



**VILLAGE OF MERRICKVILLE-WOLFORD**

**Agenda for Council  
Council Chambers**

Council Meeting 7:00 p.m.

Monday, July 27, 2020

**\*\*\*IMPORTANT NOTICE: This meeting will be held in person at the Council Chambers. However, due to the Provincial Emergency Orders still in effect, we are unable to safely accommodate the public at this meeting. In order to ensure transparency, an audio recording of this meeting will be posted on the website immediately following adjournment.\*\*\***

1. **Call to Order**
2. **Disclosure of Pecuniary Interest and the general nature thereof**
3. **Approval of the Agenda**
4. **Delegation:** Ian Murphy, MNP LLP re: 2019 Audited Financial Statements
5. **Minutes:** Approval of Minutes of special Council meeting of June 22, 2020; and Approval of Minutes of regular Council meeting of July 10, 2020
6. **Correspondence:** Niklas Althoefer Hastings, received July 17, 2020; and
7. **Planning:** Resolution re: Consent Application B-5-20
8. **Finance:** FIN-10-2020 re: Payment in Lieu of Tax Write Off for Crown Land  
FIN-13-2020 re: 2019 Year-End Transfers To and From Reserves  
FIN-14-2020 re: re: Financial Variance Report, First and Second Quarters  
Resolution re: Asset Management Plan Grant Application  
Resolution re: Waiving Interest on Taxes and Water/Wastewater Bills
9. **CAO:** CAO-06-2020 re: 2019 Staff Vacation and Banked Time
10. **In-Camera**
  1. A position, plan, procedure, criteria or instruction to be applied to any negotiations carried on by or on behalf of the municipality;
  2. Personal matters about an identifiable individual, including municipal or local board employees; and
  3. Advice that is subject to solicitor-client privilege, including communications necessary for that purpose.
11. **Next meeting of Council:** Monday, August 24, 2020 at 7:00 p.m.
12. **Confirming By-Law:** 41-2020 re: Confirm Proceedings of Council meeting of July 27, 2020
13. **Adjournment.**

Established 1793  
Incorporated  
Wolford 1850  
Merrickville 1860  
Amalgamated 1998



Telephone (613) 269-4791  
Facsimile (613) 269-3095

## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

The Council of the Corporation of the Village of Merrickville-Wolford does hereby approve the agenda of the regular Council meeting of July 27, 2020 as:

\_\_\_ circulated.

\_\_\_ amended.

Carried / Defeated

J. Douglas Struthers, Mayor

For Clerk's use only, if required:

Recorded Vote Requested By:

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N

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## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

The Council of the Corporation of the Village of Merrickville-Wolford does hereby receive the delegation of Ian Murphy of MNP LLP; and

That Council does hereby receive the draft Consolidated Financial Statements for 2019 year-end.

Carried / Defeated

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J. Douglas Struthers, Mayor

For Clerk's use only, if required

### Recorded Vote Requested By:

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N

**DRAFT FOR REVIEW PURPOSES ONLY**

**THE CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD  
CONSOLIDATED FINANCIAL STATEMENTS**

**December 31, 2019**

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

December 31, 2019

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**DRAFT FOR REVIEW PURPOSES ONLY**

## **INDEPENDENT AUDITOR'S REPORT**

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To the Members of Council, Inhabitants and Ratepayers of  
the Corporation of the Village of Merrickville-Wolford

### **Opinion**

We have audited the consolidated financial statements of the Corporation of the Village of Merrickville-Wolford (the "Municipality"), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of financial activities, changes in net financial liabilities, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2019, and the results of its 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality'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 Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Cornwall, Ontario

**Chartered Professional Accountants**  
Licensed Public Accountants

PREPARED FOR REVIEW PURPOSES ONLY

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at December 31, 2019

	2019	2018
<b>NET FINANCIAL LIABILITIES</b>		
<b>ASSETS</b>		
Cash	\$ 2,616,101	\$ 2,507,989
Taxes receivable	967,694	1,088,815
Accounts receivable	948,605	495,578
	4,532,400	4,092,382
<b>LIABILITIES</b>		
Accounts payable	1,024,466	645,292
Deferred revenue	41,420	1,030,439
Deferred revenue - obligatory reserve funds (Note 2)	255,670	258,548
Municipal debt (Note 3)	4,314,423	4,570,786
Capital leases (Note 4)	32,405	116,725
Accrued landfill closure and post-closure costs (Note 5)	985,973	945,439
	6,654,357	7,567,229
<b>NET FINANCIAL LIABILITIES</b>	(2,121,957)	(3,474,847)
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	16,804,869	15,176,647
Inventory	49,045	41,362
Prepaid expenses	24,161	10,897
	16,878,075	15,228,906
<b>ACCUMULATED SURPLUS</b>	\$ 14,756,118	\$ 11,754,059

Subsequent event (Note 11)



**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

For the year ended December 31, 2019

	BUDGET 2019	ACTUAL 2019	ACTUAL 2018
<b>REVENUES</b>			
Taxation	\$ 3,144,917	\$ 3,152,101	\$ 3,032,043
Fees and service charges	1,549,191	1,720,444	1,521,768
Grants	524,053	805,975	528,579
Investment income	192,149	194,206	200,190
Other	7,500	28,310	15,999
	<u>5,417,810</u>	<u>5,901,036</u>	<u>5,298,579</u>
<b>EXPENSES</b>			
General government	933,611	923,639	1,096,127
Protection services	911,629	845,629	877,328
Transportation services	1,286,424	1,160,978	1,248,296
Environmental services	1,621,857	1,541,598	1,441,008
Recreation and cultural services	343,546	293,555	345,232
Planning and development	320,384	249,603	213,461
	<u>5,417,451</u>	<u>5,015,002</u>	<u>5,221,452</u>
<b>OTHER REVENUE RELATED TO CAPITAL</b>			
Deferred revenue earned (Note 2)	290,171	197,130	-
Grants	1,887,596	1,918,895	50,000
	<u>2,177,767</u>	<u>2,116,025</u>	<u>50,000</u>
<b>SURPLUS FOR THE YEAR</b>	<u>2,178,126</u>	<u>3,002,059</u>	<u>127,127</u>
<b>ACCUMULATED SURPLUS, beginning of year</b>	<u>11,754,059</u>	<u>11,754,059</u>	<u>11,626,932</u>
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 13,932,185</u>	<u>\$ 14,756,118</u>	<u>\$ 11,754,059</u>

See Accompanying Notes

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL**  
**LIABILITIES**

For the year ended December 31, 2019

	BUDGET 2019	ACTUAL 2019	ACTUAL 2018
Surplus for the year	\$ 2,178,126	\$ 3,002,059	\$ 127,127
Amortization of tangible assets	800,000	740,420	814,188
Acquisition of tangible capital assets	(2,757,744)	(2,368,642)	(325,391)
Change in inventory	-	(7,683)	5,187
Change in prepaid expenses	-	(13,264)	(3,016)
Decrease in net financial liabilities	220,382	1,352,890	618,095
Net financial liabilities, beginning of year	(3,474,847)	(3,474,847)	(4,092,942)
Net financial liabilities, end of year	\$ (3,254,465)	\$ (2,121,957)	\$ (3,474,847)

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**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended December 31, 2019

	2019	2018
<b>CASH FROM OPERATING ACTIVITIES</b>		
Surplus for the year	\$ 3,002,059	\$ 127,127
Item not affecting cash		
Amortization expense	740,420	814,188
Changes in non-cash working capital balances		
Taxes receivable	121,121	(104,180)
Accounts receivable	(453,027)	(89,822)
Inventory	(7,683)	5,187
Prepaid expenses	(13,264)	(3,016)
Accounts payable	(37,881)	(70,495)
Deferred revenue	(989,019)	1,030,439
Deferred revenue - obligatory reserve funds	(2,878)	95,423
Accrued landfill closure and post-closure costs	40,534	40,534
	<b>2,400,382</b>	<b>1,845,385</b>
<b>CASH USED IN FINANCING ACTIVITIES</b>		
Repayment of municipal debt	(256,363)	(245,179)
Proceeds from the issue of municipal debt	-	49,000
	<b>(256,363)</b>	<b>(196,179)</b>
<b>CASH USED IN CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(1,951,587)	(325,391)
Decrease in capital leases	(84,320)	(81,220)
	<b>(2,035,907)</b>	<b>(406,611)</b>
<b>INCREASE IN CASH</b>	<b>108,112</b>	<b>1,242,595</b>
<b>CASH, beginning of year</b>	<b>2,507,989</b>	<b>1,265,394</b>
<b>CASH, end of year</b>	<b>\$ 2,616,101</b>	<b>\$ 2,507,989</b>

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS**

For the year ended December 31, 2019

	Land and improvements	Buildings	Vehicles	Machinery and equipment	Water and waste water plants and networks	Roads	Bridges	2019	2018
<b>Cost</b>									
Balance, beginning of year	\$ 459,759	\$ 2,669,391	\$ 2,119,123	\$ 1,837,425	\$ 12,058,061	\$ 3,120,702	\$ 1,017,907	\$ 23,282,368	\$ 22,956,977
Additions during the year		24,829	-	50,800	1,017,518	1,275,495	-	2,368,642	325,391
Balance, end of year	459,759	2,694,220	2,119,123	1,888,225	13,075,579	4,396,197	1,017,907	25,651,010	23,282,368
<b>Accumulated Amortization</b>									
Balance, beginning of year	26,327	717,154	1,841,058	1,443,507	3,083,745	754,082	739,848	8,105,721	7,291,533
Amortization during the year	4,388	72,895	170,184	34,435	326,889	148,879	22,780	740,420	814,188
Balance, end of year	30,715	790,049	1,471,212	1,477,942	3,410,634	902,961	762,628	8,846,141	8,105,721
<b>Net book value</b>	<b>\$ 429,044</b>	<b>\$ 1,904,171</b>	<b>\$ 647,911</b>	<b>\$ 410,283</b>	<b>\$ 9,664,945</b>	<b>\$ 3,493,236</b>	<b>\$ 255,279</b>	<b>\$ 16,804,869</b>	<b>\$ 15,176,647</b>

Included in additions is an amount of \$417,055 that was not paid as at December 31, 2019 (nil for 2018); this amount was treated as a non-cash transaction for the purposes of the consolidated statement of cash flows.

