



City of Kenora

Committee of the Whole Agenda

Tuesday, November 9, 2021

9:00 a.m.

City Hall Council Chambers

*Due to COVID-19 and the requirement for physical distancing, the public will not be permitted into meetings at this time.

Public Access to the meeting can be found on the NEW Livestream at:

<https://kenora.civicweb.net/Portal/>

A. Public Information Notices

As required under Notice By-law #144 -2007, the public is advised of Council's intention to adopt the following at its November 16, 2021 meeting:-

- Council will establish their 2022 meeting calendar
- Declare surplus and authorize the sale of the land at an unassigned address on Chipman Street described as LOT 290 PLAN 25 AND PT OF LOT 291 PLAN 25 DES PT 7 PLAN 23R14508;
- Authorize a conditional purchase and sale agreement between the Corporation of the City of Kenora and The InnKeepers Inc. for the municipal lands legally described as parts of Twelfth Avenue South and McCrae Street and the lands described as all of PIN 42168-0150, all of PIN 42168-0155 and part of PIN 42168-0154

Blessing & Land Acknowledgement

Councillor Poirier

B. Declaration of Pecuniary Interest & the General Nature Thereof

- 1) On Today's Agenda
- 2) From a Meeting at which a Member was not in Attendance.

C. Confirmation of Previous Committee Minutes

Motion:

That the Minutes from the last regular Committee of the Whole Meeting held October 12, 2021 and Special Committee of the Whole meeting held October 19, 2021 be confirmed as written and filed.

D. Deputations/Presentations

- Justin Schinkel, The InnKeepers Inc. – Proposed land purchase

E. Reports:

1. Administration & Finance

Item Subject

- 1.1. September 2021 Financial Statements
- 1.2. 2021 Q3 Contracts
- 1.3. 2021 Q3 Capital & Unusual Spend
- 1.4. Amended Water & Wastewater Long Range Financial Plan
- 1.5. 2022 Council Meeting Calendar
- 1.6. KDMA Proposed Resolutions

2. Fire & Emergency Services

Item Subject

No Reports

3. Operations & Infrastructure

Item Subject

No Reports

4. Community Services

Item Subject

- 4.1 Anicinabe Park Old Chalet Lane Road Closure Request

5. Development Services

Item Subject

- 5.1 Application for Variance to Sign Bylaw – 2748025 ON Ltd
- 5.2 Declaration of Surplus Land & Request to Purchase – Chipman St Lot
- 5.3 Free Metered Parking in the Harbourtown Centre – December 2021
- 5.4 Purchase & Sale Agreement – The InnKeepers Inc.
- 5.5 KDSB Contribution Agreement – Public Washroom 15 Chipman St

Other:

12:00 noon - Zoning Bylaw Amendment Public Meeting

- D14-21-08 - Unaddressed Property, NE Corner of Sunset Bay Road and Transmitter Road intersection

12:00 noon - Application for Temporary Use Public Meeting

- D14-21-09 Unaddressed Property, Lot 1, Plan 23M966, Bell's Point Road, PIN 42134-0552

Proclamation

- Women Abuse Prevention Month - November, 2021

Next Meeting

- Tuesday, December 14, 2021

Motion - Adjourn to Closed Meeting:

That this meeting now be adjourned to a closed session at _____ a.m.; and further

That pursuant to Section 239 of the Municipal Act, 2001, as amended, authorization is hereby given for Committee to move into a Closed Session to discuss items pertaining to the following: -

- i) Education & Training Members of Council (2 matters-LOWDH progress update, Science North expansion)
- ii) Labour Relations (3 matters-Fire Dept Staffing, Harbourfront labour, CAO Performance Review)

Adjournment.



DEPUTATION REQUEST FORM

To Appear before Kenora City Council or Committee of the Whole of Council

How to Make a Deputation:

1. Determine date and time of Council or Committee meeting you wish to attend.
2. Submit this completed and signed form to the City Clerk (deliver/mail/fax or e-mail)
 - at least seven (7) days in advance of any Committee meeting
 - before 10:00 a.m. on date of a Council meeting;
3. State your name prior to speaking, and
4. Provide a copy of materials used in your presentation, if any, to the City Clerk for the official record (either in advance or at the time of the deputation).

City Clerk's Contact Information:

By Mail: 1 Main Street South, Kenora, ON P9N 3X2

By fax: 807-467-2009

E-mail: hkasprick@kenora.ca

Name: (person making deputation)	Organization You Represent: (if applicable)
_____ / _____ (please print)	
Mailing Address: _____	Telephone Number: _____
Email Address: _____	Postal Code: _____
Other Persons Presenting with You on this topic? <small>(on behalf of same organization)</small>	<input type="checkbox"/> No <input type="checkbox"/> Yes
If yes, Other Names: _____	
Topic – include brief statement of issue or purpose for Deputation: • Please see Protocol Notes on Page 2	

I wish to appear before	<input type="checkbox"/> Council <input type="checkbox"/> Committee of the Whole <input type="checkbox"/> Other
On the Meeting date: _____	
Please Note: Most meetings are video-taped and reported on by both the local newspaper and radio stations. Subsequently your deputation will form part of the public record in the minutes which are circulated widely and posted on the City's portal on the internet. By appearing before Council/Committee and signing this form, you hereby understand that information pertaining to you and your deputation will be publicized.	
Do you have material to leave with Council following your deputation? <input type="checkbox"/> Yes <input type="checkbox"/> No <small>(If yes, please give to Clerk upon arrival to meeting)</small>	
Signature Required: <u>Justin Schinkel</u> (Must be signed by applicant to go forward)	
...2	

Deputation Protocol

The purpose of the deputation process is to allow individuals or groups an opportunity to make their views known to Council. Council values and welcomes input, comments, and constructive suggestions. Since Council generally has to consider a large number of issues and concerns at any given time, the following Protocol is observed and we thank you for your interest in making a deputation and abiding by the rules:-

2.9 Cell phones/Blackberries/Smart Phones

All phones are required to be turned to vibrate during all Council and Committee meetings.

9.7 No Deputant shall:

1. Speak without first being recognized by the Head of Council or Chair
2. Speak disrespectfully of any person
3. Use offensive words or gestures, or make abusive comments,
4. Speak on any subject other than the subject stated on their Deputation Request Form
5. Disobey the Rules of Procedure or a decision of the Council or Committee

9.9 Expulsion

The Head of Council or Chair may cause to expel and exclude any member of the public who creates any disturbance or acts improperly during a meeting of Council or Committee. If necessary, the Clerk may be called upon to seek the appropriate assistance from police officers for this purpose.

9.14 Appearance - previous - limitation - new information

Any person appearing before Council who has previously appeared before Council on the same subject matter, shall be limited to providing only new information in their second and subsequent appearances.

 **Check below:**

I have never spoken on this issue before.

I have spoken on this issue before and the new information I wish to present is as follows:-

{Committee of the Whole/Property & Planning Meeting}

Committee of the Whole Meetings combined with the Property & Planning Committee immediately following, commence at 9:00 a.m., typically on the 2nd Tuesday of each month, unless otherwise advertised.

Committee Deputations are given approx. 15 minutes each at the beginning of the meeting, subject to the Chair's discretion.

Members of Committee may engage in dialogue with the person making a deputation as a matter of receiving and/or clarifying information.

Please present any material, letters or other relevant information concerning your deputation to Committee either at the time of your deputation or in advance of the meeting.

When a number of people are to appear representing one viewpoint or interest group, it is expected the group speak through a spokesperson, or submit written submissions.

{Council Meetings}

Regular Council meetings commence at 12:00 p.m., typically on the 3rd Tuesday of each month, unless otherwise advertised.

Deputations before Council are given approx. 5 minutes each at the beginning of the meeting, subject to the Mayor's discretion.

Council will not debate an issue, but will take the information under advisement.

Please present any material, letters or other relevant information concerning your deputation to Council either at the time of your deputation or in advance of the meeting.

When a number of people are to appear representing one viewpoint or interest group, it is expected the group speak through a spokesperson, or submit written submissions.



October 29, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

Fr: Charlotte Edie, Director of Finance

Re: September 2021 Financial Statements

Recommendation:

That Council hereby accepts the monthly Financial Statements of the Corporation of the City of Kenora at September 30, 2021.

