in 2022	Learn more
Audit Committee Guide – Canadian Edition	A practical guide providing insight into current challenges and leading practices shaping audit committee effectiveness in Canada	Learn more
Unleashing the positive in net zero	Real solutions for a sustainable and responsible future	Learn more
KPMG Audit & Assurance Insights	Curated research and insights for audit committees and boards.	Learn more
Board Leadership Centre	Leading insights to help board members maximize boardroom opportunities.	Learn more
KPMG Climate Change Financial Reporting Resource Centre	Our climate change resource centre provides insights to help you identify the potential financial statement impacts to your business.	Learn more
The business implications of coronavirus (COVID 19)	Resources to help you understand your exposure to COVID-19, and more importantly, position your business to be resilient in the face of this and the next global threat.	Learn more
	KPMG Global IFRS Institute - COVID-19 financial reporting resource center.	Learn more
Momentum	A quarterly Canadian newsletter which provides a snapshot of KPMG's latest thought leadership, audit and assurance insights and information on upcoming and past audit events – keeping management and board members abreast on current issues and emerging challenges within audit.	Sign-up now
Current Developments	Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Securities & Auditing Matters and US Outlook reports.	Learn more
KPMG Learning Academy	Technical accounting and finance courses designed to arm you with leading-edge skills needed in today's disruptive environment.	Learn more



kpmg.ca/audit

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KPMG member firms around the world have 227,000 professionals, in 146 countries.



ZONING AMENDMENT ZA-22-10

WHYTE- ZONING AMENDMENT
OCTOBER 11TH, 2022



PUBLIC NOTICE

- Pursuant to the Planning Act, notice of public meeting is to be provided a minimum of 20 days prior to his own bylaw amendment. Notice was duly given by both posting of the notice in a visible area for the property and by mailing to adjacent property owners within 120 meters of location. Notice was also given to other public agencies as required.

ONTARIO LAND TRIBUNAL

Please be cautioned that if, at a later date, a person or public body choose to appeal Council's decision on this matter to the Ontario Land Tribunal, the Tribunal may dismiss all or part of an appeal without holding a hearing if the reasons set out in the appeal do not refer to land use planning grounds offended by the decision, appeal is not made in good faith, or is frivolous or vexatious or made only in purpose of delay.

The tribunal may also dismiss if the appeal of the appellant did not make oral submission at the public meeting or did not make written submission before the plan or amendment were adopted.

If you choose to appeal, you must submit written reasons, the prescribed fee in any other background material requested. This notice is not intended to discourage your objection in any way. It is intended only to inform you of your rights and obligations and to encourage early participation.



BACKGROUND

- The Township has received a zoning amendment application for the property located at 1688 Rideau Ferry Road
- Applicants are proposing to rezone a portion of land to allow for the use of a shooting range
- The shooting range had been previously used by the OPP for training purposes
- It is understood that the OPP use of the shooting range commenced around 2000, however the specific year not been confirmed

HISTORIC USE OF RANGE

- The shooting range had been constructed and previously used by the OPP for training purposes
- Approximately 400-500 OPP officers would use the range annually to participate in annual firearms requalification
- It is understood that the OPP would annually provide notification to neighbors regarding dates in which the range would be used
- Based on letters received from 2014-2019 the range was planned to be used between 18 to 38 days a year, however each year this varied. The actual number of days used is unknown
- The OPP would occasionally use the range at night in the fall months

HISTORIC USE OF RANGE

- It is not known at this time if permission from the Township was requested or required to allow the OPP use of the property for a shooting range
- With plans to end operations of the shooting range, the OPP commenced a Phase I and II environmental site assessment. Site remediation is still to occur
- It is understood that the OPP shooting range would allow for 12 shooters at a time during training drills

REQUEST TO USE EXISTING SHOOTING RANGE

- The Township was approached in February 2022 with a request from the new property owner seeking a Township letter confirming that the shooting range was a permitted use for the property
- Staff advised that the use of a shooting range did not comply with the permitted uses of the Rural zone nor was it considered a legal non-conforming use given that there no evidence that use of the range was legally established in accordance to Township zoning by-laws
- Staff confirmed that a zoning amendment would be required to allow the use

DESCRIPTION OF GUN RANGE

- Approximately 70 metres in length
- A constructed berm at end of range
- A pavilion is present
- It is understood that a clubhouse is normally present, however it was not present during site visit

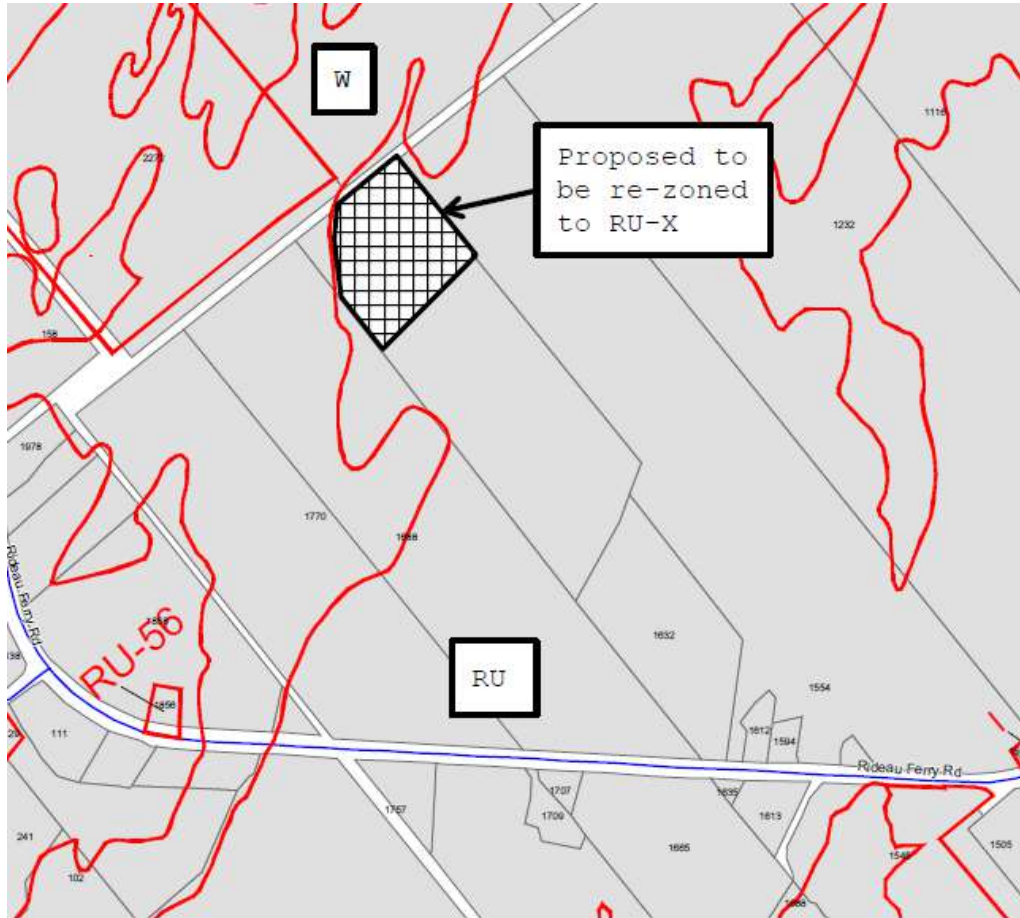
PROPOSAL

RU → RU-X

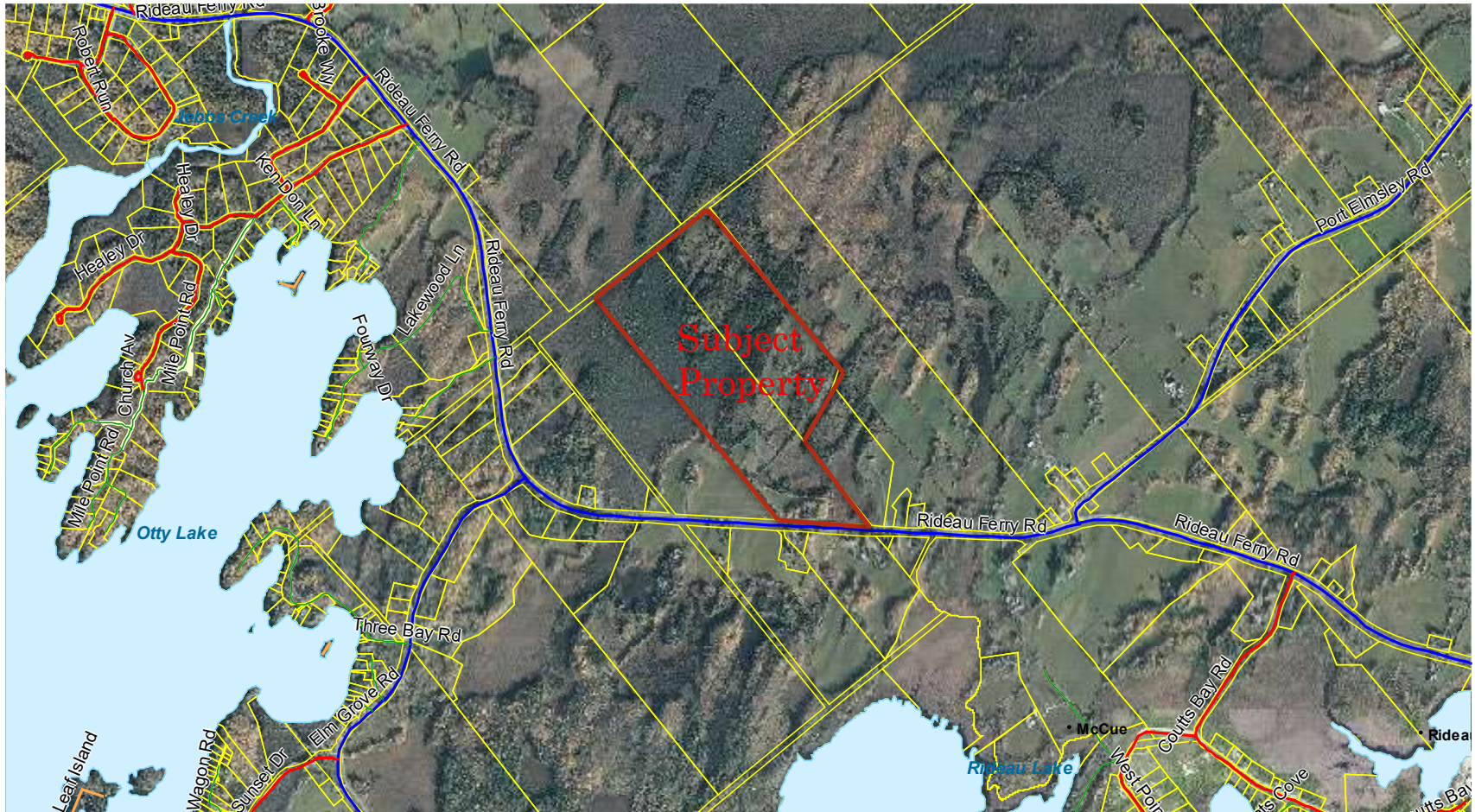
- Zoning amendment to change the zoning of the affected portion of the property to permit the following use in addition to the uses permitted in the RU Zone:
 - Place of recreation, which shall be restricted to a gun range and a gun (shooting) club
 - A gun range shall be defined as any use of land by the public, meaning any individuals attending for the outdoor or indoor discharge of firearms, whether for recreational use such as target practice, skeet shooting, trap shooting, or for firearms training purposes.
 - A gun (shooting) club shall be defined as a for-profit or not-for-profit organization whose activities include target practice or target shooting competitions using restricted firearms or prohibited handguns at an identified approved shooting range.