See Accompanying Notes

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS**

For the year ended December 31, 2019

	2019	2018
<b>Deficits</b>		
Operating surplus (Note 8)	\$ -	\$ -
Library surplus	37,249	23,701
Capital surplus - water and sewer	63,455	63,455
Unfunded liabilities to be recovered from future revenues		
Accrued landfill closure and post-closure	(985,973)	(945,439)
<b>Total deficits</b>	<b>(885,269)</b>	<b>(858,283)</b>
<b>Reserves</b>		
<b>Reserves set aside for specific purposes by Council:</b>		
Working capital	1,151,459	804,432
Vehicle replacement	490,123	425,123
Modernization	312,843	-
Capital	182,267	97,331
Capital contingency	220,637	151,244
Landfill	215,000	200,000
Self insurance	130,000	105,000
Library	84,051	79,051
Water and sewer	164,794	73,878
Building department	71,741	22,401
Hospital	45,000	45,000
Recreation	26,019	26,198
Election	13,780	9,780
Museum	2,884	2,884
<b>Total reserves</b>	<b>3,110,598</b>	<b>2,042,322</b>
<b>Equity in tangible capital assets</b>		
Invested in tangible capital assets	16,804,869	15,176,647
Less: related debt	4,274,080	4,606,627
<b>Total equity in tangible capital assets</b>	<b>12,530,789</b>	<b>10,570,020</b>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 14,756,118</b>	<b>\$ 11,754,059</b>

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**CONSOLIDATED SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**

For the year ended December 31, 2019

	Deficits	Reserves	Equity in Tangible Capital Assets	2019	2018
<b>Balance, beginning of year</b>	\$ (858,283)	\$ 2,042,322	\$ 10,570,020	\$ 11,754,059	\$ 11,626,932
Surplus for the year	3,002,059	-	-	3,002,059	127,127
Reserve funds used for operations	41,802	(41,802)	-	-	-
Funds transferred to reserves	(1,110,078)	1,110,078	-	-	-
Current year funds used for tangible capital assets	(2,368,642)	-	2,368,642	-	-
Annual amortization expense	740,420	-	(740,420)	-	-
Municipal debt repaid	(332,547)	-	332,547	-	-
<b>Change in accumulated surplus (deficit)</b>	<b>(26,986)</b>	<b>1,068,276</b>	<b>1,960,769</b>	<b>3,002,059</b>	<b>127,127</b>
<b>Balance, end of year</b>	<b>(885,269)</b>	<b>\$ 3,110,598</b>	<b>\$ 12,530,789</b>	<b>\$ 14,756,118</b>	<b>\$ 11,754,059</b>

**DRAFT FOR REVIEW PURPOSES ONLY**

See Accompanying Notes

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE**

For the year ended December 31, 2019

	General Government	Protection Services	Transportation Services	Environmental Services	Water and Sewer Services	Recreation and Cultural Services	Planning and Development	2019	2018
<b>REVENUE</b>									
Taxation	\$ 1,656	\$ 843,177	\$ 1,745,835	\$ 124,218	\$ -	\$ 238,728	\$ 198,487	\$ 3,152,101	\$ 3,032,043
Fees and service charges	89,254	14,241	17,080	133,005	1,219,746	76,679	170,439	1,720,444	1,521,768
Grants	698,616	20,372	9,683	44,183	24,183	12,938	-	805,975	528,579
Investment income	19,784	790	-	-	-	1,632	-	194,206	200,190
Other	-	-	-	-	-	28,310	-	28,310	15,999
	977,310	878,580	1,772,598	301,406	1,243,929	358,287	368,926	5,901,036	5,298,579
<b>EXPENSES</b>									
Wages and benefits	591,296	132,326	422,604	40,306	-	136,544	145,723	1,468,799	1,491,088
Interest on municipal debt	-	12,677	13,807	-	141,087	-	4,853	172,124	180,413
Materials and services	222,544	124,252	389,493	114,384	435,577	104,313	99,027	1,489,530	1,432,523
Contracted services	-	459,757	-	64,817	386,448	-	-	911,022	917,849
Insurance and financial costs	92,365	14,449	50,323	-	17,851	19,650	-	194,638	347,980
Third party transfers	17,179	21,290	-	-	-	-	-	38,469	37,411
Amortization	255	80,878	285,111	-	341,128	33,048	-	740,420	814,188
	923,639	845,629	1,160,978	219,507	1,322,091	293,555	249,603	5,015,002	5,221,452
<b>OTHER REVENUE RELATED TO CAPITAL</b>									
Deferred revenue earned	-	-	197,130	-	-	-	-	197,130	-
Grants	1,918,895	-	-	-	-	-	-	1,918,895	50,000
	1,918,895	-	197,130	-	-	-	-	2,116,025	50,000
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	\$ 1,972,566	\$ 32,951	\$ 808,750	\$ 81,899	\$ (78,162)	\$ 64,732	\$ 119,323	\$ 3,002,059	\$ 127,127

See Accompanying Notes

# CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements are prepared by management in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

#### (a) Basis of consolidation

##### (i) Consolidated entities

These consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures and include the activities of all committees of Council and the following local board:

The Corporation of the Village of Merrickville - Wolford Library Board

##### (ii) Non-consolidated entities

There are no non-consolidated entities.

##### (iii) Accounting for United Counties and school board transactions

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards, and the United Counties of Leeds and Grenville are not reflected in the municipal fund balances of these consolidated financial statements.

#### (b) Accrual basis of accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

#### (c) Taxation and related revenue

Property tax billings are issued by the Municipality based on assessment rolls prepared by the Municipal Property Assessment Corporation ("MPAC") and collects property tax revenue for municipal purposes, county taxes on behalf of the United Counties of Leeds and Grenville, provincial education taxes on behalf of the Province of Ontario, payments in lieu of taxation, local improvements and other charges. The authority to levy and collect property taxes is established under the *Municipal Act 2001*, the *Assessment Act*, the *Education Act* and other legislation.

Taxation revenue consists of non-exchange transactions and is recognized in the period to which the assessment relates and a reasonable estimate of the amounts can be made. Annual taxation revenue also includes adjustments related to reassessments and appeals to prior years' assessments. The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.



# CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Government grants and transfers

Government grants and transfers are the transfer of assets from other levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. The Municipality recognizes a government grant or transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government grant or transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Municipality recognizes revenue as the liability is settled.

#### (e) Fees and service charges

Fees and service charges are recognized when the activity is performed or when the services are rendered. Examples include, but are not limited to, water and waste water charges, solid waste tipping fees, licensing fees, permits, and other fees from various recreation programs and facilities.

#### (f) Investment income

Investment income earned on surplus funds is reported as revenue in the period earned. Investment income earned on obligatory funds such as parkland allowances and gas tax funds is added to the associated funds and forms part of the respective deferred revenue, obligatory reserve fund balances.

#### (g) Cash

Cash is defined as cash on hand and cash on deposit.

#### (h) Reserves and reserve funds

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital purposes. Transfers to and from reserves and reserve funds are an adjustment to the respective fund when approved.

#### (i) Deferred revenue

Deferred revenue represents government transfers that have been received for specific purposes, but the respective expenditure has not been incurred to date. These amounts will be recognized as revenues in the year the expenditures are incurred.

#### (j) Landfill closure costs

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

#### (k) Employee benefits

Employee benefits include vacation entitlement and sick leave benefits. Vacation and sick leave benefits are accrued in accordance with the Municipality's policy. The Municipality accounts for its participation in the Ontario Municipal Employees Retirement System (OMERS), as a defined contribution plan.

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended December 31, 2019

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(I) Non-financial assets**

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

**(i) Tangible capital assets**

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

Land improvements	20 to 40 years
Buildings	20 to 50 years
Vehicles	5 to 20 years
Machinery and equipment	3 to 10 years
Water and waste plants and networks	
underground networks	40 to 100 years
sewage treatment plants	40 to 75 years
water pumping stations and reservoirs	40 to 75 years
flood stations and other infrastructure	40 to 75 years
Transportation	
roads	7 to 50 years
bridges and structures	25 to 75 years

Assets under construction are not amortized until the asset is available for productive use, at which time they are capitalized.

Active landfills are amortized annually based on the remaining estimated useful life. The estimated costs to close and maintain currently active landfill sites are based on estimated future expenses in current dollars, adjusted for estimated inflation, and are charged to expense as the landfill sites capacity is used.

The Municipality has a capitalization threshold of \$25,000 so that individual tangible capital assets of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operational reasons. Examples of pooled assets are desktop computer systems, vehicles, utility poles and defibrillators.

**(ii) Contributions of tangible capital assets**

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. Similarly, 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 the transfer.

**(iii) Leases**

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

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended December 31, 2019

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(l) Non-financial assets (Continued)**

(iv) Inventory

Inventory held for consumption is recorded at the lower of cost or replacement cost.

**(m) Liability for contaminated sites**

A liability for contaminated sites arises when contamination is being introduced into the air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds the maximum acceptable concentrations under an environmental standard. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The Municipality is directly responsible, or accepts responsibility to remediate the site;
- (iv) The Municipality expects that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

Liabilities are accrued to record the estimated costs related to the management and remediation of contaminated sites. The liability estimate includes costs that are directly attributable to the remediation activities and includes integral post-remediation operation, maintenance and monitoring costs that are a part of the remediation strategy for the contaminated site. The costs that would be included in a liability are:

- Costs directly attributable to remediation activities (for example, payroll and benefits, equipment and facilities, materials, and legal and other professional services); and
- Costs of tangible capital assets acquired as part of remediation activities to the extent they have no other alternative use.

The measurement of a liability is based on estimates and professional judgment. The liability is recorded net of any expected recoveries. The carrying amount of a liability is reviewed at each financial reporting date with any revisions to the amount previously recognized accounted for in the period in which revisions are made.

A contingency is disclosed if all of the above criteria are not met.