Background:

Attached for your information, please find the September 2021 summary expense and user fee statements for the City of Kenora and the Council department. At the end of September, the year is 9/12 complete, so not including any seasonal or timing differences, there should be 25% of the budget remaining.

This report addresses only those departments where it is forecasted that there will be a significant deviation from budget at year end. Most of the negative impacts are COVID related and will be funded by the Safe Start funding received in 2020.

Overall: General Operations

- Expenses at the end of September 2021 were close to budget with 30.73% remaining to be spent.
- User fee revenues to the end of September 2021 are under budget with 51.24% left to collect.

Significant pinch points in the general operations are as follows:

- Emergency Measures – Unbudgeted expenditures for direct COVID expenses are \$26K (an increase of \$10K) and for emergency evacuees \$61K. It is anticipated that both of these cost categories will be fully funded.
- Transit – the most recent financial statement is attached as Attachment 8. It includes the September numbers. Revenues continue to lag behind budget projections however they continue to improve from month to month. Revenue shortfall will be partially offset by COVID transit funding.
- Metered Parking – revenues continue to lag behind budgeted amounts and last year's numbers. The current statement for metered parking is attached as Attachment 9. The revenue loss is partially offset by the reduction in wage costs as a result of a vacant position for part of the year. COVID funding will be used to subsidize this department.
- KRC Complex – both revenues and expenditures are significantly under budget so far in 2021. In the attached financial statement (Attachment 10) substantial cost savings are evident in cleaning, utilities and repairs and maintenance. These are currently offsetting the loss in revenue.
- Thistle Arena – as with most of the recreation departments both revenues and expenditures are under budget per the updated financial statement attached as

Attachment 11. Cost savings are currently more than revenue loss by over \$61K. Ice rental income will increase with the opening of the arena.

- Pool – although the pool is over \$59K under budget in revenues there are significant cost savings in repairs and maintenance and salaries to offset the revenue loss.
- Keewatin Arena – revenues are considerable under budget with the shutdown of the arena early in 2021 and with the lack of summer ice. There are significant projected cost savings of over \$50K to date in utilities and repairs and maintenance. It is expected that the department will end up with a small deficit compared to budgeted amounts for the year.
- The following departments show expenditures as being over budget to the end of September, however due to the seasonality of operations they may come in close to budget by year end: Safety Devices Maintenance, Parking Rentals, Wharfs, Parks and Coney Island.

Overall: Sewer and water

- Expenses at the end of September 2021 were under budget with 36.36% remaining to be spent.
- User fee revenues to the end of September 2021 are close to budget with 29.13% left to collect.

Fewer resources have been allocated to the sanitary and water systems especially for materials and supplies.

Overall: Solid Waste

- Expenses at the end of September 2021 were under budget with 32.73% remaining to be spent.
- User fee revenues to the end of September 2021 are over budget with 17.35% left to collect.

Bag tag sales and landfill tipping fees are trending over budget so far this year. It is expected this will continue. Expenditures are close to budget. The forecast to year end looks positive impact for the solid waste department.

Please let me know if you have any questions, or would like to see any of the department statements in further detail.

Strategic Plan or other Guiding Document:

Fiscal Responsibility: We manage the municipal finances in a responsible, prudent and transparent manner.

ERM Assessment: Monitoring financial statements on a monthly basis mitigates some of the uncertainty related to projected costs vs actual expenditures.



October 28, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

Fr: Michelle Saunders, Municipal Accountant
Charlotte Edie, Director of Finance

Re: Contracts & Expenditures Approved July – September 2021

Recommendation:

That Council hereby accepts the 2021 July – September Contracts & Expenditures Approved report.

Background:

Per the Procurement Policy, the Manager of Finance/Treasurer (or Deputy Treasurer) may award a tender, contract, or purchase for greater than \$30,000 provided that:

- a) The purchase is included in the City's budgets, and is within the budgeted amount;
- b) The total cost of the contract does not exceed the following authority limits:
 - i. Operating expenditures not exceeding \$100,000;
 - ii. Capital expenditures not exceeding \$250,000, with the exception of;
 - iii. Capital expenditures for equipment outlined specifically in the capital budget not exceeding \$500,000;
- c) The award is made to the bidder whose bid achieves the highest score as a result of the evaluation;
- d) The term of the contract does not exceed the lesser of either the current operating year or the remainder of the term of Council; and
- e) The award is made to the bidder submitting the lowest end cost, compliant bid. If the lowest end cost bid is not chosen the reason for the choice must be documented on the purchase order.

A report shall be submitted quarterly to Council to advise of the award of any tenders, contracts, or purchases under this section. This report is attached.

Budget:

There is no expected budget impact as a result of this report.

Risk Analysis:

The risk associated with this report is low. Internal controls have been established to ensure that these payments are legitimate and conform to the City's procurement policy.

Communication Plan/Notice By-Law Requirements: N/A

Strategic Plan or other Guiding Document:

Fiscal Responsibility: We manage the municipal finances in a responsible, prudent and transparent manner.



October 29, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

Fr: Charlotte Edie, Director of Finance

Re: 2021 Capital and Unusual Spending Q3

Recommendation:

That Council hereby accepts the 2021 Capital and Unusual Spending Q3 report.

Background:

Attached for your information, please find the summary expenses for Capital and Unusual spending by project to the end of September 2021. Actual outcomes are compared to the Capital and Unusual Spending budget for 2021. Budget amendments have also been recorded in the report. The funding of the budget overages have been explained in the report notes.

Budget:

There is no expected budget impact as a result of this report.

Risk Analysis:

The risk is positive in that the Capital and Unusual Spending budgets are being monitored and that overages are covered in a fiscally responsible manner.

Communication Plan/Notice By-Law Requirements:

For information only.

Strategic Plan or other Guiding Document:

Fiscal Responsibility: We manage the municipal finances in a responsible, prudent and transparent manner.



October 28, 2021

City Council Committee Report

To: Mayor and Council

**Fr: Kevin Gannon, Director of Engineering and Infrastructure
Charlotte Edie, Director of Finance**

Re: Amended Water & Wastewater Long Range Financial Plan 2021-2026

Recommendation:

That Council hereby approves the amended Water and Wastewater Long Range Financial Plan Forecast as required under the Safe Drinking Water Act and Ontario Regulation 453/07.

Background:

The Water and Wastewater Long-Range Financial Plan was received by Council on September 15, 2020. The plan recommended a 3.1% annual water and wastewater rate increase for the years 2021 to 2026. In October 2020 Council defeated the motion to increase the rates in 2021. The plan since been amended to reflect rate changes of 3.1% for the years 2022 to 2026. This means that a monthly Water and Sewer bill for a family that uses 10 cubic meters of water in the month will rise from \$125.66 in 2021 to \$146.36 in 2026. No changes were made to the remainder of the plan.

The firm of BMA Consulting amended the plan and it is attached in its entirety in draft form.

Budget:

There are no direct budget implications from this report. It will impact the Water & Wastewater budgets for 2022-2026.

Communication Plan/Notice By-law Requirements:

Once approved the amended financial plan and corresponding resolution will be submitted to the Ministry of Municipal Affairs and Housing.

The amended financial plan will also be made available to the public through publication on the internet as well as upon request at no charge.

Strategic Plan or other Guiding Document:

2-1 The City will ensure that our municipal infrastructure is maintained using available resources with the intent of moving towards all City infrastructure being in a good state of repair to ensure certainty, security and long-term stability of our systems.

2-2 The City will keep in the forefront that there is a significant infrastructure deficit, and current and future Councils will need to continue to work towards allocating sufficient resources to be able to adequately address this issue.