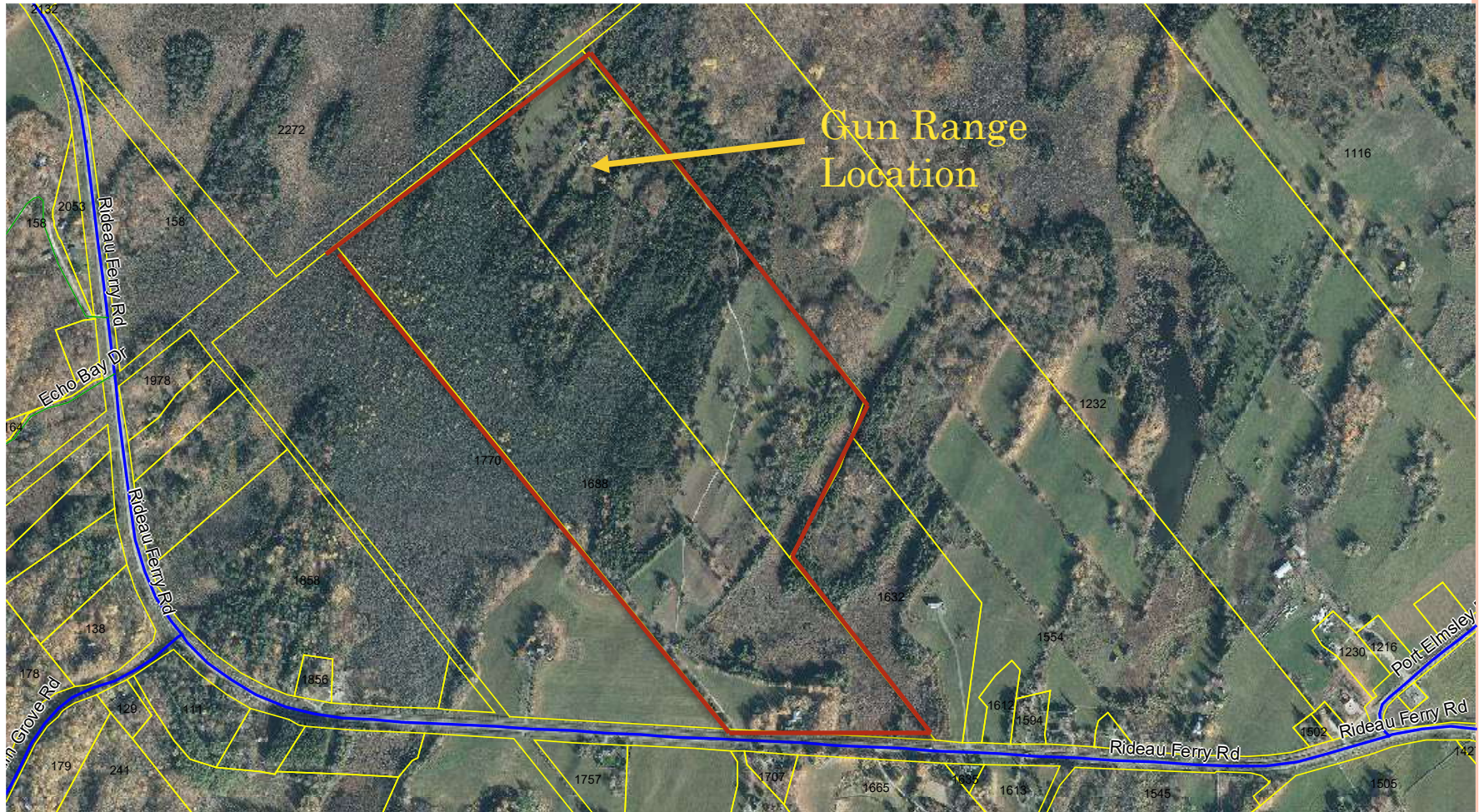
PROPOSED ZONING



NEIGHBOURHOOD CONTEXT



NEIGHBOURHOOD CONTEXT



SHOOTING RANGE



2014 Ariel Imagery



SHOOTING RANGE



SHOOTING RANGE



EXISTING SHOOTING RANGE ENTRANCE



SHOOTING CLUB AND SHOOTING RANGE APPROVAL

- Regulation SOR/98-212 Shooting Clubs and Shooting Ranges under the Firearms Act
- Regulation SOR/98-212 provides specific requirements for applications requesting approval of a shooting range and a shooting club
- This approval process addresses aspects of safety and the discharge of weapons including layout of the range, the type of firearms used, and public safety measures
- Shooting ranges must undergo an inspection and receive approval from the Chief Firearms Officer prior to operation
- Regulation SOR/98-212, provides for specific design criteria of shooting range as well as specific safety standards and obligations to ensure safety during operations

SHOOTING CLUB AND SHOOTING RANGE APPROVAL

- As per s.3(2)(d) of Regulation SOR/98-212, a request for approval of a shooting range must be accompanied with evidence of compliance with applicable zoning laws
- SOR/98-212 regulations are not intended or designed to consider the land use compatibility considerations that are considered by the municipality in land use planning decisions
- Township approval is only one step/requirement in receiving approval through Chief Firearms Office
- As per s.2(3) a shooting range that is used only by public officers within the meaning of subsection 117.07(2) of the Criminal Code is exempt from the application of these Regulations (SOR/98-212) on condition that each public officer uses the shooting range only in connection with his or her lawful duties or employment.
 - This may explain why OPP established gun range without requirement of Township confirmation of zoning compliance provided in s.3(2)(d)

PUBLIC COMMENTS RECEIVED UP TO THIS POINT – IN SUPPORT (SUBMITTED UP TO 12:00 ON OCTOBER 6TH)

- Chris Dennie (No address provided)
- Crystal Malloch (No address provided)
- Dennis Lanlois (511 Crain Drive)
- Elizabeth Hick (No address provided)
- Jamie Wright (No address provided)
- John Milotte (243 Elm Grove Road)
- Julia Foley (No address provided)
- Phillip Wark (No address provided)
- Stephanie Hyde (No address provided)
- Barry Boyce (Echo Bay Drive)



PUBLIC COMMENTS RECEIVED UP TO THIS POINT – IN OPPOSITION (SUBMITTED UP TO 12:00 ON OCTOBER 6TH)

- Andrew Hay (257 Mile Point Road)
- Tony and Lynn LaRocca (259 Healey Dr)
- Ann Silversides & Phil Hall (Otty Lake)
- Bruce Wilcox (149 Mile Point Road)
- Claire Rothery (no address provided)
- Lorne and Janet Gardiner (345 Mile Point Road)
- Irwin Pencer (no address provided)
- Nancy Chevrier (484 Mile Point Road)

COMMENTS RECEIVED SUMMARY

- Noise level concerns and potential impact on enjoyment of residential properties in area
- Concerns with methodology of noise study
- Concern with Township not having a noise by-law
- Support in having a safe location for shooting and training
- Concern with compliance of other ranges with noise standards set by Ministry of Environment
- Concern with future growth of business and hours of operation
- Desire to have an area to shoot legally
- Potential environmental impacts on wildlife
- Potential growth of business in future



PLANNING CONTEXT: PROVINCIAL POLICY STATEMENT (PPS)

- The Provincial Policy Statement provides policy direction on matters of provincial interest related to land use planning and development
- Section 3 of the Planning Act requires that decisions affecting planning matters “shall be consistent with” policy statements issued under the Act

PLANNING CONTEXT: PROVINCIAL POLICY STATEMENT (PPS)

Section 1.1.1 Building Strong Healthy Communities

- Healthy, liveable and safe communities are sustained by:
 - a) promoting efficient development and land use patterns which sustain the financial well-being of the Province and municipalities over the long term;
 - b) accommodating an appropriate affordable and market-based range and mix of residential types (including single-detached, additional residential units, multi-unit housing, affordable housing and housing for older persons), employment (including industrial and commercial), institutional (including places of worship, cemeteries and long-term care homes), recreation, park and open space, and other uses to meet long-term needs;
 - c) avoiding development and land use patterns which may cause environmental or public health and safety concerns;

PLANNING CONTEXT: PROVINCIAL POLICY STATEMENT (PPS)

Section 1.1.4. Rural Areas in Municipalities

- Healthy, livable and safe communities are sustained by:
 - building upon rural character, and leveraging rural amenities and assets;
 - promoting diversification of the economic base and employment opportunities through goods and services, including value-added products and the sustainable management or use of resources;
 - providing opportunities for sustainable and diversified tourism, including leveraging historical, cultural, and natural assets;
 - conserving biodiversity and considering the ecological benefits provided by nature;

PLANNING CONTEXT: PROVINCIAL POLICY STATEMENT (PPS)

Section 2.0 Wise Use and Management of Resources

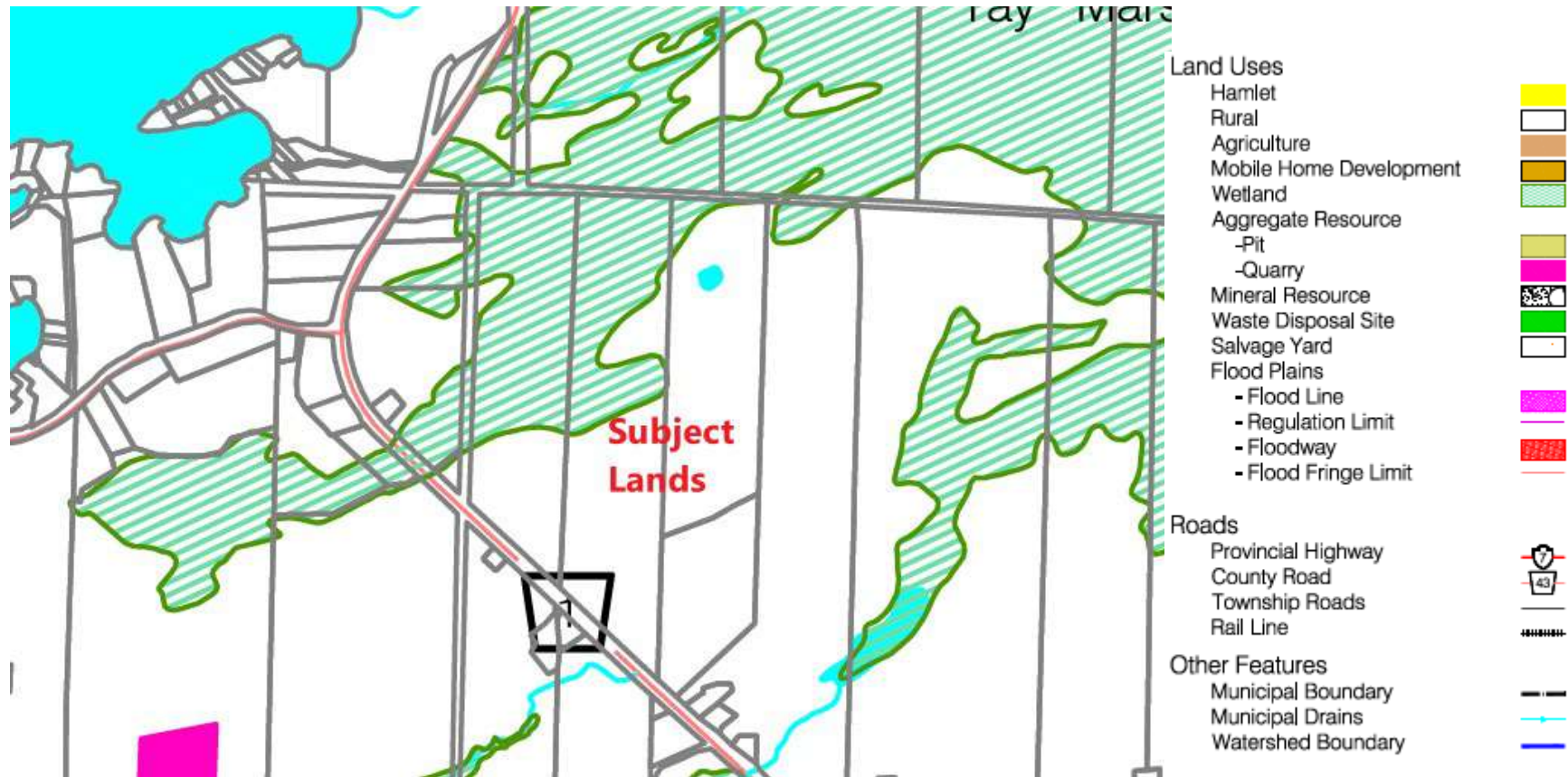
- Section 2.1.1 Natural Heritage
 - Natural features and areas shall be protected for the long term.

PLANNING CONTEXT: COUNTY OF LANARK SUSTAINABLE COMMUNITIES OFFICIAL PLAN (SCOP)

- Lands identified as being located in ANSI, Life Science land use designation
- Specific provision for new development provided in section 5.5.3

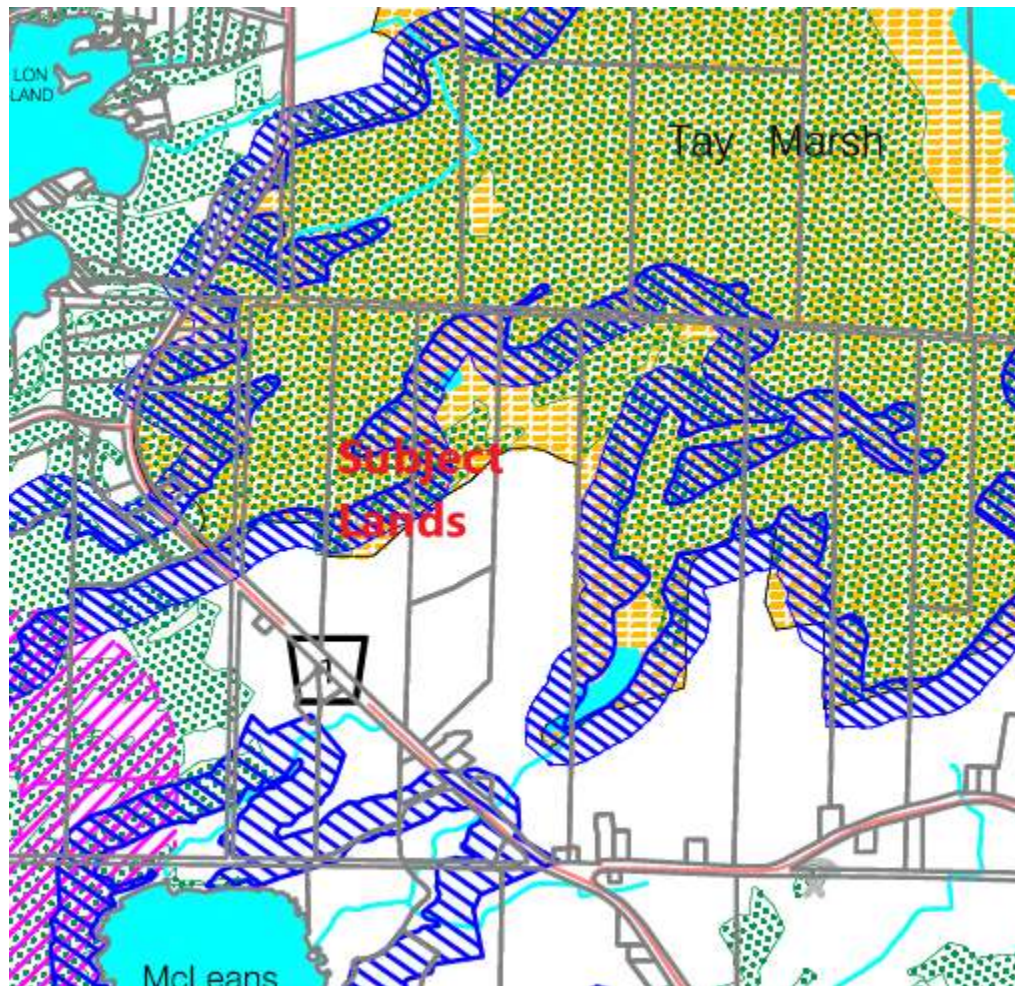
PLANNING CONTEXT: OFFICIAL PLAN

SCHEDULE A: LAND USE PLAN



PLANNING CONTEXT: OFFICIAL PLAN

SCHEDULE B: CONSTRAINTS PLAN



Land Uses

Land Adjacent to Wetlands
Influence Areas



ANSI
Abandoned Mine Sites
Significant Wooded Areas



Roads

Provincial Highway
County Road
Township Roads
Rail Line



Other Features

Municipal Boundary
Municipal Drains



PLANNING CONTEXT: OFFICIAL PLAN

All zoning amendments must conform to intent of Township's Official Plan (2012)

Section 4.3.1 Intent of Rural Designation

- Protect traditional rural activities and permit broad range of uses appropriate in rural setting.
- New uses carefully controlled to protect existing uses and rural character of Township.
- Proposed use requires more land than in a more densely developed settlement area
- Careful site planning required in order to ensure compatibility of setting.