**(n) Use of estimates**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires administration 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 revenues and expenditures during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Significant items subject to such estimates and assumptions include the estimated useful life of tangible capital assets, the valuation of allowances for doubtful taxes and accounts receivable, the valuation of inventories, and the estimated landfill closure and post-closure costs. Actual results could differ from these estimates.

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended December 31, 2019

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) Future accounting pronouncements**

Standards effective beginning on or after April 1, 2021

**Financial instruments**

PS 3450 established recognition, measurement, and disclosure requirements for derivative and non-derivative financial instruments. The standard required fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of remeasurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

This standard is effective for fiscal years beginning on or after April 1, 2021. Early adoption is permitted.

**Asset Retirement Obligations**

PS 3280 establishes standards on how to account for and report a liability for asset retirement obligations (ARO). As asset retirement obligations associated with landfills are included in the scope of PS 3280, PS 3270 Solid Waste Landfill Closure and Post-Closure Liability will be withdrawn. The main features of this standard are as follows:

- An ARO represents a legal obligation associated with the retirement of a tangible capital asset.
- Asset retirement costs increase the carrying amount of the related tangible capital asset and are expensed in a rational and systematic manner.
- When an asset is no longer in productive use, the associated asset retirement costs are expensed.
- Measurement of the ARO liability should result in the best estimate of the amount required to retire a tangible capital asset at the financial statement date.
- Subsequent measurement of the ARO liability results in either a change in the carrying amount of the related tangible capital asset or an expense. The accounting treatment depends on the nature of the remeasurement and whether the asset remains in productive use.

This standard is effective for fiscal years beginning on or after April 1, 2021. Early adoption is permitted.

**2. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS**

A requirement of Canadian public sector accounting standards 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 balances in the obligatory reserve funds are summarized as follows:

	<b>Federal Gas</b>			
	<b>Tax</b>	<b>Parkland</b>	<b>2019</b>	<b>2018</b>
Balance, beginning of year	\$ 197,130	\$ 61,418	\$ 258,548	\$ 163,125
Grants received	185,507	-	185,507	90,775
Interest and other	5,342	3,403	8,745	4,648
Deferred revenue earned	(197,130)	-	(197,130)	-
<b>Balance, end of year</b>	<b>\$ 190,849</b>	<b>\$ 64,821</b>	<b>\$ 255,670</b>	<b>\$ 258,548</b>

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended December 31, 2019

**3. MUNICIPAL DEBT**

(a) The balance of municipal debt reported on the consolidated statement of financial position is comprised of the following:

	2019	2018
Bank term loan, interest of 3.85%, repayable in blended monthly payments of \$2,458, due August 2021	\$ 362,540	\$ 377,797
Bank term loan, interest of 3.98%, repayable in blended semi-annual payments of \$100,627, due June 2044	3,131,159	3,205,565
Bank term loan, interest of 2.25%, repayable in blended monthly payments of \$10,115, due November 2021	227,464	342,341
Term loan, interest of 2.88%, repayable in blended semi-annual payments of \$6,542, due October 2024	60,528	71,629
Term loan, interest of 3.33%, repayable in blended semi-annual payments of \$12,055, due December 2036	311,046	324,462
Term loan, interest of 2.59%, repayable in blended semi-annual payments of \$11,700, due December 2026	148,938	168,108
Tile drain loans, interest of 6%, repayable over a ten year period in blended payments ranging between \$1,127 and \$6,793, maturity dates ranging from 2024 to 2028	72,748	80,884
	<b>\$ 4,314,423</b>	<b>\$ 4,570,786</b>

Principal payments assuming the loans are renewed under the same terms and conditions are as follows:

2020	\$ 268,836
2021	257,779
2022	158,132
2023	164,137
2024	170,179
2025 - 2029	771,277
Thereafter	2,524,083
	<b>\$ 4,314,423</b>

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended December 31, 2019

**3. MUNICIPAL DEBT (Continued)**

(b) Of the municipal debt reported in (a) of this note, all principal payments are payable from the following sources as follows:

	2020 - 2024	2025 - thereafter
General municipal revenues	\$ 551,279	\$ 559,237
Benefiting landowners - tile drains	48,615	24,133
Benefiting landowners	419,169	2,711,990
	<b>\$ 1,019,063</b>	<b>\$ 3,295,360</b>

**4. CAPITAL LEASES**

	2019	2018
Capital lease of equipment, interest of 3.75%, secured by specified asset, repayable in monthly payments of \$3,657, due September 2020	\$ 32,405	\$ 74,222
Capital lease of equipment, interest of 3.75%, was fully repaid in the year	-	42,503
	<b>\$ 32,405</b>	<b>\$ 116,725</b>

Lease payments due are as follows:

2020	\$ 32,405
------	-----------

**5. ACCRUED LANDFILL CLOSURE AND POST-CLOSURE COSTS**

The Municipality operates a solid waste landfill site. The site has an estimated remaining life of 46 years, as a result of an amended provisional certificate of approval from the Ministry of the Environment dated March 2016, which represents 48% of total estimated remaining capacity. The estimate associated with closure and post-closure include costs such as clay, topsoil, hydro seed, site preparation, equipment, ditching, drainage, fencing and post-closure monitoring estimated for 25 years.

The liability for closure of the open site and post-closure care has been recognized based on the usage of the site's capacity during the year. Total closure and post-closure costs are estimated to be \$3,020,000 with \$985,973 (2018 - \$945,439) being accrued at the end of the current fiscal year based upon an average inflation rate of 2.9% and a discount rate of 3.98% being the Municipalities' borrowing rate.

These costs are to be recovered from future taxation revenue and reserves.

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended December 31, 2019

**6. OPERATING EXPENDITURES BY OBJECT**

	BUDGET 2019	ACTUAL 2019	ACTUAL 2018
Wages and benefits	\$ 1,539,585	\$ 1,468,799	\$ 1,491,088
Interest on municipal debt	175,041	172,124	180,413
Materials and services	1,767,993	1,489,530	1,432,523
Contracted services	906,611	911,022	917,849
Insurance and other financial costs	193,931	194,638	347,980
Third party transfers	34,290	38,469	37,411
Amortization	800,000	740,420	814,188
	\$ 5,417,451	\$ 5,015,002	\$ 5,221,452

**7. PENSION AGREEMENTS**

The Municipality is a member of the Ontario Municipal Employees Retirement System (OMERS) which is a multi-employer retirement plan. The plan is a contributory defined benefit plan that specifies the amount of retirement benefit to be received by the employees based on the length of service and rates of pay. Employers and employee contribute to the plan. Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the Municipality does not recognize any share of the OMERS pension deficit of \$3.4 billion (2018 - \$4.2 billion) in these consolidated financial statements.

The employer amount contributed to OMERS for 2019 was \$70,782 (2018 - \$73,209) for current service and is included as an expenditure on the consolidated statement of financial activities.

**8. OPERATING SURPLUS**

The operating surplus for the year ending December 31, 2019 was \$329,898 which was transferred to the working capital reserve. The water and sewer surplus was \$90,915 which was transferred to the water and sewer reserve. The library board surplus of \$13,547 was allocated to the library surplus.

	BUDGET 2019	ACTUAL 2019	ACTUAL 2018
Surplus for the year	\$ 2,178,126	\$ 3,002,059	\$ 127,127
Funds transferred to reserves	(178,393)	(689,265)	(308,790)
Reserve funds used for operations	243,451	41,802	170,090
Principal payment on long-term debt and capital leases	(329,440)	(332,547)	(322,230)
Change in accrued landfill costs	44,000	40,534	40,534
Acquisition of tangible capital assets	(2,757,744)	(2,368,642)	(325,391)
Annual amortization expense	800,000	740,420	814,188
Change in unfunded capital projects	-	-	(103,646)
Operating surplus for the year	-	434,361	91,882
Transfer from (to) water and sewer reserve	-	(90,915)	(23,299)
Transfer to library surplus	-	(13,548)	(6,375)
Transfer to water and sewer deficit	-	-	(45,079)
Transfer to working capital reserves	-	(329,898)	(17,129)
	\$ -	\$ -	\$ -

# CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

### 9. SEGMENTED INFORMATION

The Municipality is responsible for providing a range of services to its citizens. For management reporting purposes the Municipality's operations and activities are organized and reported by department. These departments are reported by functional area in the body of the consolidated financial statements similar to reporting reflected in the Ontario Financial Information Return. These functional areas represent segments for the Village of Merrickville - Wolford and expanded disclosure by object has been reflected in the schedule of segmented disclosure.

For each segment separately reported, the segment revenue and 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.

A brief description of each segment follows:

#### (a) General government

General government includes corporate services and governance of the Municipality. Administration as a segment includes operating and maintaining municipal owned buildings, human resource management, legal, communications, information systems and technology, support to Council for policy development, by-law development in compliance with the Municipal Act, tax billing and collection responsibilities, financial management reporting, monitoring and overall budget status as well as frontline reception and customer service.

#### (b) Protection services

Protection services includes fire protection, conservation authority, protective inspection and control and emergency measures. Fire protection includes inspection, extinguishing and suppression services, emergency medical first response, and prevention education and training programs. Inspection and control includes building inspection, by-law enforcement and dog control services.

#### (c) Transportation services

Transportation services includes administration and operation of traffic and parking services for the Municipality. In addition, services are provided for winter and summer road maintenance along with the repair and construction of the municipal roads system including bridges and culverts, as well as operation and maintenance of a fleet of vehicles and equipment for use in providing services to the Municipality.

#### (d) Environmental services

Environmental services includes waste collection, disposal and recycling services.

#### (e) Water and sewer services

Water and sewer services includes the operation of water and waste water facilities and infrastructure for the collection and distribution of both water and sewer services within the Municipality.

#### (f) Recreation and cultural services

Recreation and cultural services provides services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure programs and facilities including community halls, libraries, parks, recreation fields, and arenas.



# CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

### 9. SEGMENTED INFORMATION (Continued)

#### (g) Planning and development

Planning and development manages development for business interests, environmental concerns, heritage matters, local neighbourhoods and community development. It also facilitates economic development by providing services for the approval of all land development plans and the application and enforcement of the zoning by-law and official plan.