**Water and Wastewater
Long-Range Financial Plan**

In Accordance with O.Reg. 453/07



City of Kenora

May 2021

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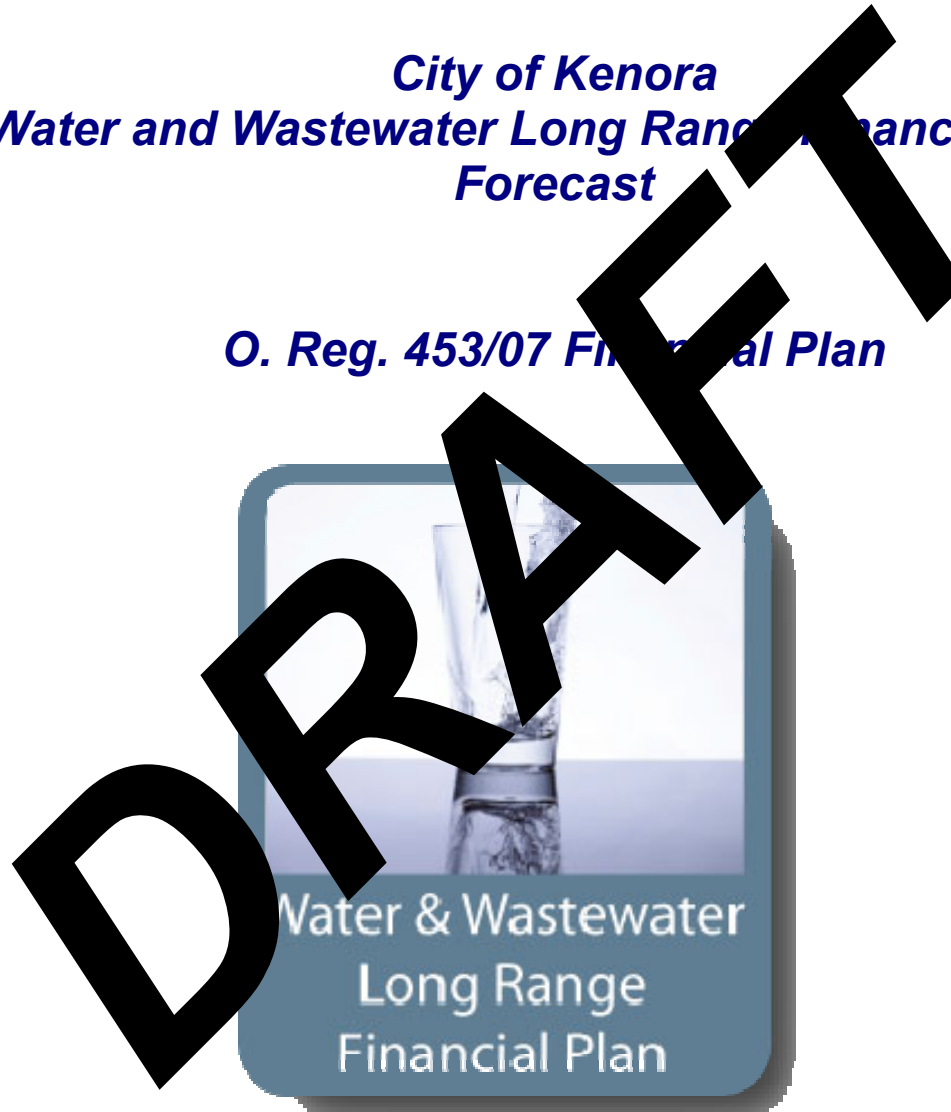
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**City of Kenora
Water and Wastewater Long Range Financial Plan
Forecast**

O. Reg. 453/07 Financial Plan



Review of Regulatory and Legislative Requirements

The City of Kenora, along with other Ontario municipalities that are responsible for the provision of drinking water, is required to meet the requirements set out in the Financial Plans Regulations O.Reg.453/07.

The City of Kenora is taking a proactive approach and has recognized the need for a long-term financial planning process that assesses the financial implications of current and proposed policies as well as Council approved decisions in its water and wastewater operations. The goal is to ensure that the City’s operations are in a sound financial position and services can be provided on a sustainable basis.

Ontario Reg. 453/07 provides the following parameters with regard to s.30 (1) part b of the Safe Drinking Water Act for municipal drinking water licence renewal:

- The financial plan must be approved by Council resolution (or governing body)
- The financial plan must include details regarding service pipe replacement
- The financial plan must include a statement that the financial impacts have been considered and apply for a minimum six year period commencing in the year in which the existing municipal drinking water licence expires
- A copy of the financial plan must be submitted to the Ministry of Municipal Affairs and Housing

- For each year to which the financial plans apply, the financial plans must include the following:
 - Details of the proposed or projected financial position of the drinking water system itemized by:
 - total financial assets
 - total liabilities
 - net debt
 - non-financial assets that are tangible capital assets, tangible capital assets under construction, inventories of supplies and prepaid expenses
 - changes in tangible capital assets that are additions, donations, write downs and disposals
 - Details of the drinking water system’s proposed or projected cash receipts and gross cash payments itemized by:
 - operating transactions that are cash received from revenues, cash paid for operating expenses and finance charges
 - capital transactions that are proceeds on the sale of tangible capital assets and cash used to acquire capital assets
 - investing transactions that are acquisitions and disposal of investments
 - financing transactions that are proceeds from the issuance of debt and debt repayment
 - changes in cash and cash equivalents during the year, and
 - cash and cash equivalents at the beginning and end of the year.

- The financial plan must include detail regarding proposed or projected financial operations itemized by total revenues, total expenses, annual surplus/deficit and accumulated surplus/deficit (i.e. the components of a “Statement of Operations” as per PSAB) for each year in which the financial plans apply
- The financial plan is to be made available to the public upon request and at no charge
- If a website is maintained, financial plans are to be made available to the public through publication on the Internet at no charge
- Notice of the availability of the financial plans is to be given to the public

Long Range Financial Plan (LRFP)

The LRFP identifies the key financial strategies that will influence the building of a sustainable long-term financial future and take into account:

- Expected expenses and capital requirements for each year of the plan
- Expected revenues for each year of the plan
- Financial performance measures

Required Statements

There are three statements that must be completed, in accordance with the O. Reg. 452/04. These include:

Statement of Operations

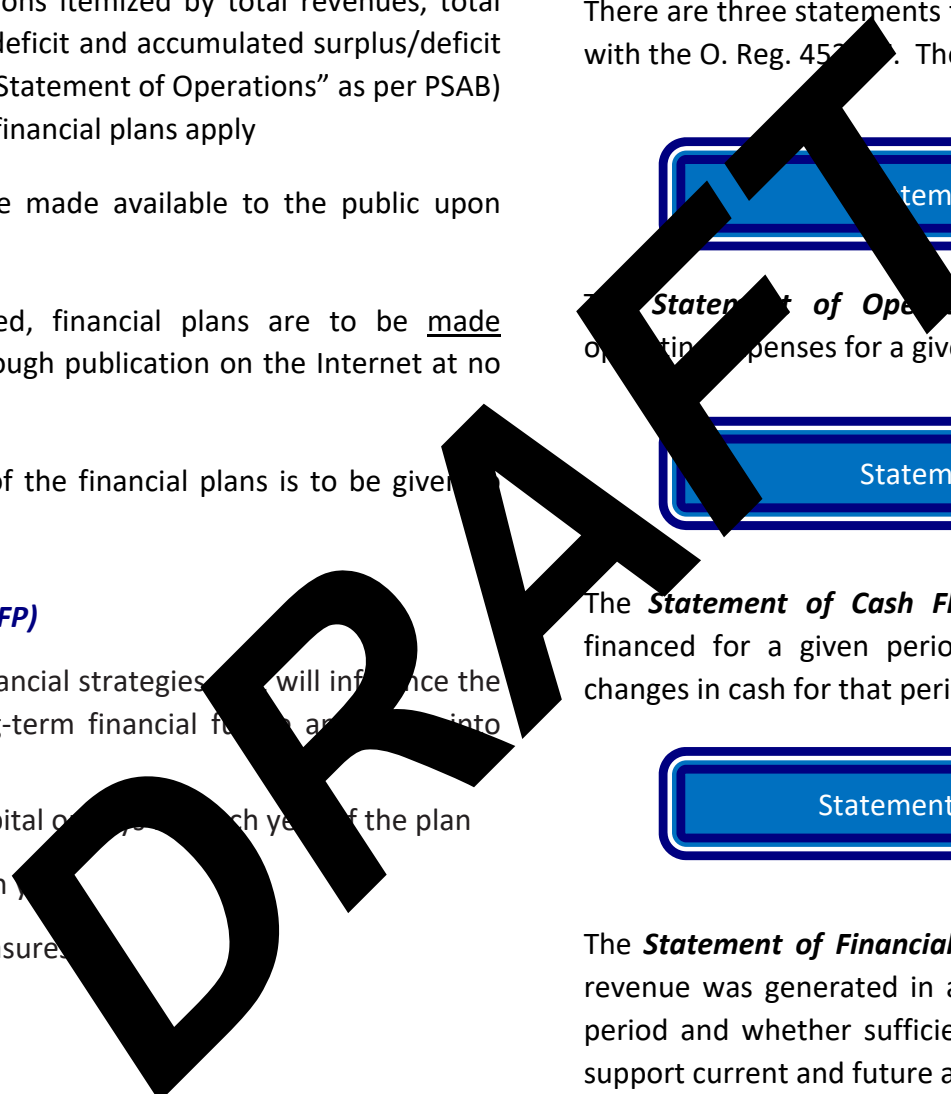
The **Statement of Operations** summarizes the revenues and operating expenses for a given period.