PLANNING CONTEXT: OFFICIAL PLAN

Section 4.3.6 Rural Commercial Development

- Preferred in hamlets however recognized that due to size and locational considerations, not always possible
- Commercial uses encouraged to locate on County or Provincial highways, subject to approval of authority (traffic flows)
- Access limited to defined driveways, limited in nature
- Advertising, lighting and site features carefully located to ensure good site design
- Adequate off-street parking and loading
- Where commercial uses abut residential, adequate setbacks and buffers established to ensure compatibility

PLANNING CONTEXT: OFFICIAL PLAN

Section 3.3 Aesthetics

- Encourage preservation and enhancement of natural amenities and require high standard of site planning
- Typically implemented through site plan control

Section 3.5 Buffering

- Every effort shall be made to avoid conflicts between different land uses
- Includes open space, retention of vegetation, berms, fences, open space, etc.



PLANNING CONTEXT: OFFICIAL PLAN

Section 3.14 Noise Attenuation

- Noise studies typically required (as per MOE guidelines) for certain extractive, industrial, commercial uses.
- Plan does not automatically trigger noise study, nor establish decibel parameters however Township can request studies when proposed development may cause compatibility concerns.
- Information received that concern noise impacts over much greater areas of land
- Noise study provided by Applicant

PLANNING CONTEXT: OFFICIAL PLAN

Section 3.13.3 Habitat of threatened & endangered species

Section 3.13.5 Significant Woodlands

Section 4.6 Wetlands (and adjacent lands)


- No development unless demonstrated no impact on features or habitat
- EIS was not required with submission of study given no existing site alterations proposes as range is existing
- Lands within RVCA 120 metre regulated limit of PSW

PLANNING CONTEXT: OFFICIAL PLAN

Section 3.13.3 Site Plan Control

- Triggered by all new commercial uses
- Agreement, binding on all future owners, enforceable
- Implements development conditions

EVALUATION AND REVIEW

- Review and consideration of policies of Official Plan, Lanark County SCOPE, and Provincial Policy Statement
 - Relatively broad- apply to site
 - What does it *intend*?
 - Review and considerations of agency comments
 - Legislative mandates, work with our policies
 - Review and consideration of community comments
 - Strong sense of local concept
 - May have particular insight or knowledge about property or issue that may not have been immediately apparent to staff
 - Is this proposal, as submitted, supportable?
- 

COMMENTS/NEXT STEPS

- Fire Department
 - No objections
- Lanark County Public Works
 - Entrance permit being processed
- Health Unit
 - Comments not yet received
- RVCA
 - Comments not yet received
- Staff to bring recommendation report to a November COW meeting
- Staff need to consider comments received at the public meeting before making a recommendation to COW
- Final decision by Council



Brady McGlade, Planner
bmcglade@dnetownship.ca
613-267-6500





Township of Drummond/North Elmsley

Councillor Communications List

#20 Committee of the Whole

October 11, 2022

(Note: List only - the below noted documents emailed to you as a separate file)

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Township of Drummond/North Elmsley Committee of the Whole



Report By Scott Cameron, Manager of Public Works

Date October 11, 2022

Report Title Award Prestonvale Road Reconstruction Contract PW-2022-07

1. Staff Recommendation: Resolution ☒ Direction ☐ Information ☐

THAT the Council of the Township of Drummond/North Elmsley accepts the tendered price from Thomas Cavanaugh Construction Ltd. of \$326,408 (plus applicable taxes) for the Prestonvale Road Reconstruction Contract PW-2022-07. And,

THAT the Council of the Township of Drummond/North Elmsley approves the cost overage from the 2022 Budgeted amount of Contract PW-2022-07 to come from the Construction Reserve. And,

THAT the Council of the Township of Drummond/North Elmsley gives the Reeve and Clerk Administrator the authority to sign all pertinent documentation with Thomas Cavanaugh Construction Ltd. for the Prestonvale Road Reconstruction Contract PW-2022-07.

2. Purpose:

To reconstruct Prestonvale Road from the Drummond Concession 9A to address 926 Prestonvale Road for a total distance approximately 1.4 km.

3. Background:

This section of Prestonvale Road was identified as a priority for road reconstruction within the Township's Asset Management Plan. Council also approved this road to be completed this year within the 2022 Budget process.

4. Discussion:

Staff advertised this project on the Township's web-site. Five contractors picked up the Tender documents and were given 10 days to review. On Thursday October 6th 2022 at 11:00am local time, three bids were received. Thomas Cavanaugh Construction Ltd. was the lowest bid. Staff has worked with Thomas Cavanaugh Construction Ltd. in the past and feels that they are a competent construction company capable of performing the duties required within this contract.

Listed below are the results of the bids submitted.

Prestonvale Road Reconstruction - Contract PW-2022-07				
No.	Contractor	Sub-Total	GST	Total
4	Cavanagh Construction	\$326,408.25	\$42,433.07	\$368,841.32
1	Arnott Brothers	\$340,975.00	\$44,326.75	\$385,301.75
2	Craigs Construction	\$344,279.00	\$44,756.27	\$389,035.27

5. Summary:

Staff feels that the proposed Recommendations noted above should be considered for approval by Council.

6. Financial: Within the 2022 Budget process, Council approved \$315,000 for the reconstruction of this road to be funded out of the Gas Tax Reserve. With the subsidized tax credit the municipality receives, the expected costs for this contract should be approx. \$332,150. If Council decide to proceed with the project this year, the shortfall of approx. \$17,150 can be funded from the Construction Reserve which there are sufficient funds within to complete this contract.

7. Options:

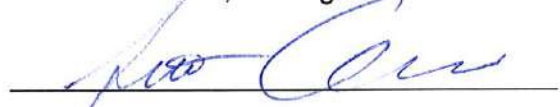
Option 1 – Accept the tendered price from Tomas Cavanagh Construction Ltd. and proceed with the project this fall.

Option 2 – Reject the bids from three contractors this year and retender the project in 2023.

7. Attachments: N/A

Prepared By

Scott Cameron, Manager of Public Works



Approved By

Cindy Halcrow, Clerk Administrator



Township of Drummond/North Elmsley Committee of the Whole



Report By Scott Cameron, Manager of Public Works

Date October 11, 2022

Report Title Winter Grit Contract 2022-03

1. Staff Recommendation: Resolution ☒ Direction ☐ Information ☐

THAT the Council of the Township of Drummond/North Elmsley accepts the tendered price from Cavanagh Construction Ltd. of \$11.49/tonne for Drummond Yard and \$11.92/tonne for the Port Elmsley Yard, plus applicable taxes to supply, mix and stack Winter Grit Material as per Contract 2022-06.

2. Purpose:

To supply, mix and stack Winter Grit material in both Drummond and Port Elmsley Yards for the purpose of storing this material then applying it on township roads during the winter months as required.

3. Background:

Winter Grit is typically stockpiled in large storage buildings prior to Winter Control Operations begin in the fall of each year. When the winter grit is required to be applied to the Township Roads, the material is mixed and ready to go as needed.

4. Discussion:

Staff advertised this contract on the local newspapers and the Township's web-site. Four contractors picked up the Tender documents for review. On Thursday September 15th 2022 at 11:00am local time, four bids were received. Thomas Cavanaugh Construction Ltd. was the lowest bid. Staff has worked with Thomas Cavanaugh Construction Ltd. in the past and feels that they are a competent construction company capable of supplying mixing and stacking the material as specified within this contract.

This Contract is a one year contract with the option to extent for two additional years.

Listed below are the bids received from the four Contractors.

		Drummond Yard	P.E Yard
Cavanagh Construction	Sand	\$ 18.15	\$ 18.58
	Stone Dust	\$ 11.49	\$ 11.92
Crains Construction	Sand	\$ 18.45	\$ 16.20
	Stone Dust	No Bid	No Bid
Arnott Brothers	Sand	\$ 17.45	\$ 20.50
	Stone Dust	\$ 21.00	\$ 24.75
Tackaberry	Sand	\$ 17.25	\$ 18.85
	Stone Dust	No Bid	No Bid

5. Options:

Option 1 – Accept Thomas Cavanagh Construction's bid to supply the material for both Works Yards at the bid prices noted above.

Option 2 – Accept one of the other bids from the other bidders.

Option 3 – Do nothing is not recommended by staff.

6. Financial Implications:

The current annual Operating Budget for Winter Grit is \$90,000/yr. With Cavanaugh's bid prices of \$11.49 and \$11.92/tonne, this would allow the Township to purchase over 7,600 tonnes of material/yr. if required. In recent years the Township has never exceed 7,000 tonnes/year. Staff predicts that the current budgeted amount should not be exceeded within the 2023 winter season.

7. Link to Township Plans: (Strategic Plan, Asset Management, Council Priorities, etc.)

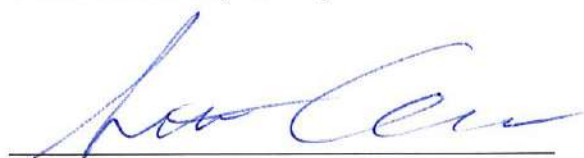
This maintenance activity is identified within the Township's current Operating Budget.

8. Summary

Staff recommend that this contract be awarded th Thomas Cavanaugh Construction Ltd.

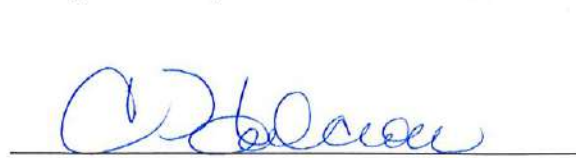
Prepared By

Scott Cameron, Manager of Public Works



Approved By

Cindy Halcrow, Clerk Administrator



Township of Drummond/North Elmsley Committee of the Whole



Report By Peter Echlin, Chief Building Official
Date October 11, 2022
Report Title 2022 Building Department 3rd Quarter Report

1. Staff Recommendation: Resolution ☐ Direction ☐ Information ☒

This report is submitted for information only.

2. Purpose:

To keep Council informed about building activity within the Township.

3. Background:

The building department has issued 142 building permits as of September 30, 2022

4. Discussion:

Year-over-year, the number of building permits, fees, and construction value are up while there has been a slight decrease in new SFD of 3 over same period last year. Our new staff member started at the beginning of September and the septic program will be ramping up at the beginning of Q4. We continue to serve and meet the needs of the building industry within the municipality.

5. Options: N/A

6. Financial: No financial impact.

7. Attachments:

Strategic Priority 5 – Thriving local economy

8. Summary: The building department is continuing to see increased volume and the new building inspector will be able to off-set this as he gets the required training.

9 Attachments: CGIS three year Q1 to Q3 results with SFD by wards.

Prepared By
Peter Echlin, Chief Building Official

Approved By
Cindy Halcrow, Clerk Administrator

Year	Month	Permits YTD	S.F.D.'s YTD	Other Dwelling YTD	Commercial YTD	Permit Fee YTD(\$)	Total Value YTD(\$)	Dev Charge YTD(\$)
2022	January	7	1	0	0	8610.65	1011130	10516.00
2022	February	15	2	0	0	13316.65	1585530	15774.00
2022	March	34	9	0	0	35829.65	4332530	53414.00
2022	April	47	13	0	0	57219.65	7386030	75558.00
2022	May	72	22	0	0	91635.65	12022030	125104.00
2022	June	90	26	0	0	125232.42	16460184	152784.00
2022	July	105	28	0	0	142189.02	18535870	163856.00
2022	August	121	32	0	0	178664.02	24061483	191536.00
2022	September	140	38	0	0	205979.02	27357840	230288.00
Year	Month	Permits YTD	S.F.D.'s YTD	Other Dwelling YTD	Commercial YTD	Permit Fee YTD(\$)	Total Value YTD(\$)	Dev Charge YTD(\$)
2021	January	3	1	0	1	5125.00	670000	5119.00
2021	February	8	3	0	1	10270.00	1265500	15357.00
2021	March	19	5	0	2	27046.00	3591500	25873.00
2021	April	45	15	0	2	58962.20	7775109	73195.00
2021	May	67	20	0	2	91141.02	12264219	94227.00
2021	June	93	30	0	2	137940.13	18931089	146807.00
2021	July	106	35	0	2	153173.98	20680167	173097.00
2021	August	120	39	0	2	168004.98	22439167	194129.00
2021	September	132	41	0	3	187320.98	25114167	199387.00
Year	Month	Permits YTD	S.F.D.'s YTD	Other Dwelling YTD	Commercial YTD	Permit Fee YTD(\$)	Total Value YTD(\$)	Dev Charge YTD(\$)
2020	January	3	1	0	0	4404.07	446814	5119.00
2020	February	5	1	0	0	5019.07	486814	5119.00
2020	March	13	3	0	0	13892.07	1604314	15357.00
2020	April	26	8	0	0	34212.07	4103814	35693.00
2020	May	45	14	0	0	58402.37	6976514	66407.00
2020	June	65	15	0	0	66977.37	7787114	76645.00
2020	July	92	17	0	0	88906.37	9943914	97121.00
2020	August	105	21	0	0	97386.62	10792764	112478.00
2020	September	122	27	0	0	118876.62	13255884	138073.00

MUNICIPALITY OF DRUMMOND/NORTH ELSLEY NEW DWELLING UNITS BY MONTH AND BY WARD													Total New Dwelling Units Created By Ward*	Total New Dwellings Units Drummond/North Elsley
DRUMMOND	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
2018	0	0	2	4	7	2	4	3	3	4	1	3	33	43
2019	0	1	1	3	4	3	2	5	0	2	0	0	21	27
2020	1	0	1	5	5	3	5	3	5	1	0	2	31	49
2021	0	2	2	8	6	5	3	1	2	3	4	10	46	67
2022	1	1	6	2	6	5	1	2	3	1	0	0	28	49
NORTH ELMSLEY	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
2018	0	1	0	1	1	1	1	1	1	1	1	1	10	43
2019	0	1	0	0	0	2	1	0	1	0	1	0	6	27
2020	0	0	1	3	3	0	2	1	3	3	1	1	18	49
2021	1	0	0	3	0	5	3	4	0	2	2	1	21	67
2022	2	0	1	3	3	2	2	3	5	0	0	0	21	49
Total New Residential Units Drummond/North Elmsley													235	

Showing current year permits up to December 31, 2022

Township of Drummond/North Elmsley Committee of the Whole



Report By Brady McGlade, Planner

Date October 11, 2022

Report Title Official Plan Aggregate Mapping for 102 Hughes Road

1. Staff Recommendation: Resolution ☐ Direction ☒ Information ☐

Direct Staff to incorporate the findings and recommendations of the Mineral Resource Impact Assessment for 102 Hughes Road, Part Lot 26, Concession 7, North Elmsley, into the Official Plan Review process.