### 10. BUDGET FIGURES

The 2019 budget amounts that were approved on March 25, 2019 were established for Capital, Reserves and Reserve Funds and are based on a project-oriented basis, the costs of which may be carried out over one or more years.

### 11. SUBSEQUENT EVENT

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Municipality as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Municipality's financial condition.

**CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**FIVE YEAR FINANCIAL REVIEW**

For the year ended December 31, 2019

**FINANCIAL ACTIVITIES (000's)**

	2019	2018	2017	2016	2015
<b>Revenues</b>					
Taxation	\$ 3,152	\$ 3,032	\$ 3,055	\$ 2,907	\$ 2,800
Fees and service charges	1,720	1,522	1,434	1,269	1,169
Grants	806	529	353	33	363
Investment income	194	200	183	173	162
Other	28	16	12	21	81
	<b>5,900</b>	<b>5,299</b>	<b>5,037</b>	<b>4,403</b>	<b>4,575</b>
<b>Expenses</b>					
General government	924	1,096	927	915	724
Protection to persons and property	846	877	815	1,038	798
Transportation services	1,161	1,248	1,257	1,237	1,134
Environmental	1,512	1,441	1,437	1,845	1,372
Recreation and cultural services	294	345	308	355	402
Planning and development	250	213	217	161	116
	<b>5,017</b>	<b>5,220</b>	<b>4,961</b>	<b>5,551</b>	<b>4,546</b>
<b>Other revenue related to capital</b>					
Deferred revenue earned	197	-	139	292	-
Grants	1,919	50	-	399	-
Gain on disposal of tangible capital assets	-	-	16	-	-
	<b>2,116</b>	<b>50</b>	<b>155</b>	<b>691</b>	<b>-</b>
<b>Surplus (deficit) for the year</b>	<b>\$ 2,999</b>	<b>\$ 129</b>	<b>\$ 231</b>	<b>\$ (457)</b>	<b>\$ 29</b>

**TAXABLE ASSESSMENT (000's)**

	2019	2018	2017	2016	2015
Residential and farm	\$ 360,032	\$ 344,111	\$ 327,594	\$ 323,099	\$ 311,949
Commercial and industrial	24,123	23,658	23,425	24,837	24,255
	<b>\$ 384,155</b>	<b>\$ 367,769</b>	<b>\$ 351,019</b>	<b>\$ 347,936</b>	<b>\$ 336,204</b>
Exempt	16,282	15,702	14,516	14,869	14,328
	<b>\$ 400,437</b>	<b>\$ 383,471</b>	<b>\$ 365,535</b>	<b>\$ 362,805</b>	<b>\$ 350,532</b>
Commercial and industrial	6.28%	6.43%	6.67%	7.14%	7.21%

# CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD

## FIVE YEAR FINANCIAL REVIEW

For the year ended December 31, 2019

### FINANCIAL INDICATORS

	2019	2018	2017	2016	2015
<b>Tax arrears</b>					
Percentage of own levy	31 %	36 %	34 %	37 %	37 %
Percentage of total levy	18 %	21 %	19 %	20 %	20 %
<b>Municipal debt</b>					
	\$ 4,241,674	\$ 4,489,902	\$ 4,730,912	\$ 4,964,829	\$ 4,550,631
<b>Municipal debt charges</b>					
	\$ 504,671	\$ 502,643	\$ 500,874	\$ 515,085	\$ 406,991
<b>Sustainability</b>					
Financial assets to liabilities	0.68	0.54	0.41	0.41	0.45
Financial assets to liabilities excluding municipal debt	1.89	1.39	1.45	1.40	1.58
Municipal debt to tangible capital assets	25.24 %	29.58 %	30.20 %	31.52 %	29.16 %
<b>Flexibility</b>					
Debt charges to total operating revenue	8.55 %	9.49 %	9.95 %	11.70 %	9.06 %
Total operating revenue to taxable assessment	14.74 %	13.82 %	14.20 %	14.04 %	13.05 %
<b>Vulnerability</b>					
Operating grants to operating revenue	13.66 %	9.98 %	7.01 %	0.75 %	7.93 %
Total grants to total revenues	33.99 %	10.82 %	6.80 %	8.48 %	7.93 %
<b>Reserve coverage</b>					
Reserves	\$ 3,110,598	\$ 2,042,322	\$ 1,863,194	\$ 1,538,458	\$ 1,074,489
Reserves to operating expenses	62 %	39 %	58 %	28 %	24 %
Reserves to working capital	0.97	0.95	1.05	0.89	0.55

DRAFT FOR REVIEW PURPOSES ONLY

Established 1793  
Incorporated  
Wolford 1850  
Merrickville 1860  
Amalgamated 1998



Telephone (613) 269-4791  
Facsimile (613) 269-3095

## VILLAGE OF MERRICKVILLE-WOLFORD

For Clerk's use only, if required.

**Recorded Vote Requested By:**

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

**Be it hereby resolved that:**

The Council of the Corporation of the Village of Merrickville-Wolford does hereby approve the Minutes of the special Council meeting of June 22, 2020 as

\_\_\_\_\_ circulated.

\_\_\_\_\_ amended.

Carried / Defeated

\_\_\_\_\_  
J. Douglas Struthers, Mayor

**The Corporation of the  
Village of Merrickville-Wolford**

Monday, June 22, 2020

**Chaired by:** Mayor J. Douglas Struthers  
**Members of Council:** Deputy Mayor Michael Cameron  
Councillor Don Halpenny  
Councillor Bob Foster  
Councillor Timothy Molloy

**Staff in Attendance:** Doug Robertson, CAO/Clerk  
Christina Conklin, Deputy Clerk  
Kirsten Rahm, Treasurer

**Note:** As per By-law 26-2020, all votes were recorded for each motion.

**Disclosure of Pecuniary Interest and the general nature thereof:** None.

**Approval of Agenda**

**R-171-20** Moved by Councillor Foster, Seconded by Councillor Halpenny  
**Be it hereby resolved that:** The Council of the Corporation of the Village of Merrickville-Wolford does hereby approve the agenda of the special Council meeting of June 22, 2020, as circulated.

Councillor Molloy:	In favour
Councillor Foster:	In favour
Deputy Mayor Cameron:	In favour
Councillor Halpenny:	In favour
Mayor Struthers:	In favour

Carried.

**Minutes:**

**R-172-20** Moved by Deputy Mayor Cameron, Seconded by Councillor Molloy  
**Be it hereby resolved that:** The Council of the Corporation of the Village of Merrickville-Wolford does hereby approve the Minutes of the special Council meeting of June 4, 2020, as circulated.

Councillor Molloy:	In favour
Councillor Foster:	In favour
Deputy Mayor Cameron:	In favour
Councillor Halpenny:	In favour
Mayor Struthers:	In favour

Carried.

**R-173-20** Moved by Councillor Foster, Seconded by Deputy Mayor Cameron  
**Be it hereby resolved that:** The Council of the Corporation of the Village of Merrickville-Wolford does hereby approve the Minutes of the special Council meeting of June 18, 2020, as circulated.

Councillor Molloy:	In favour
Councillor Foster:	In favour
Deputy Mayor Cameron:	In favour
Councillor Halpenny:	In favour
Mayor Struthers:	In favour

Carried.

**Finance:**

**R-174-20** Moved by Councillor Halpenny, Seconded by Councillor Foster  
**Be it hereby resolved that:** The Council of the Corporation of the Village of Merrickville-Wolford does hereby receive report FIN-11-2020, being a report regarding the 2020 Community Grant Program, for information purposes; and

That Council does hereby approve the allocation of 2020 Community Grants to the applicants that meet the eligibility requirements and whose events will occur in 2020, as outlined in this report.

Councillor Molloy:	In favour
Councillor Foster:	In favour
Deputy Mayor Cameron:	In favour
Councillor Halpenny:	In favour
Mayor Struthers:	In favour

Carried.

**Confirming By-Law:**

**R-175-20** Moved by Deputy Mayor Cameron, Seconded by Councillor Foster  
**Be it hereby resolved that:** By-law 38-2020, being a by-law to confirm the proceedings of the special Council meeting of June 22, 2020, be read a first and second time, and that By-law 38-2020 be read a third and final time and passed.

Councillor Molloy:	In favour
Councillor Foster:	In favour
Deputy Mayor Cameron:	In favour
Councillor Halpenny:	In favour
Mayor Struthers:	In favour

Carried.

**Adjournment**

**R-176-20** Moved by Councillor Molloy, Seconded by Councillor Halpenny

**Be it hereby resolved that:** This special meeting of the Council of the Corporation of the Village of Merrickville-Wolford does now adjourn at 3:40 p.m. until the call of the Mayor subject to need.

Councillor Molloy:	In favour
Councillor Foster:	In favour
Deputy Mayor Cameron:	In favour
Councillor Halpenny:	In favour
Mayor Struthers:	In favour

Carried.

---

J. Douglas Struthers, Mayor

---

Doug Robertson, CAO/Clerk

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Merrickville 1860  
Amalgamated 1998



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## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

**Be it hereby resolved that:**

The Council of the Corporation of the Village of Merrickville-Wolford does hereby approve the Minutes of the special Council meeting of July 10, 2020 as

\_\_\_\_\_ circulated.

\_\_\_\_\_ amended.

Carried / Defeated

\_\_\_\_\_  
J. Douglas Struthers, Mayor

For Clerk's use only, if required

**Recorded Vote Requested By:**

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N



**The Corporation of the  
Village of Merrickville-Wolford**

Friday, July 10, 2020

**Chaired by:** Mayor J. Douglas Struthers  
**Members of Council:** Deputy Mayor Michael Cameron  
Councillor Don Halpenny  
Councillor Bob Foster  
Councillor Timothy Molloy

**Staff in Attendance:** Doug Robertson, CAO/Clerk  
Christina Conklin, Deputy Clerk  
Randy Wilkinson, Chief Building Official

**Disclosure of Pecuniary Interest and the general nature thereof:** None.

**Approval of Agenda**

**R-177-20** Moved by Councillor Molloy, Seconded by Councillor Foster  
**Be it hereby resolved that:** The Council of the Corporation of the Village of Merrickville-Wolford does hereby approve the agenda of the special Council meeting of July 10, 2020, as circulated.