Statement of Cash Flows

The **Statement of Cash Flows** reports on how activities were financed for a given period which provides a measure of the changes in cash for that period.

Statement of Financial Position

The **Statement of Financial Position** reports on whether enough revenue was generated in a period to cover the expenses in the period and whether sufficient resources have been generated to support current and future activities.



The categories of financial information have been developed to ensure:

- that they provide a sound picture of the financial position of a drinking water system
- that they are aligned with municipal financial statements prepared on a full accrual accounting basis
- consistent financial planning for municipal water services

The goal of the financial plan is to provide the City with a realistic and informed view of the water and wastewater operating and capital expenditures needed over time to maintain the integrity and health of its physical infrastructure and to accommodate growth and new environmental standards. As such, a Long Range Financial Plan (LRFP) creates a more purposeful approach to long-term financial management and helps align short term actions with long term financial strategies.

Importance of a Long Range Financial Plan

A LRFP is a framework to guide the City in planning and decision-making and ensure that the City:

- Has a plan to protect and maintain its assets;
- Has a reasonable degree of stability and predictability in the ratepayers' burden;
- Provides a fair sharing in the distribution of resources between current and future ratepayers;
- Has sustainable cash flows;
- Maximizes financial flexibility; and
- Minimizes financial vulnerability during economic downturns.



Principles of Financial Sustainability

The Ministry of the Environment released a guideline (“Towards Financially Sustainable Drinking-Water and Wastewater Systems”) that provides possible approaches to achieving sustainability. The Province’s Principles of Financially Sustainable Water and Wastewater Services are provided below:

- **Principle #1:** Ongoing public engagement and transparency can build support for, and confidence in, financial plans and the system(s) to which they relate.
- **Principle #2:** An integrated approach to planning among water, wastewater, and storm water systems is desirable given the inherent relationship among these services.
- **Principle #3:** Revenues collected for the provision of water and wastewater services should ultimately be used to meet the needs of those services.
- **Principle #4:** Life-cycle planning with mid-course corrections is preferable to planning over the short term or no planning at all.
- **Principle #5:** An asset management plan is a key input to the development of a financial plan.

- **Principle #6:** A sustainable level of revenue allows for reliable service that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs.
- **Principle #7:** Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.
- **Principle #8:** Financial Plans are “living” documents that require continuous improvement. Comparing the accuracy of financial projections with actual results can lead to improved planning in the future.
- **Principle #9:** Financial plans benefit from the close collaboration of various groups, including engineers, accountants, auditors, utility staff, and municipal council.

The LRFP will be instrumental in the City’s ability to meet the Provincial reporting requirements included in O.Reg. 453/07 for water and wastewater operations and has been developed in recognition of the above noted principles.

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The LRFP is Dynamic—Regular Updates Will Be Undertaken

This document puts the City’s water & wastewater financial condition in perspective, discusses the current challenges and risks and provides a sustainable financial forecast. The plan also provides a framework for guiding the annual budget and the financial planning over a longer horizon. The LRFP helps to understand the implications that today’s decisions have on future budgets. The LRFP has been prepared to meet the regulatory requirements. It does not represent a formal multi-year budget. The approval of the budget is undertaken annually.

Great effort has been made to present accurate financial projections, based upon the data available at this time. In accordance with the regulations, financial plans must be updated in conjunction with an application for licence renewal (every 5 years), however, there are many potential circumstances that could occur within the short to medium term that would affect the assumptions in the projections for operating and capital. Council priorities, planning policies, changes to water consumption projections and infrastructure requirements, will certainly lead to changes and the LRFP should be updated to reflect these changes as they occur.

As a best practice, The Ministry of the Environment document entitled “Toward Financial Sustainability” suggests that Financial Plans should be updated on an annual forward looking basis. By doing so, continuous improvement will be fostered and results can be considered part of the annual budget process.

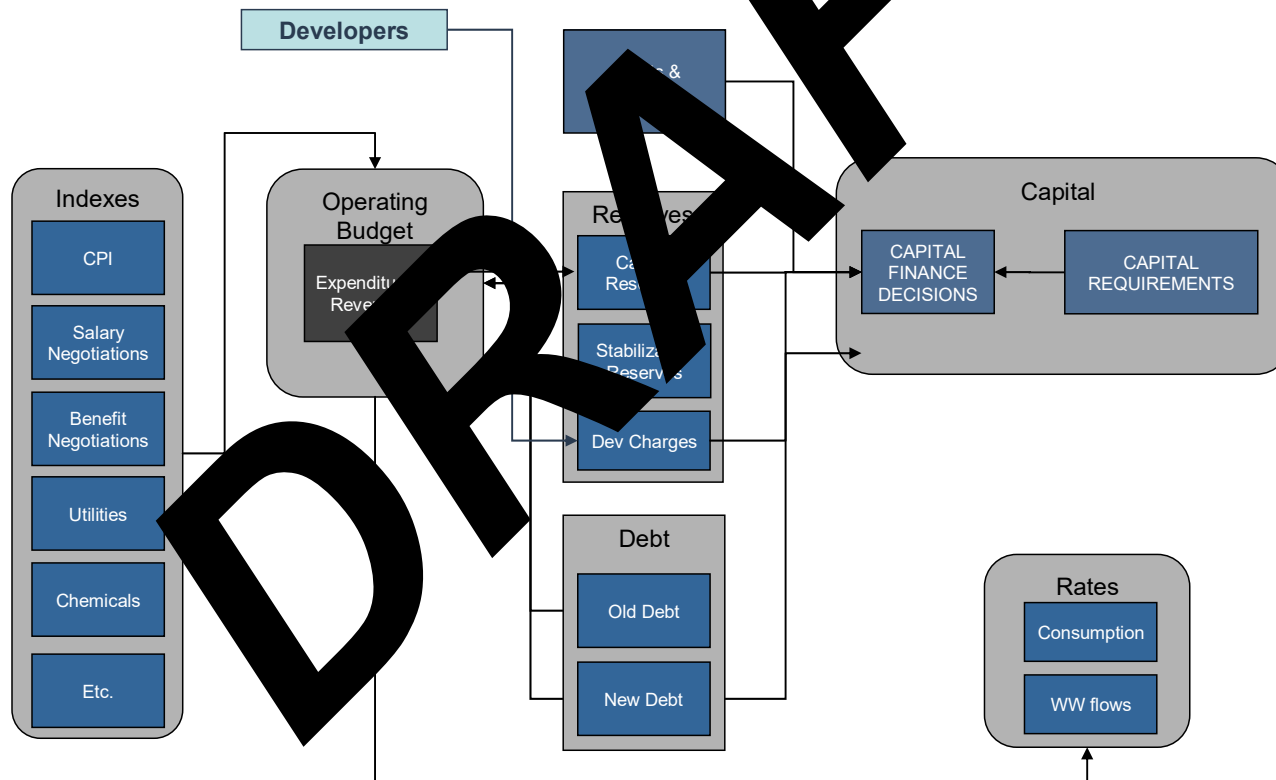
It is well recognized that a Financial Plan is a **dynamic document** that should be updated/re-evaluated, on an **ongoing** basis to:

- Reconfirm the assumptions, projections and strategies based on changes in the municipal environment
- Continue building awareness of the results of projections of current operating and capital spending and funding levels
- Assist the City in determining the extent of its financial challenges
- Reconfirm the key financial goals and strategies that should guide future planning
- Spur the development of actions in future business plans that would respond to the long-term strategies

Water and Wastewater Forecast

Model Development

The LRFP is developed based on an analysis of all factors impacting the capital and operating budget, including financing plans, consumption and wastewater flow forecasts. This forecast also includes assumptions with respect to growth, interest rates impacting reserves and debt issuance. As shown below, due to the inter-relationship between all components of the plan, changes in any of the assumptions will potentially have an impact throughout the LRFP.