2. Purpose:

Staff seek initial comments and direction to proceed with a request to remove the aggregate resource: quarry designation on the property described as 102 Hughes Road, Pt. Lot 26, Concession 7 North Elmsley.

3. Background:

The owners of the property located at 102 Hughes Road attained the services of Milestone Aggregate Consulting Services Inc. to conduct a mineral resources impact assessment. The current Official Plan designates a portion of the property as Aggregate resource: quarry. The Official Plan and Provincial Policy Statement (PPS) policies prioritize the protection of aggregate resources. New development which may hinder or potentially impact the aggregate resource is restricted. It is understood that the lands had been historically used to extract building stone for local buildings in Perth and North Elmsley area. In a review of the minutes of the public meetings during the previous Official Plan Review, the previous property owner requested that the designation remain on the property. The current property owners are now requesting that the designation be removed. The owners have provided the report to demonstrate that there is a need and merit to remove the designation.

4. Discussion:

The Aggregate Resource designation recognizes existing pits and quarries which are licensed by the Ministry of Natural Resources, and also recognizes areas where aggregate reserves have been identified for future extraction. The lands so designated are further classified on Schedule A for pit or quarry extraction. The designated lands are intended to be conserved and protected from incompatible development so that they may be used for mineral extraction purposes. The lands would be designated as Rural if the current designation is removed.

The report prepared by Milestone Aggregate Consulting concludes that "based on the location of the aggregate resource designation, limited size and depth of deposit, the haul route, potential environmental impacts to wetlands, forests and associated species habitats, economic costs of pursuing a quarry licence application for a limited aggregate use, and the perceived opposition and social impacts predicted for a quarry operation, my personal knowledge of quarry operations, complaints and impacts at similar sites, I conclude that removal the aggregate resource quarry

designation from the O.P. at the aforementioned location serves a better long term land use than does a quarry development." The report provides that the location would not be appropriate for a licenced pit or quarry.

Based on the professional opinion of the report's author, as well as a review of the latest Provincial mapping for aggregate and minerals, Staff are of the opinion that it is appropriate to proceed with including the proposed mapping change as part of the Official Plan Review in consideration of the general intent of the aggregate resource designation. Staff are of the opinion that the proposed mapping change can be processed in the Official Plan Review given that the proposed change should not impact neighboring property owners and that there is no licensed operation within the subject lands or within proximity. The public will be able to provide comments during the review process and changes will be made more clear once the draft mapping is available for the public to review.

Staff do caution that an approach to incorporate every individual property owner's request for Official Plan mapping changes would not be appropriate or warranted without sufficient review and evidence of appropriateness. As such, this approach should be taken on a case-by-case basis. In this situation, the appropriate review and documentation have been provided, and Staff has confidence that the proposed change is appropriate. Staff will continue to work with JP2G and advise on recommended changes. Direction from Council today will not provide the final approval of the Official Plan mapping change, as Staff are only requesting direction at this point. A final decision to remove the designation will be that of the Township Council and eventually County Council, which is the approving body for the Official Plan Amendments.

5. Options:

Option 1: Direct Staff to incorporate the findings and recommendations of the Mineral Resource Impact Assessment for 102 Hughes Road, Part Lot 26, Concession 7, North Elmsley, into the Official Plan Review process. (**Recommended**)

Option 2: Direct Staff to recommend that a site-specific Official Plan amendment is be required to remove the existing aggregate quarry designation.

6. Financial Implications:

No financial implications.

7. Link to Township Plans: (Strategic Plan, Asset Management, Council Priorities, etc.)

N/A

8. Summary

The owners of the property located at 102 Hughes Road attained the services of Milestone Aggregate Consulting Services Inc. to conduct a mineral resources impact assessment. The current Official Plan designates a portion of the property as Aggregate resource: quarry. The Township Official Plan provides a clear intent of the Aggregate Resource Designation. The report recommends removing the aggregate resource quarry designation from the O.P. at the aforementioned location to serve a better long-term land use than a quarry development. Staff believe it would be appropriate to process the requested mapping change to remove the Aggregate Resource Designation through the current Official Plan review process. The public will have the ability to comment on the proposed changes as the Official Plan Review process

continues and before a final decision is provided for the Official Plan Review.

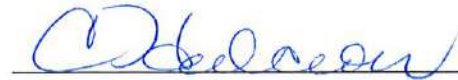
9. Attachments:

- Mineral Resource Impact Assessment, "Scoped" Assessment to consider removal of Mineral Aggregate designation during the 5 year O.P. review. Dated July 25th, 2022, Prepared by Gary McLaren of Milestone Aggregate Consulting Services Inc.

Prepared By
Brady McGlade, Planner

Approved By
Cindy Halcrow, CAO

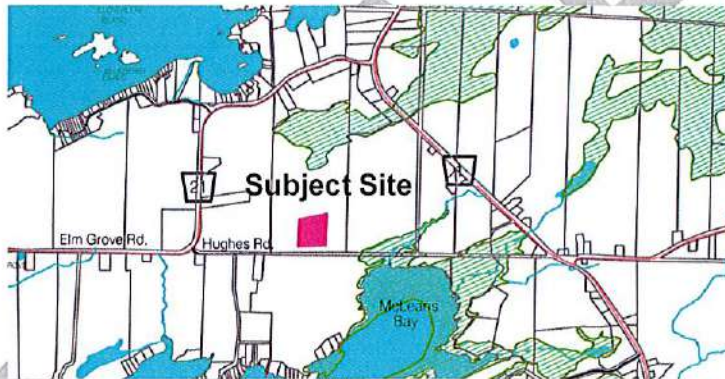
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MINERAL RESOURCE IMPACT ASSESSMENT

“Scoped” Assessment to consider removal of Mineral Aggregate designation during the 5 year O.P. review.

Prepared for: Joseph Sullivan O.P. 5 year review in support of a future consent application to sever a building lot *Township of North Elmsley.*



Key Map (Not to scale)

Location of site: 102 Hughes Road
Pt. Lot 26, Conc. 7,
Geo. Twp. North Elmsley,
Township of Drummond/North Elmsley
County of Lanark

Prepared By: Gary McLaren

July 25, 2022



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Introduction:

Joseph Sullivan, the registered owner of property described as 102 Hughes Road, retained the author's services to provide advice and a scoped Mineral Resource Impact Assessment (MRIA) to support an application for the removal of an Aggregate Resource – Quarry designation from the Land use Schedule to the Drummond/North Elmsley Official Plan (O.P). The O.P. is currently undergoing its five year review process under the Provincial Policy Statement (PPS). This report may provide some detail regarding the significance of this designation for consideration during the review period and avoid the requirement for a site specific Official Plan Amendment (OPA).

The purpose of the designation change would ultimately provide for consideration of a consent application to sever at least one building lot from the subject lands.

The township planner, Brady McGlade was pre-consulted on this file by email and by telephone and he provided direction concerning a scoped MRIA to have the designation removed rather than a site specific OPA. These discussions were based on a preliminary review of the provincial aggregate assessment mapping, history of the on-site building stone quarry, a site visit by the author and the process and projected costs of acquiring a quarry licence from the province to extract building stone from this site in the future which appeared to be unfeasible, during the preliminary desk top review.

The applicant is proposing at least one severance from his parcel holdings. The burden is on the applicant to ensure avoidance or mitigation measures are considered so that a future quarry, if licenced, is not negatively impacted by incompatible development. In other words, there is no hindrance to the extraction and processing of adjacent resource areas. Another consideration would be whether the quarry site is feasible or do these lands serve some better long term land use, than mineral extraction.

In order to evaluate the potential impacts, the first stage of the MRIA involves the review of the sand and gravel and limestone bedrock resource mapping and confirmation of any operating pits and quarries in the vicinity of the site. Then, review of the Official plan and zoning by-law policies to determine to what extent the township has protected these geological deposits for future use. The final consideration is to determine to what extent the proposed land uses (residential lot development) might sterilize or hinder current operations or make resource areas uneconomical for future extraction.

The township planner has advised that the small stone quarry on site was reportedly used as building stone to face some buildings in the town of Perth. The author of this report has added photos of two homes in close proximity to the junction of Elm Grove Road and Hughes Road which may contain facing stone from this site or another site in the locality. A previous owner of the Sullivan lands had asked to have the property designated mineral resource to protect this specialty product for a similar use in the future. The process and costs involved in licencing a quarry for dimension stone would be very prohibitive in this case due primarily to the limited intermittent use of such a site and the depth of the deposit which limits the amount of bedrock reserves available.

1.0 Study Scope

The scope of this study will be;

- 1) To identify any resource on the subject lands and lands directly adjacent and provide an opinion regarding the potential for extraction of these resources in the future;
- 2) To provide a professional opinion about whether a future consent application for a building lot would preclude or hinder the use of the resource in the future; and
- 3) Consider whether the removal of the aggregate resource quarry designation serves a better long term use of these lands.

This report will consider the viability of the designated aggregate resource for future quarry development and whether residential development is a better long term use of the lands designated for quarry extraction. This will be accomplished by analyzing the provincial aggregate assessment mapping for the subject site and surrounding lands and assessing some of the social, environmental and economic impacts that may make this site less desirable for a quarry licence in the future.

If there is potential for extraction of the resource, the study would then assess mitigation measures that could be used by the quarry licensee to comply with provincial regulations and guidelines. The following is a list of the main social impacts that could affect existing residents and cottagers in the vicinity of Otty Lake and along Elm Grove Road to Rideau Ferry road if a quarry application were initiated at the subject site:

- i) Dust- (drilling and blasting, screening, truck traffic);
- ii) Noise – (drilling, blasting, crushing and screening operations);
- iii) Blasting – Ground Vibration and Air Overpressure;
- iv) Traffic - (haul route along Elm Grove Road and Rideau Ferry Road); and
- v) Groundwater (domestic water well interference and function of adjacent wetlands);

1.1 Qualifications.

The author of this report has extensive knowledge and experience with this particular area of Drummond/North Elmsley Township. From 1980 to 2007, I was employed in the positions of Mineral Resource Administrator, Pits and Quarries Inspector and acting District Planner with the Ministry of Natural Resources and Forestry, responsible for administration of the Aggregate Resources Act, regulations and policies and procedures, and the implementation of the Aggregate Resources Policies from the Provincial Policy Statement into local and upper tier Official Plans, including Drummond - North Elmsley in the late 1990's. I assisted the township building Inspector and Bylaw officer at the time by touring and evaluating known pit and quarry sites in the township for inclusion on the O.P. Land Use Schedule for protection and future development. I was also a member of the Region of Ottawa Carleton Steering committee responsible for the 1995 Aggregate Resource Policy review for the regional Official Plan for Ottawa – Carleton, and associated local Official Plans in several municipal jurisdictions in eastern Ontario, including those in Lanark and Leeds and Grenville. Prior to retirement from the Ontario Public Service, I held the positions of Southern Regional Aggregate Resources Coordinator and Senior Policy Adviser for the Aggregate Resources Program at MNRF from 2008 to 2014. As Southern Region Coordinator, I helped the Ministry of Northern Development and Mines prioritize their Aggregate Assessment mapping program to align with southern Ontario O.P. review processes where possible. During employment with MNRF, I also worked as a forest technician, Superintendent of the G. Howard Ferguson Forestry Station, a fish and wildlife technician and certified as a Forest Fire Safety Officer.

During 2014, I established a consulting company specializing in the protection and development of aggregate resource areas under the Planning Act and associated approvals to establish and operate pits and quarries in eastern Ontario under the Aggregate Resources Act and related regulations, standards and guidelines. As president of Milestone Aggregate Consulting Services Inc., I have acted as project consultant and aggregate resource specialist for several pit applications, site plan amendments and mineral resource impact assessments for developments near pit and quarry operations, particularly in the city of Ottawa, counties of Lanark, Renfrew, Leeds-Grenville and Grey counties. I have assisted several aggregate producers carrying out business within these municipal boundaries, with review of the mineral aggregate resource policies during the comprehensive review of their O.P.s as well as site specific O.P. amendments. I also prepare annual Compliance Assessment Reports for pit and quarry operators for submission to the Ministry of Northern Development, Mines, Natural Resources and Forestry and applicable municipalities, as a compliance record for these sites, recommending any remedial action and promoting rehabilitation where applicable.

2.0 Relevant Policies and Regulations

The Official Plan and Zoning By-law for the Township of Drummond/North Elmsley, the 2020 Provincial Policy Statement (PPS), the Aggregate Resource Inventory Paper (ARIP) 189 for the County of Lanark, Southern Ontario, the Aggregate Resources Act (ARA), regulations, and the policies and procedures related to implementation of the Act, regulations, and standards were used in preparation of this report. A complete list of references is included at the end of the report.

2.1 Provincial Policy Statement (PPS).

The PPS provides the framework for land use planning and development policies in the local Official Plan. In the case of the city of Ottawa, there is no upper tier Official Plan but rather one tier to the O.P.