Carried.

**By-laws:**

**R-178-20** Moved by Councillor Foster, Seconded by Councillor Molloy  
**Be it hereby resolved that:** By-law 40-2020, being a by-law to authorize the execution of Professional Services Agreements as they relate to planning matters, be read a first and second time, and that By-law 40-2020 be read a third and final time and passed.

Carried.

**In Camera:**

**R-179-20** Moved by Councillor Foster, Seconded by Councillor Molloy  
**Be it hereby resolved that:** The Council of the Corporation of the Village of Merrickville-Wolford does hereby move to an "In-Camera" session at 2:35 p.m. under Section 239 (2) of the *Municipal Act, 2001*, as amended, to address matters pertaining to:

1. Advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and
2. Personal matters about an identifiable individual, including municipal or local board employees.

Carried.

**Rise and Report:**

**R-180-20** Moved by Councillor Molloy, Seconded by Councillor Foster

**Be it hereby resolved that:** The Council of the Corporation of the Village of Merrickville-Wolford does hereby rise and report from the "In-Camera" session of the special Council meeting, with staff being given direction, at 3:35 p.m.

Carried.

**Note:** Mr. Wilkinson left the meeting at 3:07 p.m.

**Confirming By-Law:**

**R-181-20** Moved by Councillor Molloy, Seconded by Deputy Mayor Cameron

**Be it hereby resolved that:** By-law 39-2020, being a by-law to confirm the proceedings of the special Council meeting of July 10, 2020, be read a first and second time, and that By-law 39-2020 be read a third and final time and passed.

Carried.

**Adjournment**

**R-182-20** Moved by Councillor Foster, Seconded by Councillor Molloy

**Be it hereby resolved that:** This special meeting of the Council of the Corporation of the Village of Merrickville-Wolford does now adjourn at 3:38 p.m. until the call of the Mayor subject to need.

Carried.

---

J. Douglas Struthers, Mayor

---

Doug Robertson, CAO/Clerk

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## VILLAGE OF MERRICKVILLE-WOLFORD

For Clerk's use only, if required.

### Recorded Vote Requested By:

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

The Council of the Corporation of the Village of Merrickville-Wolford does hereby receive correspondence from Niklas Althoefer Hastings, received on July 17, 2020, regarding the Merrickville-Wolford Citizenship Award, for information purposes.

Carried / Defeated

---

J. Douglas Struthers, Mayor

RECEIVED  
JUL 17 2020

---

To the Village of Merrickville-Wolford

Dear Mayor Struthers and council members

I am writing this letter to extend my thanks for your generous donation to North Grenville DHS. This bursary will help me fund my education at the University of Western Ontario for medical sciences.

Merrickville has been my home for the last 18 years and it has taught me many values of community and volunteerism which I will carry forward in life.

Thank you again  
Niklas Altenhoefer Hastings

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## VILLAGE OF MERRICKVILLE-WOLFORD

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**Recorded Vote Requested By:**

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

**Be it hereby resolved that:**

The Council of the Corporation of the Village of Merrickville-Wolford does hereby receive correspondence from Forbes Symon of Jp2g Consultants Inc. with respect to Consent Application B-5-20; and

That Council does hereby recommend approval of Consent Application B-5-20 to the Consent Granting Authority.

Carried / Defeated

---

J. Douglas Struthers, Mayor



**Jp2g Consultants Inc.**

**ENGINEERS - PLANNERS - PROJECT MANAGERS**

12 International Drive, Pembroke, ON, K8A 6W8  
T 613-735-2507, F 613-735-4513, www.jp2g.com

July 23, 2020

Doug Robertson  
CAO/Clerk/Director of Economic Development  
Village of Merrickville Wolford  
317 Brock Street West  
P. O. Box 340  
Merrickville, ON, K0G 1N0

Dear Mr. Robertson,

RE: Consent Application B-5-20  
Jean Pierre & Karen Racine  
10212 Harvey Road  
Pt Lot 3, Concession 8, Wolford

I am pleased to provide you with my professional planning opinion on Consent Application B-5-20. I have reviewed and assessed the consent application against the policies of the Village of Merrickville Wolford Official Plan and the Village of Merrickville Wolford Zoning By-law.

The subject property is designated "Rural" in the Village's Official Plan. Specific attention was paid to the policies found in Section 3.7 "Division of Land", Section 3.25 "Rural Character" and Section 4.33 "Rural". It has been confirmed to me that the parent parcel was created prior to 1988 and that there are no livestock facilities in the area which would require an MDS calculation. I am satisfied that the proposed severed lot conforms to the policies of the Village's Official Plan.

The subject property is zoned "RU – Rural" in the Village's Zoning By-law. I am satisfied that the proposed severed lot complies to the requirements of the Village's Zoning By-law.

There does not appear to be a need for the Village to impose any unique conditions to this consent application. The standard conditions (taxes, parkland, survey) should be applied.

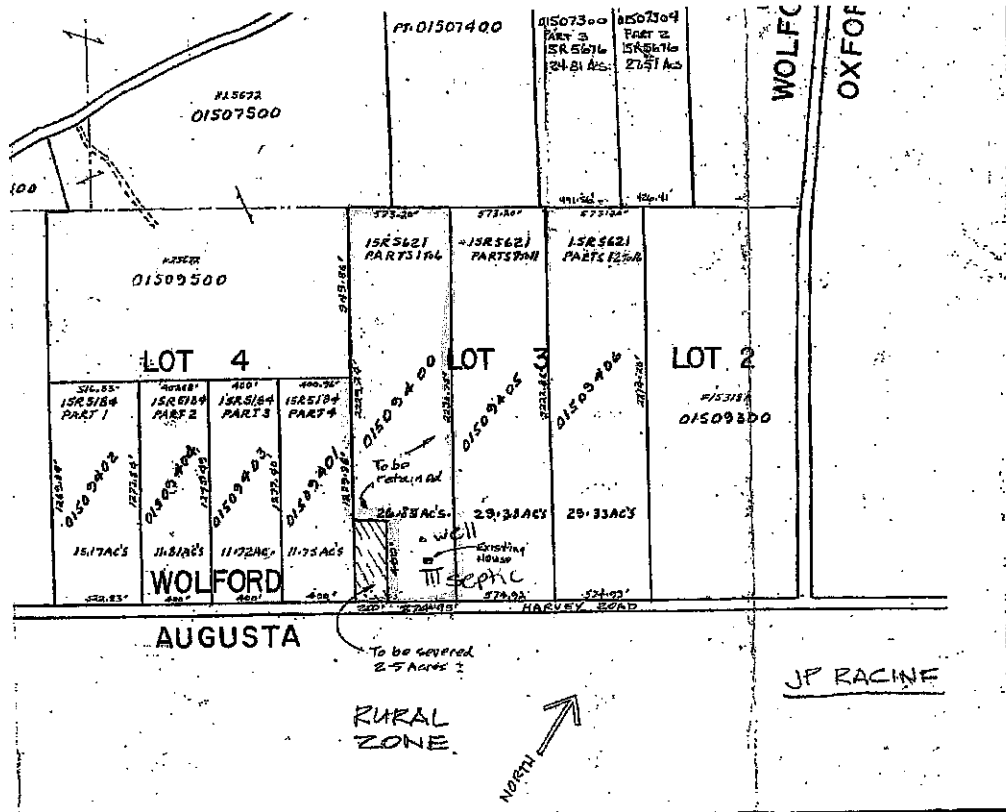
Based on the foregoing, it is my professional opinion that the proposed consent application B-5-20 conforms to the Village's Official Plan, complies to the Village's Zoning By-law and in all respects represents good land use planning.

Should you require any clarification on this matter, please feel free to contact me at your convenience.

Respectfully yours,

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

Forbes Symon, MCIP, RPP  
Senior Planner  
Jp2g Consultants Inc.



WOLFORD 806 FT. 4  
 CLASS 2

PHOTO N.E. 16242-11

FOR ASSESSMENT USE ONLY

	ASSESSMENT DIVISION	
	REGION NO. 2	
<b>WOLFORD</b>		
<b>07-11-17-00</b>		
SCALE: 1"=500'	PLAN:	COUNCIL: 7 0 8
DESIGNED BY: <i>W. J. Thomas</i>	TRACKED BY:	CHECKED BY:
		DATE: JULY 83

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## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

The Council of the Corporation of the Village of Merrickville-Wolford does hereby receive report FIN-10-2020, being a report regarding the removal of outstanding taxes from the tax roll, for information purposes; and

That Council does hereby authorize the Treasurer or delegate to remove from the tax roll outstanding property taxes (including penalties, interest and other charges) in the amount of \$903.56 from 2014 for Roll #0714 714 015 09428.

Carried / Defeated

---

J. Douglas Struthers, Mayor

For Clerk's use only, if required

**Recorded Vote Requested By:**

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N





MERRICKVILLE-WOLFORD  
*Jewel of the Rideau*

Village of Merrickville - Wolford

Report FIN-10-2020  
Finance Department  
Information/Action Report to Council  
Date of Council Meeting: July 27, 2020

RE: Payment in Lieu of Tax Write Off

**OBJECTIVE:** To receive Council's authorization for the Treasurer or delegate to remove outstanding property taxes, penalties, interest and other charges from the tax roll relating to Roll No. 0714 714 015 09428.