Financial Analysis

The City of Kenora has taken a proactive approach, recognizing the need to develop a long-range financial plan, to address the challenges that the City is facing in the water and wastewater operations. The City has \$202.2 million in water assets (based on replacement costs) and \$190.2 million in wastewater assets for a total of \$392.4 million. There are currently insufficient transfers to the capital reserves to achieve full lifecycle replacement of these assets. Recommendations have been made to support the full replacement of existing assets.

Analysis of Annual Reserve Funding Requirements

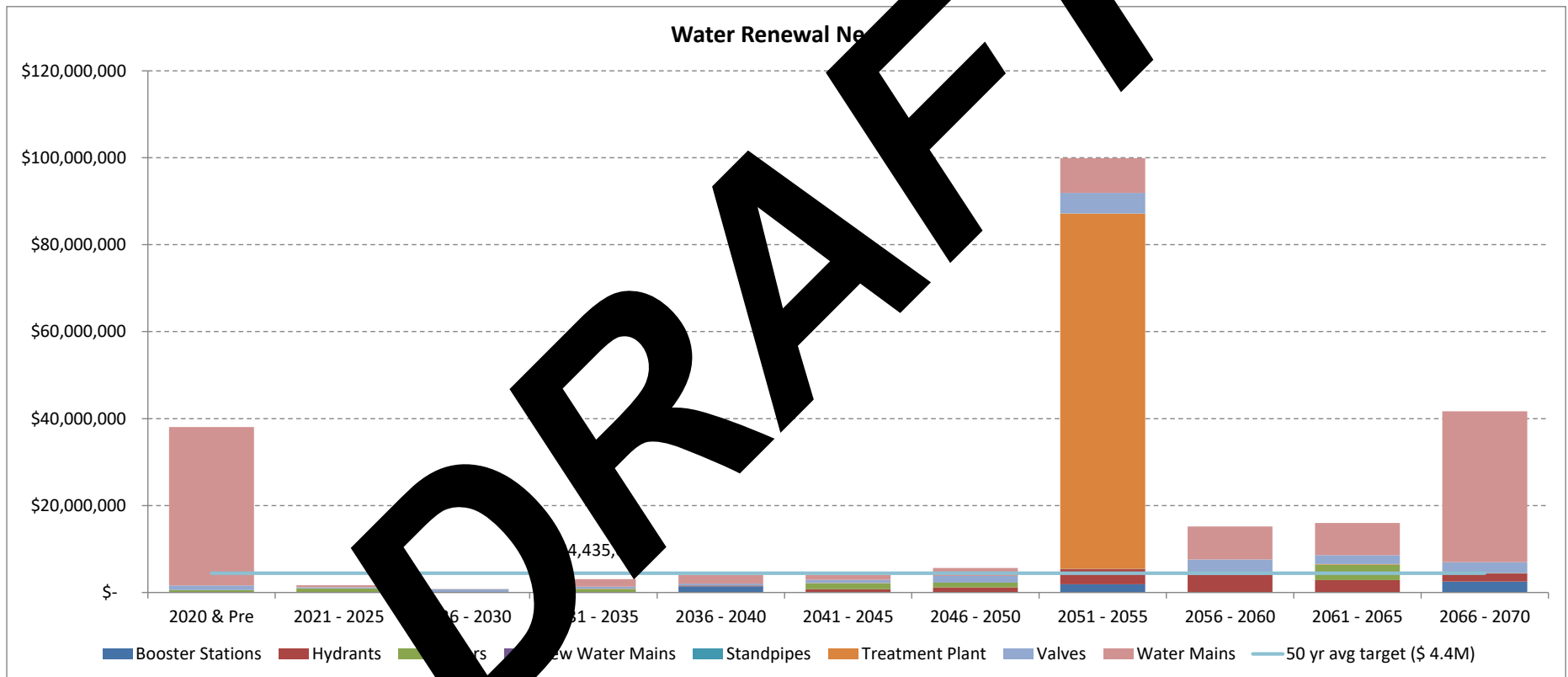
Maintaining adequate water and wastewater reserves enhances the ability of the operations to manage potential risks, provides the ability to manage fluctuations in reserves and the ability to meet working capital needs. Reserves are an important component of financial sustainability and should be set on maintaining a target balance and contributing a minimum amount per year to fund capital replacement.

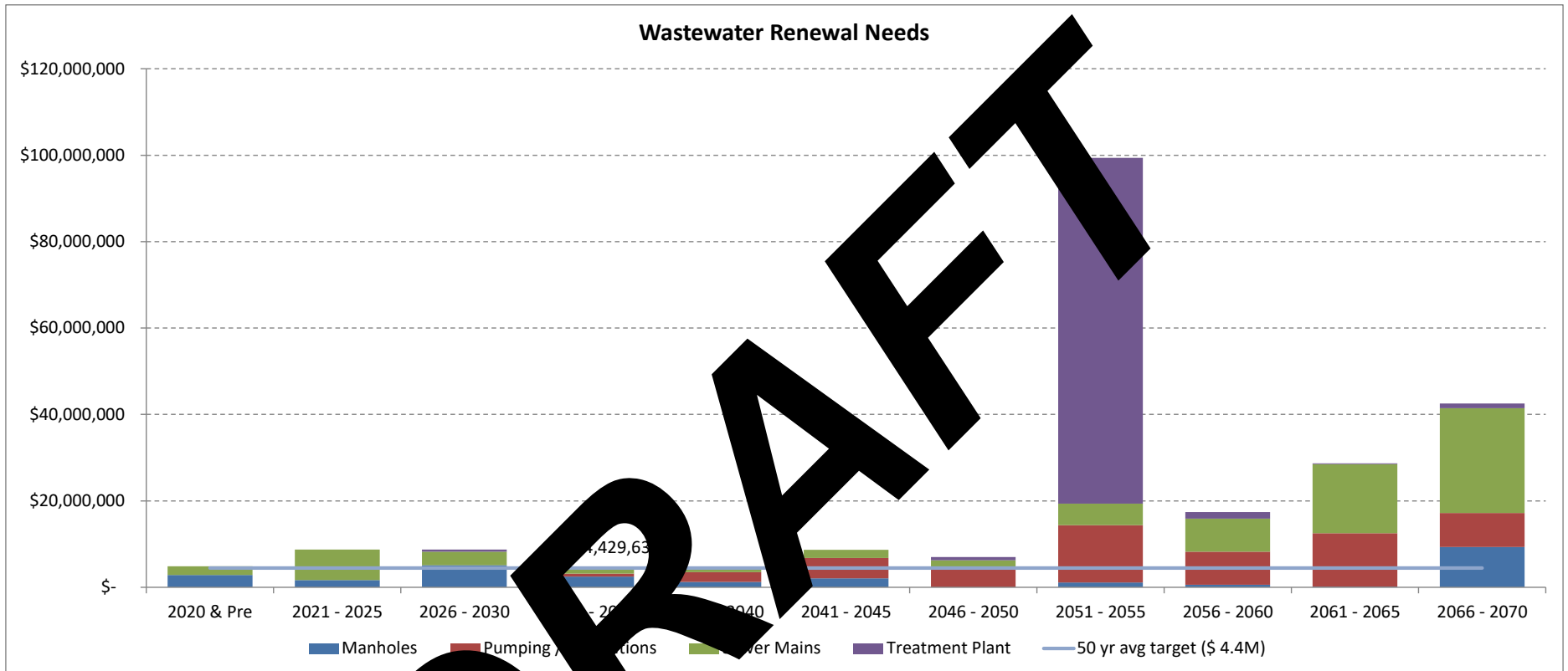
Minimum Target Balance Reserves—The projected 2020 Water and Wastewater Reserves balance is \$2.8 million. In relation to the total replacement cost of assets they support of approximately \$392.4 million, represents less than 1% of capital replacement cost. Leading practice for water wastewater reserves is to maintain a minimum balance of 2% of replacement asset value for emergency and stabilization purposes. Recommendations have been made to gradually increase reserve balances.