Section 2.5 of the 2020 Provincial Policy Statement discusses how Minerals Aggregate Resources should be protected for long-term use. The policy statements relevant to this report are;

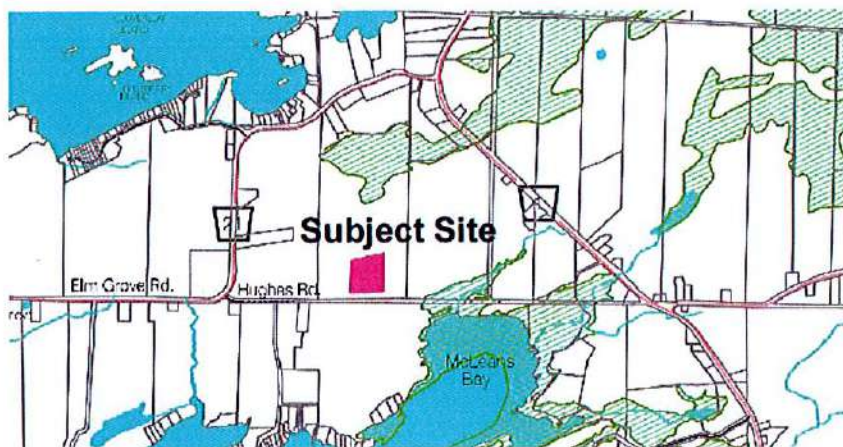
1. As much of the mineral aggregate resources as realistically possible should be preserved as close to market as possible (2.5.2.1);
2. Mineral aggregate operations shall be protected from development and activities that would preclude or hinder their expansion or continued use or which would be incompatible for reasons of public health, public safety or environmental impact (2.5.2.4);
3. In known deposits of mineral aggregate resources and on adjacent lands, development and activities which would preclude or hinder the establishment of new operations or access to the resources shall only be permitted if:
 - a) Resource use would not be feasible; or
 - b) The proposed land use or development serves a greater long-term public interest; and
 - c) Issues of public health, public safety and environmental impact are addressed (2.5.2.5).

These provincial policies are adequately reflected in the current Official Plan policies for the Township of Rideau Lakes for the protection of sand and gravel and bedrock resource areas from encroachment of incompatible development.

2.2 Official Plan for the Twp. of Drummond/North Elmsley

During pre-consultation with the Township of Drummond/North Elmsley Planning department, it was agreed that the main focus would be the on the feasibility of the site to remain a designated aggregate resource – quarry, keeping in mind that building stone has a limited market. **Figure 1** shows the location of the Aggregate Extraction – Quarry designation on lands owned by Joe Sullivan

Figure 1 - Schedule A – Drummond North Elmsley Official Plan



DRUMMOND/ NORTH ELMSLEY LAND USE PLAN Schedule 'A'

Legend

Land Uses

- Hamlet
- Rural
- Agriculture
- Mobile Home Development
- Wetland
- Aggregate Resource
 - Pt
 - Quarry
- Mineral Resource
- Waste Disposal Site
- Salvage Yard
- Flood Plains
 - Flood Line
 - Regulation Limit
 - Floodway
 - Flood Fringe Limit

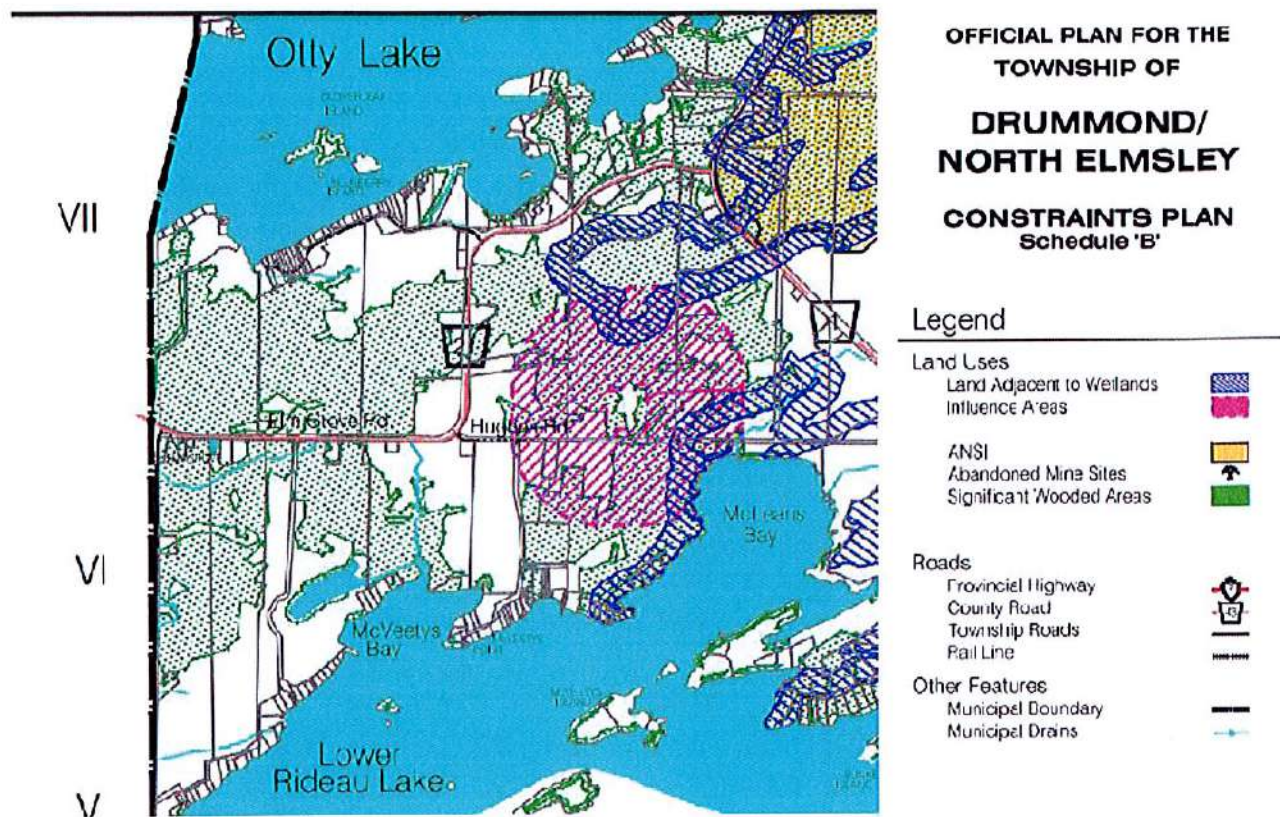
Roads

- Provincial Highway
- County Road
- Township Roads
- Rail Line

Other Features

- Municipal Boundary
- Municipal Drains
- Watershed Boundary

Figure 2 - Schedule B – Drummond North Elmsley Official Plan



As can be seen on the O.P.'s Constraint Map, Schedule B, (see **Figure 2**) there are significant woodlands and wetlands in the vicinity of Hughes Road and the aggregate resource designation. There are mandatory technical reports required under an ARA licence application for a quarry application. The list of reports would include a natural environment report or environmental impact assessment (EIS) and a hydro geological assessment. If the features or functions are within 120 metres of the designation a stage 2, EIS would be triggered to consider mitigation measures to avoid impacts and establish setbacks from the provincially significant feature and the licence and zoning boundary permitting extraction. It is expected that the deposit would have limited surface acreage based on initial screening of the environmental constraint mapping and would be limited to present designation boundary.

2.3 Zoning By-Law for the Township of Drummond/North Elmsley

The site under application is zoned rural (RU) and Aggregate Quarry. (See figure 3).

The land use schedule for the Zoning By-Law shows a wetland influence area or constraint zone adjacent to the wetlands.

Figure 3 – Zoning By-Law Map

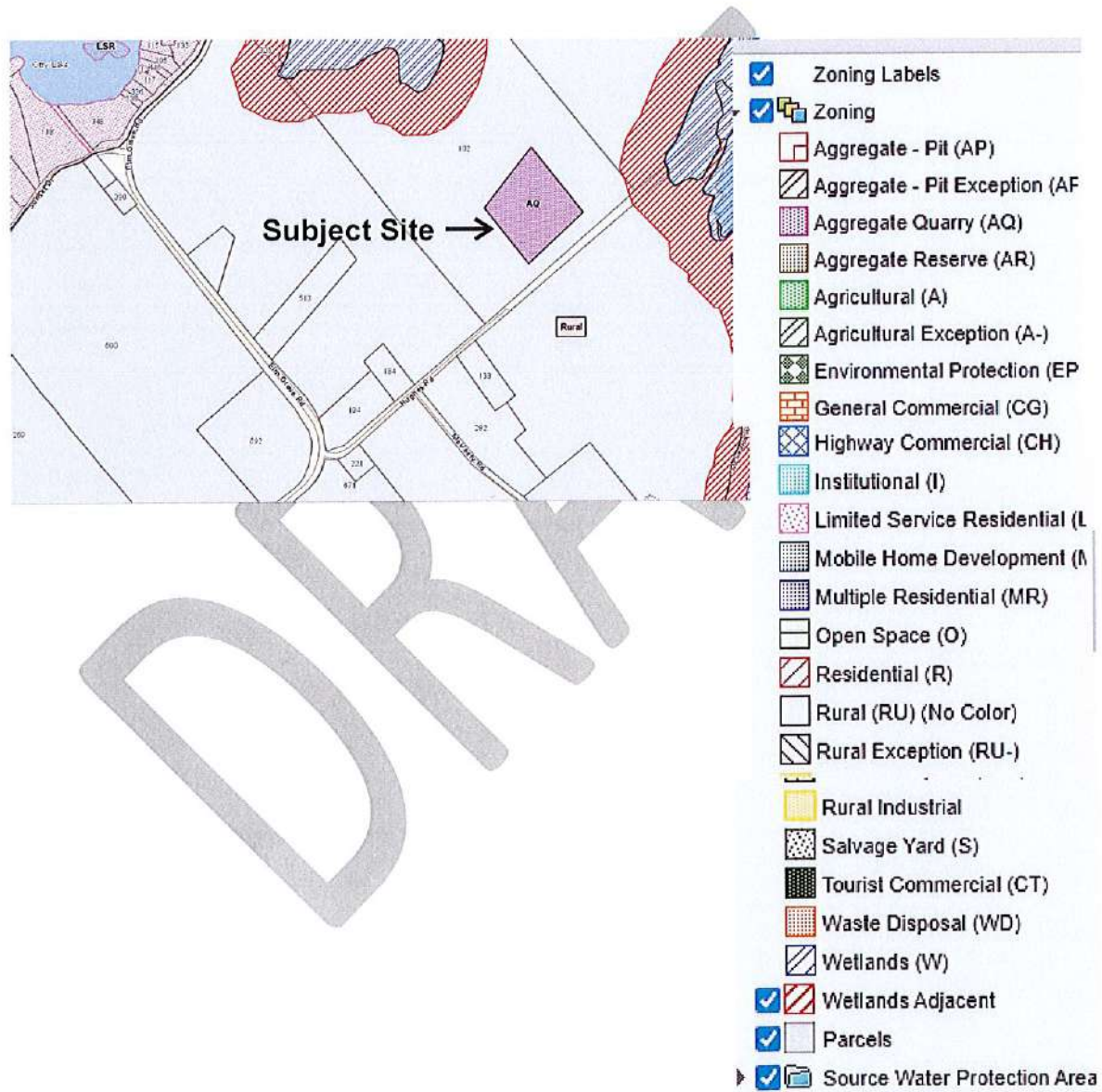


Figure 4 – Google Earth satellite image showing location of quarry site



Figure 5 – Google earth satellite image of quarry (zoomed in)



3.0 Mineral Aggregate Resource Mapping

Provincial aggregate resource mapping, is a tool prepared by the Province to assist Municipalities in applying the Provincial policies for protecting aggregate resources for the construction needs. The current mapping, the **Aggregate Resource Inventory Paper 189 (Lee, V. F. 2009 (ARIP 189))** for the County of Lanark shows no sand and gravel deposit areas on or in the immediate vicinity of the subject lands. The bedrock on site is identified as Nepean formation limestone underlain by pre-cambrian shield rock.

3.1 Geology

a) Surficial Sand and Gravels

The **Ontario Geological Survey, (ARIP 183)** [Ontario Geological Survey, Open File Report, 189 for the County of Lanark.](#)

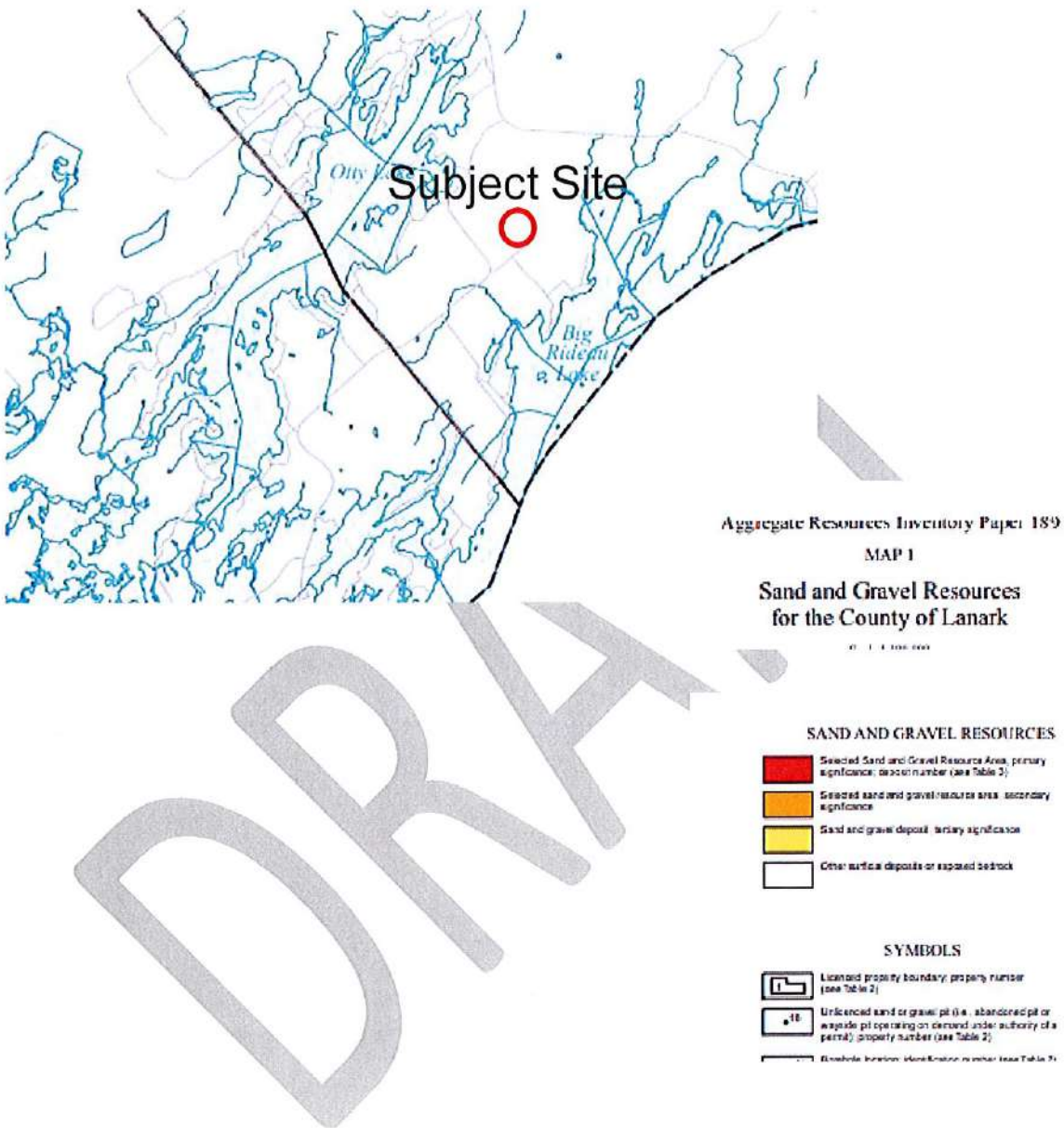
'Selected Sand and Gravel Resource Areas of primary significance are not permanent, single land use units. They represent areas in which a major resource is known to exist, and may be reserved wholly or partially for extractive development and/or resource protection'.