**RECOMMENDATION:**

\_\_\_\_\_ **THAT: Council does hereby receive report FIN-10-2020, being a report regarding the removal of outstanding taxes from the tax roll, for information purposes; and**

\_\_\_\_\_ **THAT: Council does hereby authorize the Treasurer or delegate to remove from the tax roll outstanding property taxes (including penalties, interest and other charges) in the amount of \$903.56 from 2014 for Roll #0714 714 015 09428.**

**BACKGROUND:**

In 2014, the Federal Government – Heritage Canada, acquired property on Main Street East along the Rideau River. Under Section 125 of the *Constitution Act, 1867*, the Government of Canada is exempt from paying any taxes levied by local and provincial levels of government such as property taxes. However, the Federal Government makes payments in lieu of property taxes (PILT) to local governments to recognize the services they receive from municipal governments and to pay a share of the costs to municipalities where federal property is located. Public Services and Procurement Canada distributes payments in lieu of taxes for all federal departmental properties. When an application for payments in lieu of taxes is received from a Canadian taxing authority hosting a federal property, the Program verifies the application, confirms the eligibility of the property, performs a valuation review, and confirms the tax classes and rates. If applicable, the Program issues the payment to the taxing authority.

The PILT Act sets out the regulations for payments in lieu of taxes. One of the regulations states that "*Notwithstanding anything in this Act, when Her Majesty in right of Canada acquires taxable property, no payment shall be made under this Act in*

*respect of that property for any part of the taxation year during which it was acquired (R.S., 1985, c. M-13, s.14; 2000, c.8, s.15)".*

**ANALYSIS:**

Staff were notified in November 2019 by Public Services and Procurement Canada that the Village will not be receiving payment in lieu of taxes for Roll #0714 714 015 09428 for 2014, because the *Payment in Lieu of Taxes Act* exempts federal property from payments in lieu for the tax year that the property was purchased in. The amount of PILT owing was charged to the tax card when the property was purchased in 2014. Therefore, the Village of Merrickville-Wolford must write-off taxes for 2014 in the amount of \$903.56.

**BUDGET/LEGAL IMPLICATIONS:**

Tax losses are charged to a provision established for doubtful tax accounts and uncollectible taxes.

**LINKS TO STRATEGIC PLANS:**

On January 23, 2017, the Council of the Corporation of the Village of Merrickville-Wolford passed By-Law 10-17, being a by-law to adopt the Merrickville-Wolford Strategic Plan 2017-2025.

The priorities of the strategic plan that can be linked to this report are as follows:

**Ensuring efficient, effective services and civic engagement:**

Making information available to Council ensures transparency and is in keeping with the priority to ensure efficient and effective services are being delivered to the residents of Merrickville-Wolford.

**CONCLUSION:**

Staff recommends removing \$903.56 from the tax roll, including any penalties, interest or other charges, for Roll # 0714 714 015 09428, since the Federal Government is exempt from paying taxes for 2014, per Federal legislation.

**ATTACHMENTS:**

Submitted by:



Kirsten Rahm,  
Manager of Finance - Treasurer

Approved by:



Doug Robertson, CAO/Clerk

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## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

The Council of the Corporation of the Village of Merrickville-Wolford does hereby receive report FIN-13-2020, being a report regarding transfers to and from reserves, for information purposes; and

\_\_\_\_\_ THAT: Council does hereby approve the transfer of \$96,200.00 from the 2019 Capital Budget to the Carry Forward Reserve to be used for 2020 Capital projects; and

\_\_\_\_\_ THAT: Council does hereby approve the transfer of \$24,738.00 from the 2019 RED program to the Carry Forward Reserve to be used for 2020 RED projects; and

\_\_\_\_\_ THAT: Council does hereby approve the transfer of the water and wastewater surplus of \$90,915.50 from the 2019 Water and Wastewater Budget to Water and Wastewater Reserve; and

\_\_\_\_\_ THAT: Council does hereby approve the transfer of \$49,340.57 from the 2019 Building Department Budget to the Building Reserve.

Carried / Defeated

\_\_\_\_\_  
J. Douglas Struthers, Mayor

For Clerk's use only, if required

### Recorded Vote Requested By:

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N



## Village of Merrickville-Wolford

Report FIN-13-2020  
Finance Department  
Action Report to Council  
Date of Council Meeting: July 27, 2020

**RE: Reserve Transfers**

**OBJECTIVE:** To obtain Council's approval of transfers to and from reserves for 2019 year-end.

### RECOMMENDATION:

**THAT Council does hereby receive report FIN-13-2020, being a report regarding transfers to and from reserves, for information purposes; and**

**\_\_\_\_\_ THAT: Council does hereby approve the transfer of \$96,200.00 from the 2019 Capital Budget to the Carry Forward Reserve to be used for 2020 Capital projects; and**

**\_\_\_\_\_ THAT: Council does hereby approve the transfer of \$24,738.00 from the 2019 RED program to the Carry Forward Reserve to be used for 2020 RED projects; and**

**\_\_\_\_\_ THAT: Council does hereby approve the transfer of the water and wastewater surplus of \$90,915.50 from the 2019 Water and Wastewater Budget to Water and Wastewater Reserve; and**

**\_\_\_\_\_ THAT: Council does hereby approve the transfer of \$49,340.57 from the 2019 Building Department Budget to the Building Reserve.**

### BACKGROUND:

The *Municipal Act, 2001*, Section 290, provides that a municipality's budget shall set out amounts to be paid into and out of reserves. When a capital project is budgeted from taxation dollars, and the project is incomplete and/or being carried into the following year's budget, then the unused amount that was budgeted for that project from taxation dollars should be transferred to a reserve account, to be used to fund the project the following year. That way, taxpayers are not taxed twice for the same project. Similarly, certain service areas such as building services and water and wastewater services establish reserves to help fund future operating and capital needs.

## **ANALYSIS:**

There were several capital projects from 2019, totalling \$96,200, which were carried forward to 2020 and included in the 2020 budget. Council passed the revised 2020 budget on April 9<sup>th</sup>, 2020.

Staff recommend transferring the following amounts to the Carry-Forward reserve:

- \$2000 for roof repairs to Village office
- \$3000 for Village office floor repairs
- \$3700 for Council Chambers audio visual equipment
- \$2500 for fire detectors
- \$2000 for shower for firefighters
- \$8000 for cold storage building roof
- \$20,000 for Landfill building repairs
- \$25,000 for Compactor
- \$10,000 for new roof at water pumping station
- \$20,000 for water rate study

These amounts have already been approved in the 2020 budget with Reserves as their funding source.

In 2018, the Village received a partially funded grant from the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) to fund economic development activities under the Rural Economic Development (RED) Program. OMAFRA recently approved the extension of the RED Program and grant to the end of 2020. Therefore, staff is recommending Council approve the transfer of the 2019 remaining funds of \$24,738 from the 2019 RED grant budget to the Carry Forward Reserve to be used to fund the RED Program projects in 2020. Again, these amounts were included in and approved when Council passed the 2020 budget.

The *Building Code Act* allows municipalities to transfer a surplus from the Building Department budget to a Building Services Reserve, to be used for Building Code related activities. The Reserve can be used to offset costs where revenues in any given year do not cover operating costs, or where new building related costs are anticipated. Staff recommend that Council approve transferring the 2019 Building Department surplus of \$49,340.57 to the Building Reserve.

Finally, staff recommends Council approve the transfer of the 2019 Water and Wastewater surplus of \$90,915.50 to the Water and Wastewater Reserve, to be used to fund future water and wastewater projects. The *Sustainable Water and Sewage Systems Act, 2002*, requires municipalities to assess the costs of water and to develop plans to charge appropriate rates and generate sufficient revenue to finance capital and

operating costs of sewer and water systems. Since taxes cannot be used to fund water services, it is vital that municipalities have a robust Water and Wastewater Reserve.

**BUDGET/LEGAL IMPLICATIONS:**

The budget implications are identified in the 2020 municipal budget.

**LINKS TO STRATEGIC PLANS:**

On January 23, 2017, the Council of the Corporation of the Village of Merrickville-Wolford passed By-Law 10-17, being a by-law to adopt the Merrickville-Wolford Strategic Plan 2017-2025.

The priorities of the strategic plan that can be linked to this report are as follows:

**Ensuring efficient, effective services and civic engagement:**

Making financial information available to Council and the public ensures transparency and is in keeping with the priority to ensure efficient and effective services are being delivered to the residents of Merrickville-Wolford.

**CONCLUSION:**

It is recommended that Council authorize the various transfers to and from reserve accounts.

**ATTACHMENTS:**

None

Submitted by:



\_\_\_\_\_  
Kirsten Rahm,  
Manager of Finance - Treasurer

Approved by:



\_\_\_\_\_  
Doug Robertson, CAO/Clerk

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## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

The Council of the Corporation of the Village of Merrickville-Wolford does hereby receive report FIN-14-2020, being the 1<sup>st</sup> and 2<sup>nd</sup> quarter report of the Finance Department, for information purposes.

Carried / Defeated

---

J. Douglas Struthers, Mayor

For Clerk's use only, if required:

### Recorded Vote Requested By:

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N



MERRICKVILLE-WOLFORD  
*Jewel of the Rideau*

**Village of Merrickville - Wolford**

**Report FIN-14-2020**  
**Finance Department**  
**Information Report to Council**  
**Date of Council Meeting: July 27, 2020**

RE: 1<sup>st</sup> and 2<sup>nd</sup> Quarter Financial Report to June 30, 2020

**OBJECTIVE:** To provide Council with an overview of the financial state of the Village from January 1<sup>st</sup> to June 30<sup>th</sup>, 2020.

**RECOMMENDATION:**

**THAT: Council does hereby receive report FIN-14-2020, being the 1<sup>st</sup> and 2<sup>nd</sup> quarter report of the Finance Department, for information purposes.**

**BACKGROUND:**

On March 23, 2020, Council adopted the 2020 budget for the Village of Merrickville-Wolford. In order to keep Council fully apprised of the financial state of the Corporation, a financial budget variance report outlining departmental progress is provided to Council, for the period covering January 1<sup>st</sup> to June 30<sup>th</sup>, 2020.

**ANALYSIS:**

Schedule "A" provides the operating expenses, revenues and capital expenditures to the end of the second quarter for general operations and water and wastewater services. The following are highlights from the review of revenue, operating and capital accounts.