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Analysis of Annual Funding Requirements

Kenora's asset management data base was used to calculate the annual contribution from the operating budget to meet the City's capital renewal needs. The following graphs provides a summary of the water and wastewater asset replacement needs based on the expected useful life of the assets.





As shown below based on the current reserve contributions there is an annual funding gap of \$1.7 million in water and \$2.4 million in wastewater. The combined annual funding gap in 2021 is \$4.2 million.

Capital Contributions (000s)	Water		WW	
Current Capital Contribution for Asset Replacement	\$	2,708	\$	2,000
50 Year Annual Average Contribution	\$	4,435	\$	4,430
Estimated Annual Funding Gap (50 Year)	\$	(1,727)	\$	(2,430)

Ratepayer affordability was taken into consideration and therefore a phase-in strategy has been developed to gradually move toward a fully funded asset management financial plan to address the annual underfunding of the capital program.

The recommended strategy is to gradually increase reserve contributions to meet the replacement requirements of assets as they become due for replacement.

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Key Operating and Capital Budget Forecast Assumptions

The following provides the key assumptions in the Forecast:

- **Capital Projects**—The plan includes \$13.2 million for water and \$14.6 million for wastewater capital expenditures over the next six years. This is based on the City’s 2021-2025 capital forecast and an estimation for 2026 based on the previous three year average.
- **Water & Wastewater Capital Reserves**—The opening balance for 2021 Water and Wastewater Capital Reserves and Reserve Funds are based on the projected year-end balance for 2020. Contributions to reserves gradually increased annually to ensure full funding of the capital requirements and to gradually build reserve balances.
- **Sources of Capital Financing**—Capital Reserves are used as the primary source of financing however \$97,000 of new debt is anticipated in 2021 for water.
- **Expenditure Increases**—based on:
 - Salary, wage and benefit increases based on future projected increases (2% annually);
 - Chemical expenses (2% annually);
 - Telephone & Utilities (2% annually);
 - Materials and Supplies (2% annually);
 - Insurance (2% annually); and
 - Miscellaneous expenses (2% annually).
- **Disposal**—There are no disposals of tangible capital assets.
- **Useful Life**—based on the City’s tangible capital asset policies.
- **Service Standards**—Water and wastewater programs are maintained at their current service levels.
- **Capital Revenue**— In 2021 Kenora entered into an agreement with Suzhushk Onigium for the supply of water and treatment of wastewater. New revenues were estimated at \$1,650 each for water and wastewater.

Summary of Water Operating Budget

The City’s objective in establishing the Water and Wastewater rates is to avoid large fluctuations from year to year and to ensure rates are set at a level to adequately cover current operating costs, maintain and repair the City’s existing asset base and replace assets where appropriate. Efforts are being made in this plan to gradually grow/maintain the reserves to provide a source of funding for the ongoing replacement/refurbishment of capital assets. The following tables reflect the operating forecast. As shown below, rate revenue requirement increases are forecast at 3.1% annually from 2021 to 2024, then 2.7% increase annually thereafter.

Water Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget
Revenues						
Waterworks User Fee Water - Metered Revenue	\$ 2,104,033	\$ 2,169,258	\$ 2,236,505	\$ 2,296,891	\$ 2,358,907	\$ 2,422,597
Waterworks User Fee Water Monthly Service Crg	\$ 3,122,700	\$ 3,256,434	\$ 3,394,129	\$ 3,647,535	\$ 3,753,733	\$ 3,862,799
Multi Unit	\$ 119,380	\$ 121,618	\$ -	\$ -	\$ -	\$ -
Other Multi Unit	\$ 13,380	\$ -	\$ 512	\$ 7,512	\$ 7,512	\$ -
Rate Revenue Requirements Existing Customers	\$ 5,359,547	\$ 5,607,310	\$ 5,788,146	\$ 5,951,937	\$ 6,120,152	\$ 6,285,396
Waterworks User Fee Water Purchased	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Waterworks User Fee Other Service Charge	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Other Revenues	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Total Revenues	\$ 5,509,547	\$ 5,706,822	\$ 5,888,146	\$ 6,051,937	\$ 6,220,152	\$ 6,385,396
Expenditures						
Water & Sewer Vehicles	\$ (3,137)	\$ (3,713)	\$ (2,882)	\$ (2,939)	\$ (2,998)	\$ (3,058)
Waterworks	\$ 1,638,514	\$ 1,676,726	\$ 1,734,196	\$ 1,768,880	\$ 1,804,258	\$ 1,840,343
Water Standpipes/Booster Stations	\$ 73,196	\$ 75,099	\$ 76,518	\$ 78,048	\$ 79,609	\$ 81,202
Water Treatment Plant	\$ 1,042,479	\$ 1,067,945	\$ 1,085,782	\$ 1,107,498	\$ 1,129,648	\$ 1,152,241
Operating Expenditures	\$ 2,751,052	\$ 2,816,057	\$ 2,893,615	\$ 2,951,487	\$ 3,010,517	\$ 3,070,727
Transfers to Reserves	\$ 2,708,495	\$ 2,890,765	\$ 2,994,531	\$ 3,100,451	\$ 3,209,635	\$ 3,314,669
Total Expenditures	\$ 5,459,547	\$ 5,706,822	\$ 5,888,146	\$ 6,051,937	\$ 6,220,152	\$ 6,385,396
Rate Revenue Requirements %		3.1%	3.1%	2.7%	2.7%	2.7%

Summary of Wastewater Operating Budget

Rate revenue requirements increases for Wastewater are forecasted at 3.1% annually from 2021 to 2024, then 3.5% increase annually afterwards.