The report describes tertiary deposits in this way:

'[Tertiary deposits] are not considered to be important resource areas because of their low available resources or because of possible difficulties in extraction. Such areas may be useful for local needs or extraction under a wayside permit, but are unlikely to support large-scale development. ... The resource quantity estimate for these deposits were not calculated because the lateral and vertical extent of the usable portion of these deposits is so variable'

Explanation of primary, secondary and tertiary surficial deposits is explained in **section 3** of this report, but are not relevant in this application as no sand and gravel deposit areas are identified on the surficial mapping.

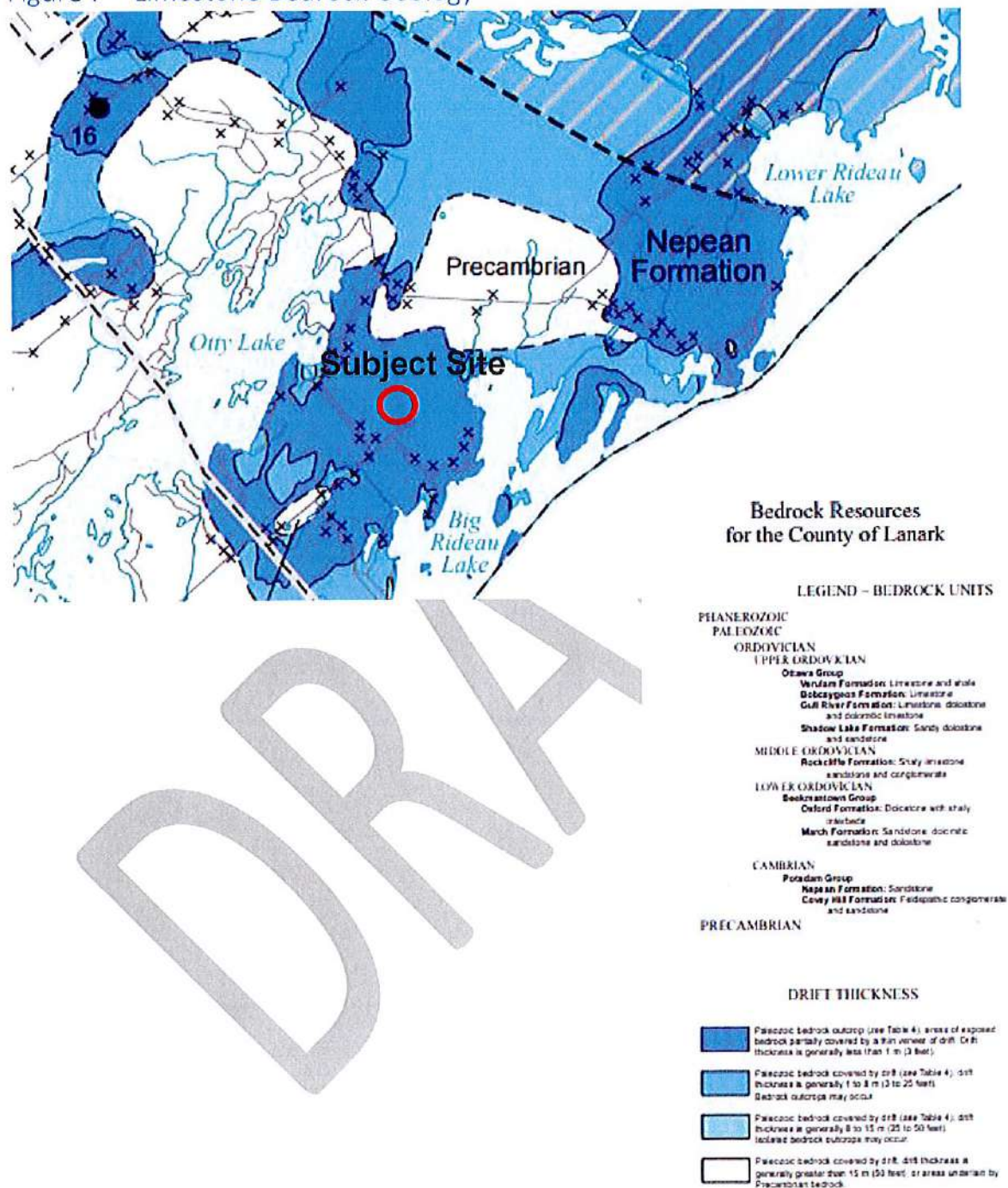
Figure 6 – Surficial Geology



b) Bedrock Resource

ARIP 189 for the County of Lanark indicates the bedrock as Nepean formation Limestone. The bedrock is overlain with less than 1 metre of overburden and the bedrock is exposed at surface in several locations as indicated by the x markings on the ARIP bedrock mapping. Precambrian rock underlays the limestone and is shown to the north east and south west. (See Figure 6). Although the mapping would typically identify licenced pit and quarry sites and abandoned sites, this particular quarry site is not indicated in the ARIP mapping.

Figure 7 – Limestone Bedrock Geology



4.0 History and Site Investigation

The author of this report reviewed a number of background and technical reports (these are listed in **section 10. References**), O.P. and Zoning Land use Schedules, satellite images from google earth, and Pits and Quarries on line, a government mapping tool indicating pit and quarry licence locations .

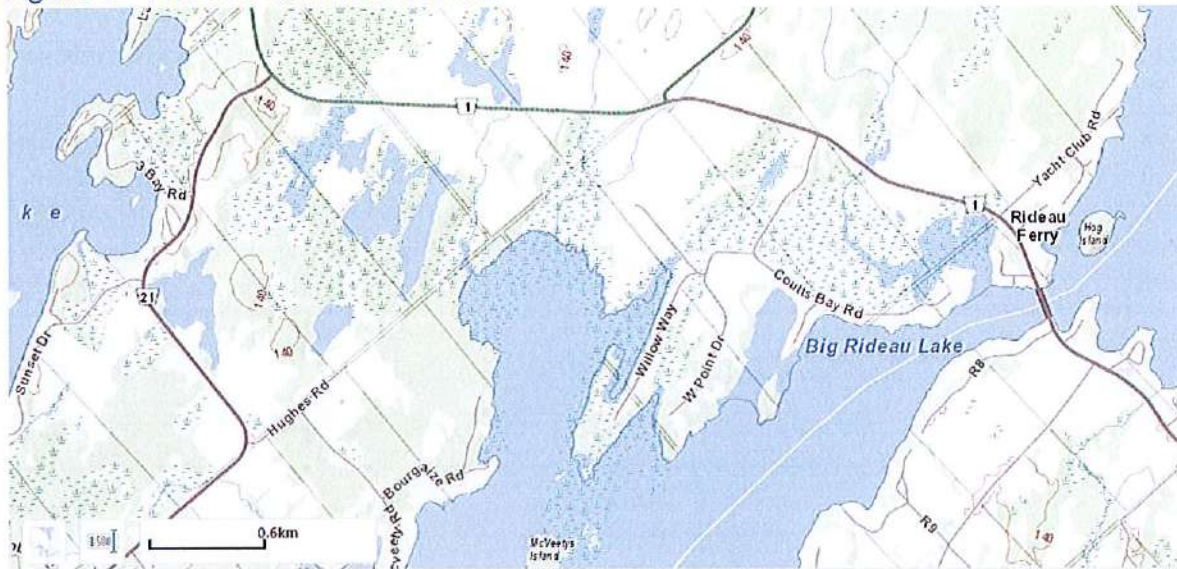
The author of this report has extensive experience as a previous Pits and Quarries Inspector with NDMNRF who is the agency lead for pit and quarry licence/permit approvals, policy development, and regulator of pit and quarry operations under the Aggregate Resources Act, in the province of Ontario. The author was the local aggregate resources technical specialist responsible for the initial pit and quarry designation areas in the Township of Drummond/North Elmsley

It was observed during the site visit on July 28, 2022, that the Hughes Road quarry designation consisted of several small abandoned quarries over the property. One central area was filled with brush and excess stone and soil and is now overgrown with trees. Other areas to the north and south consist of small excavations from the edge of the wetland working into a shallow quarry face which are presently revegetated with lowland trees, shrubs and marsh type vegetation. The bedrock deposit is very shallow about 2 - 3 metres in depth to water table. The surrounding organic soils and wetlands to the north and south east make up wetlands that flow into Big Rideau Lake immediately to the south. It is expected that the limestone outcropping is visible throughout the site but most likely acts as a veneer over the Precambrian rock outcrops identified in the Bedrock Assessment Mapping indicated in Figure 7. The shallow depth of the bedrock deposit could be validated by a more thorough review of water well records along Hughes's Road, but likely unnecessary as the contour information, site visit, and photos of the old excavations confirm the shallowness of the deposit and that the majority of the upper layers of bedrock have been exploited.

A number of photos were taken to document locations of the extraction operations and natural rehabilitation of the quarry site. (See photos at the end of the report).

The Pits and Quarries on line mapping tool indicates no licenced pits and quarries in the vicinity of this site, nor does the abandoned quarry show up on the ARIOP 189 mapping (see Figure 8).

Figure 8 - Pits and Quarries Online



The image from Pits and Quarries Online indicates there are no active pits and quarries within the vicinity of the subject site.

Potential Social impacts from a Quarry Operation:

Generally the regulations under the ARA and the site plan issued under the licence, are the primary mechanisms to control social impacts from extraction, processing and hauling activities at a pit or quarry operation. O. Reg. 466/20, s.2 (1), section 0.12 deals with conditions for licenses and permits issued after April 1, 2021. Prior to April of 2021, similar prescribed conditions were placed on licenses issued since 1997. The NDMNRF Inspector usually has the ability to resolve and mitigate concerns or complaints. The NDMNRF can also investigate complaints jointly with the Ministry of Environment, Conservation and Parks (MECP) if additional expertise is required or there is a matter that is more appropriately dealt with under the EPA or the Water Resources Act rather than the ARA. The sections below in *italics* refer to sections of the ARA regulations that would pertain to pit and quarry operations.

I) Dust: Dust control from a quarry operation must be mitigated on the site at the source (excavation area, processing equipment or haul route, drilling, blasting, crushing and screening operations). If visible dust is generated, the licensee shall take action to control the dust which is in violation of O.Reg. 466/20, s.2.1 subsection 0.12 under the ARA or regulations under Environmental Protection Act.

Pertaining to Dust emissions, O.Reg.466/20s.21, under the ARA indicates under, subsection 0.12) A licence, aggregate permit or wayside permit is subject to the following conditions:

Subsection (2)

- 1. The licensee or permittee shall apply water or another provincially approved dust suppressant to internal haul roads and processing areas, as necessary to mitigate dust, if the pit or quarry is located within 1,000 metres of a sensitive receptor.*
 - 2. The licensee or permittee shall equip any processing equipment that creates dust with dust suppressing or collection devices if it is located within 300 metres of a sensitive receptor.*
 - 3. The licensee or permittee shall obtain an environmental compliance approval under the Environmental Protection Act where required to carry out operations at the pit or quarry.*
 - 4. The licensee or permittee shall obtain a permit to take water under the Ontario Water Resources Act where required to carry out operations at the pit or quarry.*
- (6) A licence is subject to the following condition:

Sub section (6)

- 1. The licensee shall mitigate the amount of dust generated at the site of the pit or quarry to minimize any off-site impact.*

The main cause for dust at a quarry site is generated on internal haul routes and access points which shall be watered or treated with a provincially approved dust suppressant. Internal truck routes would be watered if there is visible air bourn dust. The author observed that the ramp to quarry floor and internal route to the weigh scales and entrance to the site was adequately watered with a water truck during the site visit of May 11, 2022. No visible dust was encountered on the internal haul route.

Dust can also occur from processing equipment such as crushers, stackers and screening equipment which shall contain water spray bars to control dust and are subject to environmental compliance approvals issued by the Province (MECP). A building stone site would be restricted to the following equipment:

- Low impact drills;
- Rock guillotine for cutting and forming building blocks to place on skids;
- Hand pry bars and front end loaders for lifting and separating rock layers;

Unlike bedrock operations for construction aggregate, there would not be the need for drilling with large impact drill rigs, blasting or crushing of bedrock. Although these impacts are much easier to mitigate, there are still the mandatory requirements under the Aggregate Resources Act licence application process for noise studies, hydrogeological assessment, archeological assessment, natural environment or EIS, summary report, site plans and public and agency notification and consultation requirements. The minimum cost from an ARA quarry licence application would range from a minimum \$500,000.00 and could run well over 1M dollars by the end of the process with no guarantee that a licence would be issued. In the opinion of the author, this site would be cost prohibitive for a building stone site of this depth and surface area.