**General Government:**

- Taxation and Payments-in-Lieu are at 94%, as final tax bills have gone out. The percentage reflects the percentage billed to date, not collected. This is normal and reflects the common financial cycle experienced each year.
- The expenses for Council and Administration are approximately 50% of budgeted expenses, which is within reason.
- While revenues are at 55% and are within reason, the Village has seen a loss of revenue in some areas such as Commissioner of Oath signatures, Lottery Licences and Interest revenue. This is likely a result of the municipal offices being closed to minimize the spread of COVID-19.

**Emergency & Protective Services:**



- The revenue for the Fire Department is 1%. This is common and is a result of the timing of the invoice for Montague Township being issued at the end of the year.
- The revenue from Police is under budget at 6%, as the Village has not yet received the RIDE grant money from the province. It is anticipated that the Village will receive the funds in July.
- The By-law Department revenue is at 55%, compared to 96% for the same period last year. The lower revenue is a result of COVID-19. For example, dog licenses need to be renewed by April 30<sup>th</sup> each year, but because our offices have been closed since March, not all residents were able to renew their dog licence prior to this closure. Once the office reopens, residents will be able to purchase their new dog licence for 2020.
- Emergency & Protective Services expenses are within reason at 41%.
- Fire and Emergency Management expenses are below budget at 28%. This can be attributed to COVID-19 and the inability to conduct training and fire prevention exercises. Additionally, procuring merchandise has proven difficult, because many companies have closed their offices with their staff working from home.

#### Public Works:

- Revenue for the Public Works Department is under budget at 8%, which is attributed to fewer entrance culvert sales as only three have been sold this year. Some driveway entrances do not require a culvert, and there is less building activity than last year.
- Landfill revenue is at 50%, which is within reason.
- Operating expenses are within reason, at 40%.

#### Building and Planning:

- Building permit and lot fee revenues are only at 22%, compared to 82% for the same time period last year. This is likely largely attributed to the suspension of permit issuance and inspections as a result of COVID-19. A surge in applications is currently occurring and may offset this issue before year end.
- Building expenses are at 31%.
- Planning expenses are at 73%, but most of these costs are recoverable through the implementation of Professional Services Agreements.

#### Economic Development:

- Economic Development revenues are at 0% of the budgeted amount, however, the Village will be receiving grant funding from the RED program during the second half of the year.
- Economic development expenses are under budget at 32%, largely because the Village was not able to plan Canada Day celebrations due to COVID-19.
- Economic development expenses for the RED grant program are also lower than expected at 26%, again because certain activities cannot be completed at this time, due to COVID-19.

#### Parks, Recreation and Culture:

- Recreation revenues are under budget at 4%, because of the COVID-19 closures of recreation facilities.
- Expenses are under budget at 25%.
- The Summer Camp program has been cancelled for 2020 due to COVID-19.
- The Blockhouse Museum will not be opening for the 2020 season due to COVID-19.

Capital Expenses:

- Capital expenses are within reason at 46% of budgeted amounts.
- Completed projects include the purchase of fire detectors, the purchase of a washing machine for firefighter's protective gear, and the purchase of a compactor for the landfill site.
- The Manager of Operations indicated that some capital projects have been delayed due to the COVID-19 pandemic because construction companies are having trouble getting the materials needed to complete jobs.

Water and Wastewater:

- Revenues are at 47%, with 3 billing periods remaining this year.
- Operating expenses are within reason at 41%.
- Capital expenses are under budget at 3%, as they are usually not expensed until completed, and OCWA bills the Village for most capital projects during the 3<sup>rd</sup> or 4<sup>th</sup> quarter of the year.

COVID-19 Financial Impacts:

On March 17<sup>th</sup>, 2020, the Ontario Government declared a provincial emergency in response to COVID-19. Since this time, the pandemic has progressed significantly in Canada and caused an unprecedented amount of uncertainty and volatility in financial markets, households and businesses. All levels of government have responded with economic initiatives designed to help businesses and citizens alike. To provide relief from financial pressures for all ratepayers, Council responded by rolling back the tax increase from 3.13% to 0.44%, and by waiving late fees regarding water and wastewater bill payments until the end of July, 2020. Council also directed staff to apply the residential water rates to commercial utility ratepayers.

While it is widely expected that the economic impact of the pandemic will be significant, it is difficult for municipalities to confidently predict the extent of the fiscal impact on municipal finances.

Below are detailed updates of the ongoing impact of COVID-19 on the 2020 operating budget:

Department	Comments	YTD Financial Impact
General Government/Treasury	On March 23, 2020, Council approved the 2020 property tax rate which resulted in a 3.13% increase over 2019. On April 9 <sup>th</sup> , Council reduced the 2020 tax rate increase from 3.13% to 0.44% to provide relief to ratepayers.	Lost revenue of \$83,370
General Government/Treasury	Council waived interest and penalties on utility bills until July 31 <sup>st</sup> , 2020, which resulted in a reduction of penalty interest on utility bills.	Lost interest revenue to date of \$4,386, compared to the same time period as 2019
General Government/Treasury	On May 12 <sup>th</sup> Council adopted a new Commercial Water Billing class, which reduced the commercial rate to the residential rate.	Lost revenue to date of \$13,660
Recreation	Lost user fee revenue due to the closure of municipal facilities and fields.	Lost revenue of \$6,625 compared to same time period as last year.
Museum	The Blockhouse Museum will be closed for the 2020 season. While the Village will see some savings as a result of the closure, there will still be expenses incurred for utilities, communications, storage rental fees and insurance, which will no longer be offset by museum revenues.	Non recoverable expenses budgeted at \$5,755
COVID-19 expenses	COVID-19 expenses – increase in costs for cleaning supplies, Personnel Protective Equipment, legal costs, IT services, signage and postage.	Unbudgeted expenses of \$14,802

The total impact to date of COVID-19 on municipal finances is \$128,598. As the pandemic continues, further revenue losses are anticipated. While the Village reduced the 2020 budget to provide financial relief to ratepayers, and reduced expenses correspondingly, the Village expects to experience further financial losses in the following areas:

- Waiving of penalty and interest on utility bills – estimated revenue loss of \$15,000
- Waiving of penalties and interest on tax bills (should Council vote to defer interest on final tax bills) – estimated loss of revenue of \$73,500

- Continued loss of revenue due to cancelled facility bookings – estimated loss of revenue of \$4,400
- Estimated loss of utility revenue resulting from lower commercial water & wastewater rates of \$20,500

It is still too early to quantify all the financial impacts resulting from COVID-19. The third quarter report, to be presented in October, will provide a better indication of the Village's fiscal sustainability during the pandemic.

To date, the Village has collected approximately 70% of the interim taxes that were due at the end of February 2020. The Village has also collected approximately 90% of the January-February Utility billing as well as 90% of the March-April Utility billing. This is consistent with other years and COVID-19 does not seem to have negatively impacted ratepayers' ability to pay compared to other years.

### **BUDGET/LEGAL IMPLICATIONS:**

Revenues and expenses are outlined in the approved 2020 budget. It is too soon to determine if the Village will see a deficit at year-end because of the financial impacts of COVID-19.

### **LINKS TO STRATEGIC PLANS:**

On January 23, 2017, the Council of the Corporation of the Village of Merrickville-Wolford passed By-Law 10-17, being a by-law to adopt the Merrickville-Wolford Strategic Plan 2017-2025.

The priorities of the strategic plan that can be linked to this report are as follows:

**Ensuring efficient, effective services and civic engagement:** By being able to provide budget to actual data, trends may be identified which may be further analyzed to conclude if there are issues that may need to be addressed. Making this information available to Council and the public ensures transparency and is in keeping with the priority to ensure efficient and effective services are being delivered to the residents of Merrickville-Wolford.

### **CONCLUSION:**

This report is for information purposes only.

**ATTACHMENTS:**

Schedule "A" – Budget to Actual data for the period ending June 30<sup>th</sup>, 2020

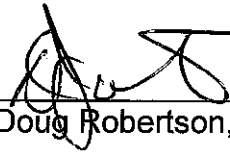
Submitted by:



---

Kirsten Rahm,  
Manager of Finance - Treasurer

Approved by:



---

Doug Robertson, CAO/Clerk

Attachment A - Budget to Actual Report

Village of Merrickville-Wolford  
Statement of Revenues and Expenses  
For the Period Ending June 30, 2020

**General Budget**

<b>REVENUES</b>	<b>Year to Date</b>	<b>Budget</b>	<b>% To Date</b>
Taxation and Payments-In-Lieu	\$ 3,137,892	\$ 3,325,495	94
Provincial Grants	\$ 223,242	\$ 341,075	65
Federal Grants - Gas Tax	\$ -	\$ 93,041	0
General Government	\$ 125,558	\$ 228,107	55
Fire	\$ 150	\$ 10,881	1
Police	\$ 540	\$ 8,799	6
By-Law	\$ 1,625	\$ 2,950	55
Landfill	\$ 75,539	\$ 150,800	50
Public works	\$ 1,125	\$ 14,400	8
Planning	\$ 22,979	\$ 45,600	50
Building	\$ 37,264	\$ 169,300	22
Economic Development (RED)	\$ -	\$ 65,655	0
Parks and Recreation	\$ 1,297	\$ 12,400	10
Capital Revenue	\$ -	\$ 551,910	0
<b>Total revenues</b>	<b>\$ 3,627,211</b>	<b>\$ 5,020,413</b>	<b>72</b>
<b>EXPENSES</b>	<b>Year to Date</b>	<b>Budget</b>	<b>% To Date</b>
General government			
Council	\$ 29,224	\$ 59,865	49
Admin	\$ 512,388	\$ 989,988	52
Transfer to Reserves	\$ -	\$ 330,729	0
<b>Total General Government:</b>	<b>\$ 541,612</b>	<b>\$ 1,380,582</b>	<b>39</b>
Emergency & Protective Services			
Police	\$ 236,876	\$ 476,712	50
Fire & Emergency Mgmt	\$ 106,983	\$ 377,138	28
ByLaw & Animal Control	\$ 24,138	\$ 57,856	42
<b>Total Emergency &amp; Protective</b>	<b>\$ 335,139</b>	<b>\$ 817,028</b>	<b>41</b>
Public Works			
Public Works	\$ 545,403	\$ 1,273,430	43
Landfill	\$ 60,502	\$ 223,836	27
<b>Total Public Works</b>	<b>\$ 605,905</b>	<b>\$ 1,497,266</b>	<b>40</b>
Building & Planning			
Building	\$ 42,522	\$ 138,997	31
Planning	\$ 26,486	\$ 36,500	73