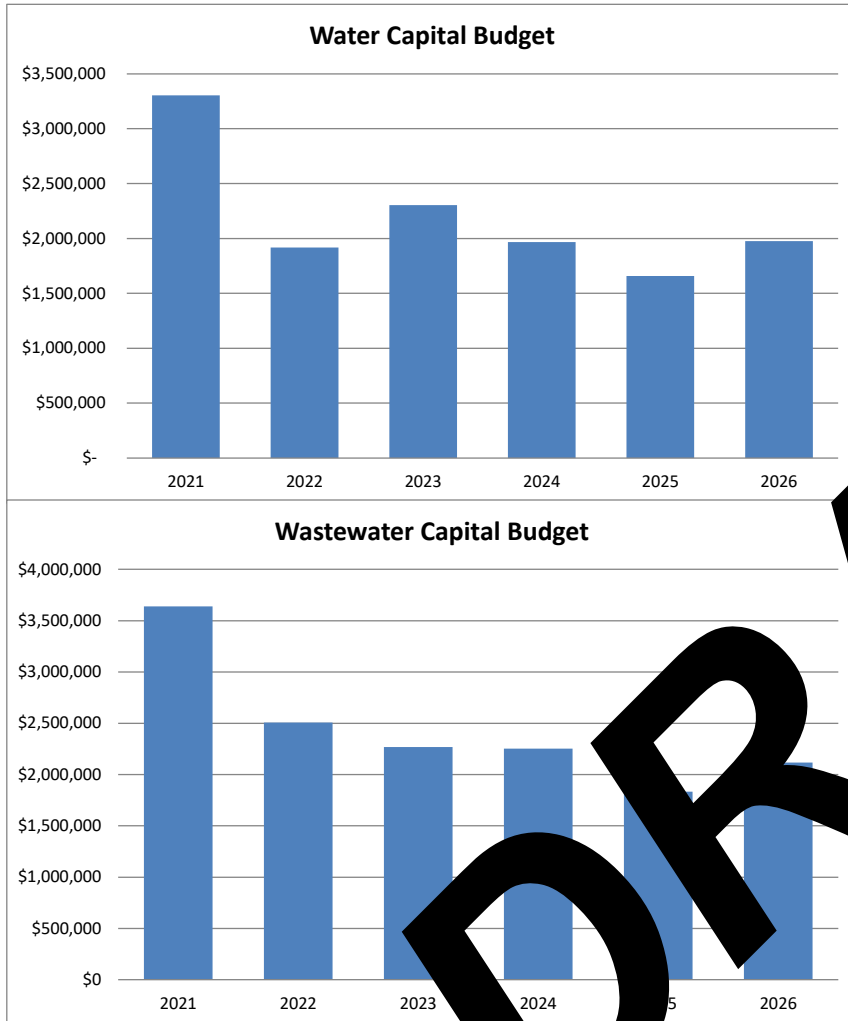
Wastewater Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget
Revenues						
Sanitary System User Fee Residential Surcharge	\$ 5,144,966	\$ 5,400,388	\$ 5,693,664	\$ 6,000,717	\$ 6,115,017	\$ 6,336,817
Multi Unit	\$ 119,381	\$ -	\$ -	\$ -	\$ -	\$ -
Other Multi Unit	\$ 13,381	\$ -	\$ 7,512	\$ 7,512	\$ 7,512	\$ -
Rate Revenue Requirements Existing Customers	\$ 5,277,728	\$ 5,522,400	\$ 5,701,176	\$ 5,908,229	\$ 6,122,529	\$ 6,336,817
Sanitary System User Fee Commercial Surcharge	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Sanitary System User Fee Miscellaneous Charges	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Other Revenues	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Total Revenues	\$ 5,447,728	\$ 5,592,400	\$ 5,771,176	\$ 5,978,229	\$ 6,192,529	\$ 6,406,817
Expenditures						
Water & Sewer Vehicles	\$ (3,137)	\$ (3,713)	\$ (2,882)	\$ (2,939)	\$ (2,998)	\$ (3,058)
Sanitary System	\$ 1,737,470	\$ 1,766,464	\$ 1,794,771	\$ 1,830,666	\$ 1,867,280	\$ 1,904,625
Sewer Lift Stations	\$ 676,221	\$ 689,121	\$ 702,268	\$ 716,313	\$ 730,640	\$ 745,252
Sewage Treatment Plant	\$ 1,070,438	\$ 1,096,695	\$ 1,121,405	\$ 1,143,833	\$ 1,166,710	\$ 1,190,044
Operating Expenditures	\$ 3,480,692	\$ 3,548,567	\$ 3,615,563	\$ 3,687,874	\$ 3,761,631	\$ 3,836,864
Transfer to Reserves	\$ 1,867,036	\$ 2,043,900	\$ 2,155,613	\$ 2,290,355	\$ 2,430,898	\$ 2,569,954
Total Expenditures	\$ 5,347,728	\$ 5,592,467	\$ 5,771,176	\$ 5,978,229	\$ 6,192,529	\$ 6,406,817
Rate Revenue Requirements %		3.1%	3.1%	3.5%	3.5%	3.5%

Summary of Rate Revenue Requirements

The following tables reflect the forecast rate revenue requirements. As shown below the annual increases in consolidated water and wastewater rate revenue requirements is approximately 3.1% in total water and wastewater over the next 6 years.

	2021	2022	2023	2024	2025	2026
Water Rate Revenue Requirements	\$ 5,359,547	\$ 5,606,822	\$ 5,788,146	\$ 5,937,937	\$ 6,120,152	\$ 6,285,396
Less: Multi Unit Phase in	\$ (119,381)	\$ (196,700)	\$ (202,717)	\$ (209,773)	\$ (213,896)	\$ (219,671)
Less: Other Multi Unit Phase in	\$ (13,381)	\$ (21,308)	\$ (21,381)	\$ (37,789)	\$ (46,321)	\$ (47,572)
Total Water Rate Revenue Requirements	\$ 5,226,784	\$ 5,388,814	\$ 5,564,048	\$ 5,700,375	\$ 5,859,935	\$ 6,018,153
% change		3.10%	3.10%	2.70%	2.70%	2.70%
Wastewater Rate Revenue Requirements	\$ 5,277,728	\$ 5,439,177	\$ 5,601,176	\$ 5,908,229	\$ 6,122,529	\$ 6,336,817
Less: Multi Unit Phase in	\$ (119,381)	\$ (196,700)	\$ (202,797)	\$ (209,895)	\$ (217,241)	\$ (224,845)
Less: Other Multi Unit Phase in	\$ (13,381)	\$ (21,308)	\$ (29,481)	\$ (38,025)	\$ (46,868)	\$ (48,508)
Total WW Rate Revenue Requirements	\$ 5,145,066	\$ 5,221,169	\$ 5,468,898	\$ 5,660,309	\$ 5,858,420	\$ 6,063,465
% change		1.0%	3.10%	3.50%	3.50%	3.50%
Water & WW Rate Revenue Requirements	\$ 10,371,850	\$ 10,609,983	\$ 11,024,765	\$ 11,366,185	\$ 11,718,355	\$ 12,081,618
Total		3.10%	3.10%	3.10%	3.10%	3.10%

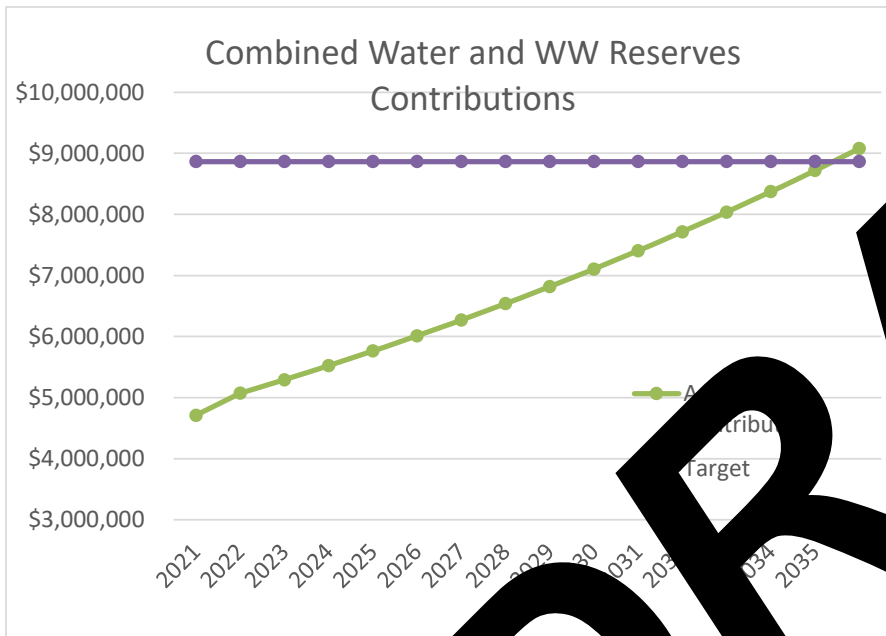
Summary of Capital Budget



The capital financing from 2021-2025 is almost exclusively from the Capital Reserves, with debt in 2021 for water.

Reserve Year End Balances

The following graph summarizes the forecast year end reserve balances. The Reserves grow gradually over time and will provide the City with additional flexibility to increase the capital program beyond what has been included in the plan.

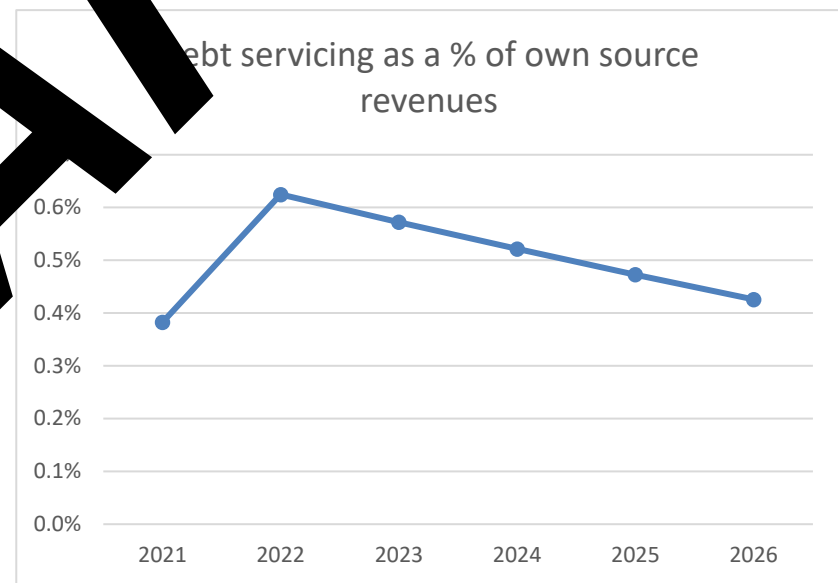


As shown above, the graph summarizes the annual reserve contributions over 16 years.