The prevailing winds are predominantly from the west which carry any airborne dust in an easterly direction away from the residents. It is expected due to the lack of development directly east of the site to Rideau ferry road, that there would be no noise or dust impacts from a future quarry operation at this site.

Figure 9 - Wind Direction Map from Google Earth April 2020



II) Noise: The operation of the Hughes Road quarry would include the use of excavators, dump trucks, portable crushing and screening equipment and drilling and blasting which do generate noise.

Blasting operations would be the largest social impact complaint generator for noise and vibration. Details regarding blasting are addressed in **section III) Air overpressure and Vibration** below.

The prevailing wind direction (see **Figure 8b**) affects the distance that noise will be transmitted, as does vegetation height and density, the depth of the excavation, the direction of operation, and the distance between quarry activities and sensitive receptors. There is a mature mixed forest with deciduous and coniferous trees with heights averaging from 10 – 15 metres and open wetland with low shrub vegetation, marsh and open water that would not be an effective noise barrier.

Pertaining to Noise emissions, O.Reg.466/20s.21, under the ARA indicates, in section 0.12)

Subsection (4)

A Class B licence, wayside permit or aggregate permit is subject to the condition that the licensee or permittee must mitigate the amount of noise emitted at the source with appropriate noise attenuation devices and site design if there is a sensitive receptor situated,

- (a) within 500 metres of the boundary of the site in the case of a Class B licence or an aggregate permit; or*
- (b) within 150 metres of the boundary of the site in the case of a wayside permit.*

The author of this report has extensive experience with the review of acoustical reports and development of site plans to incorporate recommendations into enforceable site plan conditions. As a Pits and Quarries inspector, I attended joint investigations with MECP Environmental Officers responding to complaints relating to noise from extraction and processing equipment and drilling and blasting operations. These complaints are evaluated in consideration of the MECP noise guidelines, NPC-233, *Information to be Submitted for Approval of Stationary Sources of Sound*, October 1995. Noise from the facility is assessed according to MECP Documents: NPC-300, *Stationary and Transportation Sources – Approval and Planning*, August 2013. Noise levels of operating equipment are measured in decibels (dBL) using hand held equipment to ensure compliance with environmental approvals on equipment and provincial guidelines for noise. There are also noise guidelines for blasting and vibration from drilling and blasting operations, but are not applicable in this case since we are discussing negative impacts to a pit operation, not a quarry. Please refer to section on Vibration below for further explanation.

The noise restrictions for a quarry site are enforced by the province pursuant to the site plans and regulations under the Aggregate Resources Act and regulations under the Environmental Protection Act. Quarry operators are required to control noise limits at the source and within the confines of the licence and zone boundary of the site.

III) Ground Vibration and Air overpressure pertaining to quarry blasting, O.Reg.466/20s.21, under the ARA indicates under, section 0.12 Sub-section (5)

A licence, aggregate permit or wayside permit that authorizes blasting at the site is subject to the following conditions:

1. No blasting shall occur on a holiday, or between 6 p.m. and 8 a.m., unless the permittee holds an aggregate permit and there is no sensitive receptor located within 2,000 metres of the area in which the blasting takes place.
2. The licensee or permittee shall monitor all blasts for ground vibration and blast overpressure and prepare blast monitoring reports in accordance with provincial guidelines on limits on blast overpressure and ground vibration for blasting operations, unless the permittee holds an aggregate permit and there is no sensitive receptor located within 500 metres of the area in which the blasting takes place.
3. The licensee or permittee shall retain the blast monitoring reports prepared under paragraph 2 for a period of seven years after each blast.

The NPC-300 series of Guidelines by the province (MECP) contain parameters for ground vibration limits of 12.5 mm/second and air overpressure of 128 dBL from a blast. A condition for monitoring these parameters are also regulated under the ARA. These limits are measured using a seismograph equipment. This record provides information to regulators responding to complaints and provides a due diligence case to all involved parties in consideration of liability issues.

IV) Truck Traffic Impacts:

The haul route from this site would be directed westerly along Hughes side road to the intersection with Elm Grove Road, then north and south along Rideau Ferry road to the market areas. All crushed stone is delivered by dump truck, generally tandem axel or tri axle with a pup, but also single axle trucks and smaller trailers for cottage roads, and smaller landscape companies and home owners.

This haulage route would also be subject to restricted load requirements during seasonal periods when frost is lifting and roads are subject to damage with heavily loaded trucks.

It does not seem practical or necessary to burden the applicant with the cost of a traffic study based on the expected volumes and life expediency of the quarry. This may be more appropriate for the quarry licence applicant.

It is expected that there would be serious opposition to a quarry application at this location by home and cottage owners based on the haul route. Alternative haul routes would not be economical to build and would be constricted by wetland features.

V) Ground Water (Water Wells)

A quarry licence application requires a mandatory hydrogeological assessment be completed before the site can be licenced for extraction. Based on site inspection, it was observed that there is little relief in contour between the quarry surface elevation and the wetland water level. One can conclude from this that the water table is high in this area and the bedrock deposit is therefore shallow. Unless there is substantive core drilling or hydro G work done, it is difficult to evaluate the economic value of the deposit based on depth and surface calculations. As a building stone site, it can be assumed that it would be difficult to recover the costs of the initial licence application, especially if there were objections, which appear predictable at this location.

Subsection 2 of the regulations under the ARA state:

4. The licensee or permittee shall obtain a permit to take water under the Ontario Water Resources Act where required to carry out operations at the pit or quarry.

Subsection 3 of the regulations under the ARA state:

A licence or aggregate permit is subject to the following conditions:

- 1. The licensee or permittee shall ensure that fuel storage tanks are installed and maintained in accordance with the Technical Standards and Safety Act, 2000.*

2. *The licensee or permittee shall ensure that a spill contingency plan is developed prior to any operation of the pit or quarry, and followed during the operations.*

In addition to the purchase or lease of the quarry lands and application costs, there would be additional costs associated with Permits to take water (PTTW) under the water resources Act, Environmental Compliance Approvals for sewage discharge permits (ECA) because of the proximity of the water table. These costs may be feasible for washing specialty aggregates such as concrete and asphalt stone, but not considered practical expenses for dimension or building stone. These costs would be a further deterrent for an aggregate producer.

5.0 Potential Impacts on Sand, Gravel and Bedrock Resource areas

There are no sand and gravel resource areas or licenced pits in the vicinity of the subject site and therefore no impact to these resources.

There is a significant need for high quality sand, gravel and crushed stone for specialty applications such as asphalt for road construction, concrete for buildings and manufacturing, septic beds, etc. Nepean formation limestone, though good for coarse granular aggregates will not meet asphalt or concrete stone as a specialty aggregate. Similar building stone can be utilized for this local market at other specialty quarries in the Perth, Smith Falls and Merrickville areas for example, the Tackaberry "Perth Quarry" and "Richmond quarry".

In my opinion, a licence application at this location is less than ideal with the environmental constraints, haul route challenges, and economic costs associated with the development of a new quarry application.

6.0 Potential Impact of the Building Lot on the Quarry Operation

In addition to the Provincial Policy Statement, the Aggregate Resources Act (ARA) regulates the operation and rehabilitation of pits and quarries in Ontario and is administered by the Ministry of Northern Development and Mines, Natural Resources and Forestry (NDMNRF). Pit and quarry applications are subject to appropriate zoning, operational standards that were designed to minimize impacts of pits and quarries on nearby sensitive receptors and the environment. Mitigation measures are developed based on technical report recommendations which are transferred to enforceable conditions on the site plan which regulate the operation and rehabilitation of the site. Conversely, NDMNRF developed guidelines for municipalities to use for assessing development impacts on potential sand gravel and stone reserves and within currently licensed pits and quarries. This guideline is referred to as the ***Mineral Aggregate Resource Reference Manual dated 2001***. The Township of Drummond/North Elmsley has adequately adopted the spirit of these guidelines in their current O.P. which acts as the basis for assessing compatibility for new developments and existing lots of record on sand and gravel and bedrock resource areas.

A building lot would definitely have a negative impact on a quarry licence application on the subject lands. This report has demonstrated that it would very difficult to entice an operator to develop this site based on the identified constraints, potential social impacts and economic costs associated with a licence application and operation costs that could be restricted to low production building stone quarry. For these reasons, in my opinion, the quarry designation should be removed and other viable land uses considered for these lands.

7.0 Land Use Compatibility Analysis

The concept of an influence area is recognized as a means of protecting mineral aggregate resources and/or operations from the encroachment of incompatible land uses. The influence area in this case is 500 metres as indicated in the O.P. The influence area is not a strict buffer or setback area in which development is prohibited, but rather, it is an area where impacts may be assessed and mitigation measures and monitoring considered.

In the context of a proposed consent application to sever a building lot, the 500-metre influence area is used to evaluate possible impacts of that development on a future quarry operation. There does appear to be a good number of licenced pits and quarries in this general market area. Though I would praise the municipality for designating this deposit for future bedrock reserves, having taken a more detailed assessment of the deposit, it does not appear practical to retain the designation.

8.0 Summary

In summary, there are no sand and gravel reserves on the site or proximity to the site. There are bedrock resources identified, but the deposit does not meet size criteria in surface acreage and depth to warrant a quarry application process. A quarry application would also be constrained by the surrounding wetlands and forests which could add additional restrictions, conditions and setbacks decreasing the size of the available deposit to exploit bedrock resources. This perceived quarry would most likely be limited to a specialty dimension or building stone site. With the wide variety, texture and colour of manufactured facing stone available today, natural stone is seldom used for this purpose except for renovation work such as replacing stone on historic buildings or refurbishing the Rideau canal.

Building lot(s) on the subject property, in my opinion, would have much less impact on the surrounding wetlands, water courses, and forested areas than would the operation of a quarry site. There are a number of existing residential lots along Hughes Road and residential and cottage development along Elm Grove road. Home owners and cottagers in the vicinity of Otty Lake and the Big Rideau would in my opinion voice significant opposition to a quarry application at this location. Murphy's Point Provincial Park is also located on Elm Grove Road which may create more conflict between an extractive industrial site and tourist use along this route.

The 5 year review official Plan review is a good opportunity to consider removal of the aggregate resource designation. It is anticipated that the public consultation for a site specific OPA would bring no opposition to removal of this designation from the O.P. and therefore a site specific OPA process would not be considered necessary or justifiable in my opinion.

Again, it is the opinion of the author that there would be no public objection to removal of the Mineral Resource designation at this location.

9.0 Recommendation

Based on the location of the aggregate resource designation, limited size and depth of deposit, the haul route, potential environmental impacts to wetlands, forests and associated species habitats, economic costs of pursuing a quarry licence application for a limited aggregate use, and the perceived opposition and social impacts predicted for a quarry operation, my personal knowledge of quarry operations, complaints and impacts at similar sites, I conclude that removal the aggregate resource quarry designation from the O.P. at the aforementioned location serves a better long term land use than does a quarry development. I recommend that council and staff for the Township of Drummond/North Elmsley, support removal of the quarry designation as part of the current O.P. review process.

Yours sincerely,



Gary McLaren

President

Phone: 613-272-6795

Mobile: 613-893-6227

Email: gmclaren@milestoneaggregate.com



DRAFT



10.0 References

Township of Drummond/North Elmsley Official Plan

[Township of Drummond/North Elmsley Official Plan](#)

Lee, V .L. 2013. Aggregate Resources Inventory the County of Lanark Aggregate Resources Inventory Paper 189.

[ARIP 189](#)

Aggregate Resources Act Ontario Regulation 244/97

[ARA Ontario Regulation 244/97](#)

[ARA of Ontario Technical Reports and Information Standards](#)

[ARA of Ontario Site Plan Standards](#)

Ministry of Natural Resources Mineral Aggregate Resources Reference Manual 2001

[Aggregate Resources Policies and Procedures](#)

Pits and Quarries on line provincial mapping tool (MNRF)

[Pits and Quarries Online](#)

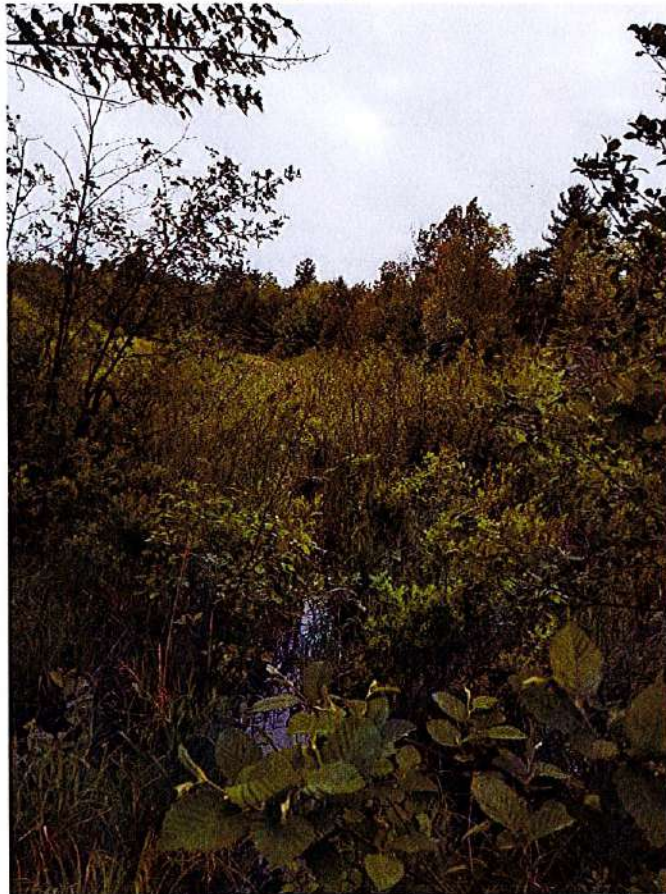
Google Earth Satellite Image April 2020

[Google Earth](#)