Total Building & Planning:	\$ 43,477	\$ 112,984	38
Economic Development	<b>Year to Date</b>	<b>Budget</b>	<b>% To Date</b>
Economic Development	\$ 12,207	\$ 38,063	32
RED program expenses	\$ 34,398	\$ 136,170	25
Total Economic Development:	\$ 59,040	\$ 133,478	44
Parks and Recreation	\$ 44,408	\$ 109,698	40
Total Operating Expenses	\$ 1,629,581	\$ 4,051,036	40
Capital Expenses	\$ 351,044	\$ 755,680	46

**Water and Wastewater Budget**

	<b>Year to Date</b>	<b>Budget</b>	<b>% To Date</b>
Operating Revenues	\$ 584,860	\$ 1,239,524	47
Capital Revenues	\$ -	\$ 135,000	0
Operating Expenses	\$ 447,413	\$ 1,098,808	41
Capital Expenses	\$ 8,370	\$ 275,716	3

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## VILLAGE OF MERRICKVILLE-WOLFORD

For Clerk's use only, if  
required:

**Recorded Vote Requested  
By:**

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

**Be it hereby resolved that:** The Council of the Corporation of the Village of Merrickville-Wolford does hereby direct staff to apply for a grant opportunity from the Federation of Canadian Municipalities' Municipal Management Program for an Asset Management Plan; and

That the Village of Merrickville-Wolford does hereby commit to conducting the following activities in its proposed project submitted to the Federation of Canadian Municipalities' Municipal Asset Management Program to advance the Village's asset management program:

- Hire a consultant to assist with the development of an Asset Management Plan for the Village of Merrickville-Wolford.

Be it further resolved that the Village of Merrickville-Wolford has committed \$12,500.00 from its budget toward costs of this initiative.

Carried / Defeated

J. Douglas Struthers, Mayor



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**VILLAGE OF MERRICKVILLE-WOLFORD**

For Clerk's use only, if required:

**Recorded Vote Requested By:**

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

**Be it hereby resolved that:**

The Council of the Corporation of the Village of Merrickville-Wolford does hereby

\_\_\_\_\_ Direct staff to waive interest charges on the first installment of the Final Tax Notices due July 31, 2020 until September 30, 2020;

AND/OR

\_\_\_\_\_ Direct staff to waive interest charges for water and wastewater bills until September 30, 2020.

Carried / Defeated

\_\_\_\_\_  
J. Douglas Struthers, Mayor

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## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

The Council of the Corporation of the Village of Merrickville-Wolford does hereby receive report CAO-06-2020, being a report regarding the 2019 Staff Vacation and Banked Time allotments, for information purposes; and

\_\_\_\_\_ THAT: Council does hereby authorize the extension of the deadline for staff to use 2019 vacation and banked time from April 30, 2020 to December 31, 2020.

Carried / Defeated

\_\_\_\_\_  
J. Douglas Struthers, Mayor

For Clerk's use only, if required

Recorded Vote Requested By:

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N



MERRICKVILLE-WOLFORD  
*Jewel of the Rideau*

## Village of Merrickville-Wolford

Report CAO-06-2020

Date of Council Meeting: July 27, 2020  
Information/Action Report to Council

### RE: 2019 Staff Vacation and Banked Time

**OBJECTIVE:** To seek Council direction regarding the carry forward of unused 2019 staff vacation and banked time.

### RECOMMENDATION:

\_\_\_\_\_ **THAT:** The Council of the Corporation of the Village of Merrickville-Wolford does hereby receive report CAO-06-2020, being a report regarding the 2019 Staff Vacation and Banked Time allotments, for information purposes; and

\_\_\_\_\_ **THAT:** Council does hereby authorize the extension of the deadline for staff to use 2019 vacation and banked time from April 30, 2020 to December 31, 2020.

### BACKGROUND:

In accordance with Section 270 of the *Municipal Act, 2001*, the Village has a Personnel Policy which outlines the Village's employment practices. The Personnel Policy also outlines staff vacation entitlements and banked time in lieu of overtime procedures.

### ANALYSIS

The Personnel Policy allows staff to carry forward unused vacation time and banked hours from the previous year, to April 30<sup>th</sup> of the current year. In the event that these vacation days and banked hours have not been taken by April 30<sup>th</sup>, the Personnel Policy states that the employee shall automatically be paid for all such vacation and banked time.

Due to the unprecedented COVID-19 pandemic, staff have largely foregone taking vacation to ensure that service levels provided to the community were maintained while also balancing the increased workload caused by the pandemic. Thus, they have not had an opportunity to take their unused 2019 vacation and banked time by April 30<sup>th</sup> in 2020 as they would have in other years. Staff have shown great dedication to the community, working together and making personal sacrifices to overcome the challenges created by COVID-19.

Should Council approve the deadline extension from April 30<sup>th</sup> to December 31<sup>st</sup>, 2020, it is anticipated that this will allow staff the opportunity to use their 2019 vacation and

banked time through the second half of 2020. To the extent that the progression of the pandemic and work planning allows staff to use their vacation, this would defer and/or reduce the financial impact on the municipality associated with paying out the unused 2019 vacation during 2020. It would also recognize staff's dedication.

**BUDGET/LEGAL IMPLICATIONS:**

The cost of the outstanding 2019 vacation and banked time hours have already been accounted for via our 2019 year-end audit practices. The exact financial savings will depend upon the extent to which staff are able to take their 2019 unused vacation and lieu time before December 31, 2020, and the extent to which they are able to use their 2020 vacation carry over by April 30, 2021. Factors that will determine this are unknown at this time such as how the pandemic will evolve from this point forward.

**LINKS TO STRATEGIC PLANS:**

On January 23, 2017, the Council of the Corporation of the Village of Merrickville-Wolford passed By-Law 10-17, being a by-law to adopt the Merrickville-Wolford Strategic Plan 2017-2025.

The priorities of the strategic plan that can be linked to this report are as follows:

**Ensuring efficient, effective services and civic engagement:** The regular review and maintenance of the Village's policies ensures compliance with legislation and maximizes efficiencies for the benefit of the residents of Merrickville-Wolford.

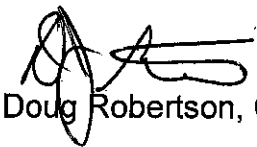
**CONCLUSION:**

It would be financially beneficial for the municipality and staff for Council to approve the extension of the deadline for staff to use 2019 vacation and banked time from April 30, 2020 to December 31, 2020.

**ATTACHMENTS:**

None.

Respectfully submitted by:



Doug Robertson, CAO/Clerk/Director, Economic Development

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## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

The Council of the Corporation of the Village of Merrickville-Wolford does hereby move to an "In-Camera" session at \_\_\_\_\_ p.m. under Section 239 (2) of the *Municipal Act, 2001*, as amended, to address matters pertaining to:

1. A position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board;
2. Personal matters about an identifiable individual, including municipal or local board employees; and
3. Advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

Carried / Defeated

J. Douglas Struthers, Mayor

For Clerk's use only, if required:

Recorded Vote Requested By:

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N

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## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

The Council of the Corporation of the Village of Merrickville-Wolford does hereby rise and report from the "In Camera" session of the regular Council meeting, with staff being given direction, at \_\_\_\_\_ p.m.

Carried / Defeated

\_\_\_\_\_  
J. Douglas Struthers, Mayor

For Clerk's use only, if required.

### Recorded Vote Requested By:

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N



**THE CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD**

**BY-LAW 41-2020**

**BEING A BY-LAW TO CONFIRM THE PROCEEDINGS OF THE COUNCIL OF THE CORPORATION OF THE VILLAGE OF MERRICKVILLE-WOLFORD AT ITS MEETING HELD ON JULY 27, 2020**

WHEREAS section 5(3) of the Municipal Act, 2001 states that municipal power, including a municipality's capacity, rights, powers and privileges, shall be exercised by by-law, unless the municipality is specifically authorized to do otherwise;

AND WHEREAS it is deemed expedient that the proceedings of the Council of the Corporation of the Village of Merrickville-Wolford (hereinafter referred to as "Council") at its meeting held on July 27, 2020 be confirmed and adopted by by-law;

NOW THEREFORE the Council of the Corporation of the Village of Merrickville-Wolford hereby enacts as follows:

1. The proceedings and actions of Council at its meeting held on July 27, 2020 and each recommendation, report, and motion considered by Council at the said meeting, and other actions passed and taken by Council at the said meeting are hereby adopted, ratified and confirmed.
2. The Mayor or his or her designate and the proper officials of the Village of Merrickville-Wolford are hereby authorized and directed to do all things necessary to give effect to the said action or to obtain approvals where required and, except where otherwise provided, the Mayor and Clerk are hereby directed to execute all documents necessary in that regard, and the Clerk is hereby authorized and directed to affix the Corporate Seal of the Municipality to all such documents.

This by-law shall come into force and take effect immediately upon the final passing thereof.

Read a first, second and third time and passed on the 27th day of July, 2020.

\_\_\_\_\_  
J. Douglas Struthers, Mayor

\_\_\_\_\_  
Doug Robertson, CAO/Clerk



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## VILLAGE OF MERRICKVILLE-WOLFORD

Resolution Number: R - - 20

Date: July 27, 2020

Moved by: Cameron Foster Halpenny Molloy

Seconded by: Cameron Foster Halpenny Molloy

### Be it hereby resolved that:

This regular meeting of the Council of the Corporation of the Village of Merrickville-Wolford does now adjourn at p.m. until the next regular meeting of Council on August 24, 2020 at 7:00 p.m. or until the call of the Mayor subject to need.

Carried / Defeated

---

J. Douglas Struthers, Mayor

For Clerk's use only, if required

Recorded Vote Requested  
By:

Cameron	Y	N
Foster	Y	N
Halpenny	Y	N
Molloy	Y	N
Struthers	Y	N