Ministry of Environment, Conservation & Parks Noise Guidelines – NPC/300

[NPC/300 Provincial Noise Guidelines](#)

11.0 Site Photographs



Wetland directly adjacent to the north end of the site
G. McLaren, May 2022



Open water in the wetland north of bedrock area
G. McLaren, May 2022



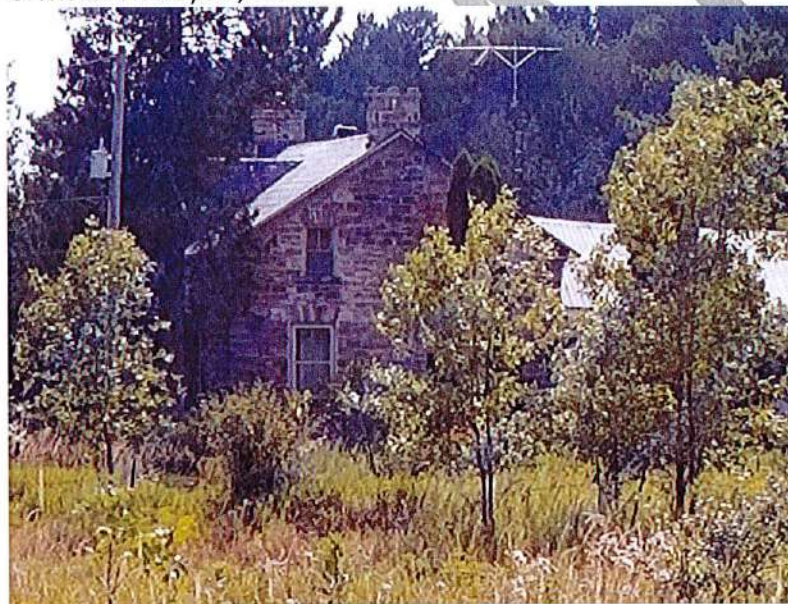
Bedrock outcrop south part of subject site
G. McLaren, July 28, 2022



Spoils from abandoned quarry excavation area south edge of the site. Wetland and Big Rideau Lake just beyond the south edge of the site.
G. McLaren, July 28, 2022



Spoils from old excavation south edge of the site. Removal of stone from the edge of the wetland into a shallow escarpment
G. McLaren July 28, 2022



Building stone on house on Elm Grove Road at the junction of Hughes Road. Typical of Building stone from the subject site.
G. McLaren, July 28, 2022



Building Stone on a home south side of Elm Grove Road west of Hughes Road. Typical of building stone from the subject site.
G. McLaren, July 28, 2022

Township of Drummond/North Elmsley Committee of the Whole



Report By Angela Millar, Treasurer

Date October 11, 2022

Report Title FIN-14-2022 – Financial Review as of September 30th, 2022

1. Staff Recommendation: Resolution ☐ Direction ☐ Information ☒

To receive Report # FIN-14-2022 – Financial Review as of September 30th, 2022, for information purposes.

2. Purpose:

To provide a summary of the financial position and highlights to the end of September 2022. Prudent fiscal management is reliant on conducting periodic reviews and comparisons between the approved budget and actual year-to-date revenues and expenditures each year. The main intent of this process is to identify any areas of concern and make recommendations and/or provide options for consideration if corrective action is required.

3. Background:

This report compares the approved 2022 budget to the actual year-to-date revenues and expenditures up to September 30th, 2022.

4. Discussion:

This report reflects that the Township continues to be in a good financial position even though key supplies and operational expenses have continued to be higher than normal.

Table 1 provides a comparison of the approved budget compared to the actual revenues received. As of September 30th, 74.2% of the budgeted revenues have been realized. Building and development activities continue to be strong and recycling revenues are higher than the amounts budgeted. Revenues from the provincial offences have not been received to date but will be received in the coming months. Although Planning revenues seem low on Table 1, many revenues are not applicable if there are no corresponding expenses incurred. For example, there have been no subdivision revenues received to date therefore, there are no corresponding expenses incurred for that purpose either. Other Planning revenues such as zoning applications and minor variances are on track to achieve close to the revenues budgeted already for 2022. Similarly, for Economic Development and Tourism, the income from Lanark County Tourism has not been received until there is an offsetting expense incurred. A meeting is anticipated in the coming months to discuss Economic Development and Tourism initiatives.

Table 1

2022 Budget to Actual - Revenue Summary				
DEPARTMENTS	2022 Budget	2022 Actual	Variance Budget to Actual	% Used
GENERAL GOVERNMENT	-931,800	-663,578	-268,222	71.2%
PROTECTION SERVICES	-390,300	-234,424	-155,876	60.1%
RECREATION	-10,200	-5,305	-4,895	52.0%
ECONOMIC DEV & TOURISM	-10,000	0	-10,000	0.0%
PLANNING	-81,700	-39,113	-42,587	47.9%
DRAINAGE WORKS	-12,546	0	-12,546	0.0%
ENVIRONMENT	-1,030,560	-1,047,865	17,305	101.7%
TRANSPORTATION	-240,555	-204,916	-35,639	85.2%
Capital	-2,939,769	-802,219	-2,137,550	27.3%
LEVY	-4,642,843	-4,642,681	-162	100.0%
Grand Total	-10,290,273	-7,640,102	-2,650,171	74.2%

Table 2 provides a comparison of the approved budget compared to the expenses incurred up to September 30th. This table demonstrates that the expenses are tracking low for this time of year although the capital projects and expenses are anticipated to be incurred before the end of the year. As of September 30th, the cost for fuel is expected to exceed the annual budget along with the higher costs incurred for dust control that was previously communicated to Council. Even though these costs are likely to exceed budgeted amounts by December 31st, it is hoped that sufficient operational savings throughout the Transportation budget be achieved to offset these increases.

Table 2

2022 Budget to Actual - Expenditure Summary				
DEPARTMENTS	2022 Budget	2022 Actual	Variance Budget to Actual	% Used
GENERAL GOVERNMENT	1,210,274	866,695	343,579	71.6%
PROTECTION SERVICES	2,018,980	1,159,350	859,630	57.4%
SOCIAL/HEALTH SERVICES	17,000	16,000	1,000	94.1%
RECREATION	293,622	142,755	150,867	48.6%
CULTURE	189,000	87,986	101,014	46.6%
ECONOMIC DEV & TOURISM	19,325	5,525	13,800	28.6%
PLANNING	200,713	116,533	84,180	58.1%
DRAINAGE WORKS	31,400	27,973	3,427	89.1%
ENVIRONMENT	1,030,560	682,086	348,474	66.2%
TRANSPORTATION	2,339,630	2,011,145	328,485	86.0%
Capital	2,939,769	802,219	2,137,550	27.3%
Grand Total	10,290,273	5,918,268	4,372,005	57.5%

Table 3 provides a brief update of the status for each capital or significant project that is included in the 2022 budget. Although the revenues and expenses for capital projects appear low for this time of year (as shown in the above Tables), many expenses for these projects will be incurred before year-end and grant reporting will be processed to claim the offsetting revenues.

Table 3	
CAPITAL PROGRAMS	Status of Projects as at September 30 2022
MAJOR CAPITAL - ROADS	
Prestonvale Rd (1.5 KM) Upgrade to Hot Mix Payment	Tender process recently completed
MINOR CAPITAL - ROADS	
Conc 7. Road Fix in one spot	Completed
Cul-de-sacs	Completed
Spot Paving & Crack Sealing	Completed
Concession 4A (Flood Prevention Project)	Completed
Canal Bank Road -320 meters (Emergency Flood Road)	Completed
CAPITAL - Design Work & Tender Preparation	
Poonamalie Road - 2.9 km	Tender to be issued this fall
Wayside Drive - 1.37 km	Tender to be issued this fall
Street Lights	
Rideau Ferry Bridge - Pedestrian Street Lights	In progress - to be completed this fall
CAPITAL - EQUIPMENT	
Four (4) Electronic Speed Signs	Completed
CAPITAL - FACILITIES	
Redevelopment - FF Community Hall (Grant)	In progress - to be completed early 2023
Drummond Salt Shed	In progress - to be completed by end of October
Drummond/Port Elmsley Garage - convert to LED Lights	Completed
Port Elmsley Garage- Convert to Propane Furnace	Completed
D.N.E. Admin. Building - improve layout for health & safety	Deferred to 2023
35KW Emergency Generator Repairs/Procurement	Deferred to 2023 - pending further review
Emergency Response Plan Rewrite	
Update HIRA and CI for the Emergency Response Plan	Completed
Modernization Intake 3 - Financial System	
2022 Financial Plan (75-25% split)	In progress - to be completed this year
Modernization Intake 3 - Public Works Depart. Review	
Public Works Department Review (100% grant)	Draft recommendations received
2021 Carry Forward Projects	
Asset Management (FCM Grant)	In progress - to be completed this year
Buttermilk Hill Road Bridge	Completed
Tennyson Road	To be completed this year
Street Lights	Preliminary design work to be completed this year with installation 2023
Other Significant Projects	
Official Plan	In progress - completion anticipated early 2023

5. Options:
None.

6. Financial Implications:

The impact of the year-end position of the Township is mitigated through its reserves. If the Township is in a surplus position at year-end, the additional funds would be distributed to the applicable reserves in relation to the demand for potential use and future needs. Similarly, if the Township is in a deficit position at year-end, funds are transferred from the Working Reserve to offset the deficit.

7. Link to Township Plans: (Strategic Plan, Asset Management, Council Priorities, etc.)

Strategic Plan

Fiscal Responsibility – We recognize that we are stewards of the community's fiscal resources; therefore, public finances are managed in a responsible and prudent manner that ensures the best value and efficient use.

Accountability and Transparency - We are accountable to the taxpayer and accept responsibility for our decisions. We conduct our business in an open and transparent manner.

8. Summary

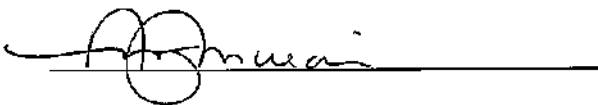
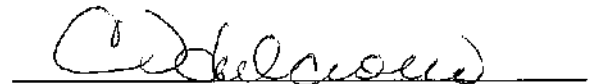
This report demonstrates that the Township continues to manage well through these unprecedented times of increased costs for fuel, materials and services. The next financial review and year-to-date actuals will be provided to Council within the draft budget document.

9. Attachments:

None.

Prepared By
Angela Millar, Treasurer

Approved By

A handwritten signature in cursive script, appearing to read 'Angela Millar', is written over a horizontal line.A handwritten signature in cursive script is written over a horizontal line. The signature is stylized and difficult to decipher, but appears to be a name.

MEMORANDUM OF UNDERSTANDING (MOU)

PRESCRIBED SNOWMOBILE TRAIL LAND USE PERMISSION

(PLEASE PRINT OR TYPE)

On this ____ day of _____, year ____ I, the undersigned, owner/occupier of the premises that is lot # _____ concession # _____ or other _____ in the Township of _____, County/District/Region of _____ do hereby give the _____

(snowmobile club), hereinafter referred to as the "local snowmobile club" (a member in good standing of the Ontario Federation of Snowmobile Clubs – OFSC), permission to legally enter, establish, groom, maintain, sign and use that portion of the premises herein designated by me for the exclusive purpose of allowing legally permitted snowmobiles and their riders to use said designated premises for snowmobiling under the following terms and conditions:

1. This MOU is valid for the period commencing _____ and ending _____.
2. The local snowmobile club shall at all times remain a member in good standing of the OFSC and be able to verify this to the owner/occupier with a current OFSC certificate or this agreement shall be immediately null and void.
3. The local snowmobile club will provide liability insurance in the amount of \$15,000,000 for liability arising from the grooming, maintenance and use of the snowmobile trail but only with respect to the negligence of the local snowmobile club for those operations usual to a snowmobile trail. This coverage is confirmed to the undersigned owner/occupier by signing this memorandum of understanding on the condition no fee has been charged by the owner/occupier for the use of designated premises.
4. The insurers will add the landowner as an additional insured but only with respect to liability arising from the operations of the named local snowmobile club name. Coverage will be extended to the location listed in the landowner agreement through an insurance policy held by the OFSC and its member organization snowmobile club.
5. The above referenced insurance liability policy will not provide any coverage for the willful misconduct and or negligence on the part of the landowner.
6. The designated premises shall be sketched on a separate sheet of paper or shown on an attached map and a copy of each/both shall be initialed by both parties hereto and attached to each copy of this agreement.
7. It is understood that the local snowmobile club, with the owner/occupier's verbal consent on each occasion, shall have access to the designated premises prior to and after the winter months for the purpose of opening and closing, upgrading and maintaining the trail when there is no snow cover.
8. The local snowmobile club shall maintain that portion of the designated premises to be used as a trail in reasonably good condition for snowmobiling purposes only; and undertake to post appropriate signage; remove on an annual basis any litter and repair or replace property damaged by valid permitted and exempted snowmobiles and their riders on that portion of the designated property used for snowmobiling.
9. Each party hereto shall give the other sixty (60) days prior written notice to the address below of any changes to, or cancellation of this agreement.
10. Representative of the local snowmobile club or district are hereby authorized to be the owner/occupier's agent(s) to cooperate with local law enforcement agencies in their efforts to supervise and enforce the uses defined hereunder with respect to the designated premises in accordance with the Trespass to Property Act R.S.O. 1990, c.T21; the Motorized Snow Vehicles Act R.S.O. 1990, c.M44; and the Occupiers Liability Act R.S.O. 1990, c.O-2 as amended.
11. The landowner/occupier and the local snowmobile club mutually confirm that the landowner/occupier, by signing this MOU is not requesting nor granting permission for a registered easement over the designated premises.
12. Additional Conditions: _____

LANDOWNER/OCCUPIER

Name		Phone:	
Address		Email:	
Landowner Signature			

LOCAL SNOWMOBILE CLUB

Club Name		Phone:	
Address		Email:	
Alternate Contact (District)		Alternate Phone/Email	
Club Signature			

Privacy Policy: Personal information provided on this form will only be used for purposes related to this agreement.



TO DRUMMOND
CONCESSION 1