Debt

As at December 31, 2020, the City currently has \$1.2 million in debt outstanding. There is a need for new debt of \$975,000 in 2021 to support the water program.

Debt levels and their related annual costs are important long-term obligations that must be managed within the available resources. Debt servicing costs are now well within industry standards. Debt servicing costs (interest payments) should be 10% or less of the rate base requirements. As shown below, the debt over the



forecast period is well below the 10% level.

Summary—Financial Policies and Strategies

The following summarizes the recommended financial policies and strategies:

- *The City will maintain all Water/Wastewater infrastructure in a state of good repair, implementing life cycle costing and providing adequate annual contributions to the replacement reserves to fund the future replacement of assets.*
- *The City will target setting aside the annual amortization based on the replacement cost of assets over time. These funds will be transferred to the City’s Water and Wastewater Capital Reserves. A phase-in strategy will be implemented to achieve replacement cost contributions.*
- *To ensure that the reserves are sufficient to fund capital replacement requirements, it is recommended that a minimum target balance equal to 2%-3% of the asset replacement cost be maintained in reserves. A phase-in strategy will be required.*
- *Future debt service payments will be made while ensuring the following:*
 - *The provision of essential services is not jeopardized.*
 - *Financial flexibility is maintained by ensuring there are sufficient revenues to meet unanticipated expenditures and accommodate revenue fluctuations.*
 - *Outstanding debt obligations will not threaten long-term financial stability.*
 - *The amount of outstanding debt will not place an undue burden on local ratepayers.*
- *The City’s Water and Wastewater debt interest service ratio as a percentage of own source revenues, will not exceed 10% as considered acceptable by credit rating agencies.*
- *The City will update the LRFPP as new information becomes available that could materially change the forecast.*

Reporting Requirements – O.Reg. 453/07



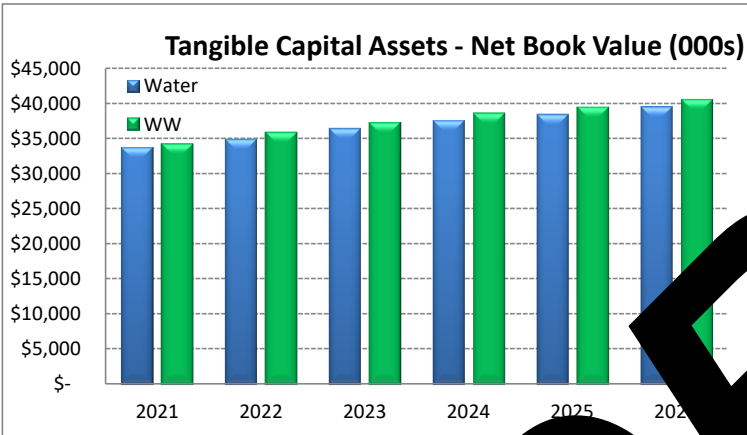
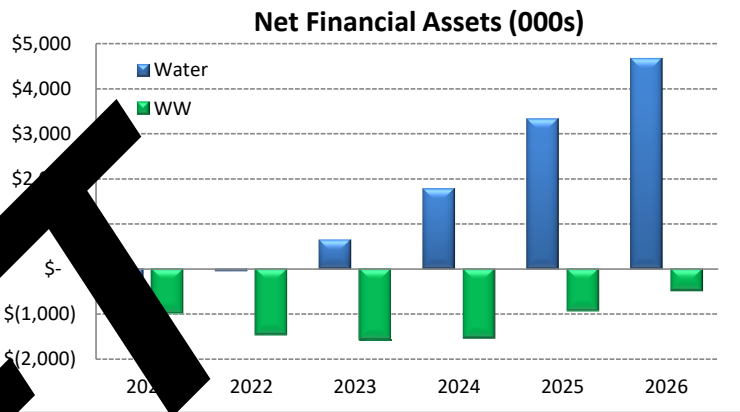
Water and Wastewater Financial Plan—O.Reg. 453/07—Introduction

The Financial Plan has been prepared in accordance with the Financial Plan regulation (O.Reg. 453/07) made under the Safe Drinking Water Act. While the O. Reg. 453/07 only applies to Water, the City has prepared statements for both water and wastewater operations. Paragraph 4 of subsection 3(1) of the regulation requires that financial plans include three statements including the Statement of Operations, the Gross Cash Receipts and the Financial Position. The financial statements have been included at the end of the report for water and wastewater. The Financial Plan regulation requires that the plans be updated every five years along with the request for the renewal of the drinking water licence. This ongoing update will assist in revisiting the assumptions made to develop the operating and funding plans as well as reassessing the needs for capital renewal and major maintenance expenses. The following provides a summary of the principle features concerning the current and future state of the water and wastewater systems contained in the projected financial statements (2021-2026):

- **Statement of Financial Operations**—This statement summarizes the revenues and expenditures. The expenditures include ongoing operating costs plus asset amortization. This statement indicates that the system and its asset base are projected to be maintained with funds being available each year for future capital renewal or major maintenance. As shown in the statements of financial operations, the City of Kenora is generating excess revenues over expenses including amortization for water and wastewater throughout the forecast period.
- **Cash Receipts or Gross Cash Payments (Cash Flows)**—The cash flow statement summarizes how the water and wastewater system is expected to generate and utilize cash resources. The transactions that generate and use cash include the projection of cash to be received from revenues, cash to be used for operating expenditures and financing charges, cash projected to be used to acquire capital assets and projected financial transactions that include the proceeds from debt or debt principal repayment. The City's water cash flows go into a negative position for a period of time but can be offset through internally borrowing on a temporary basis. The wastewater cash flows are positive throughout the forecast period.

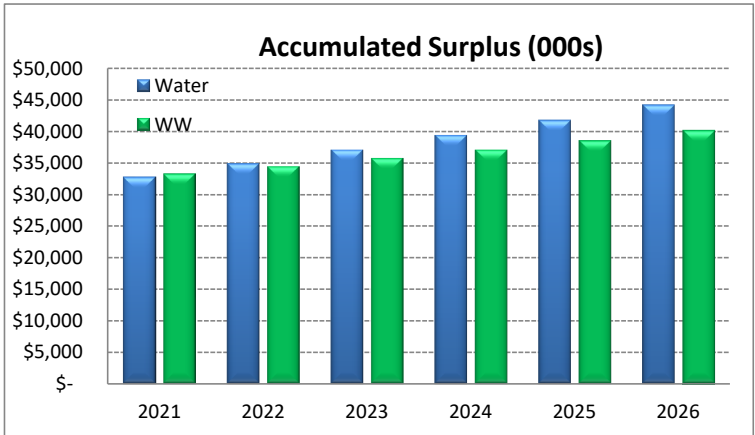
- **Financial Position —Highlights**—There are three important indicators to review in the Statement of Financial Position described as follows:

- **Net Financial Assets**—An important feature of a water and wastewater system is its net financial assets. A positive number indicates that the system has the resources to deal with future capital and other needs. A negative number indicates that past capital and other investments must be financed from future revenues. Water net financial assets are in a negative position from 2021 to 2022, then positive position thereafter. Wastewater net position is in a negative position from 2021 to 2026.



- **Tangible Capital Assets (Net Book Value)** - Water and wastewater systems have a great deal of resources to invest in tangible capital assets and managing these assets is critical to maintaining current and future levels of service. An increase in net book value of tangible capital assets is an indication that assets have been renewed faster than they were used. A decrease in net book value indicates that assets are being used, or amortized, faster than they are renewed. The net book value is projected to increase for water and wastewater indicating that assets are being renewed faster than they are being used, as substantiated in the water and wastewater capital

- **Accumulated Surplus**—A third financial indicator that is reflected in the financial position statement is the accumulated surplus. This indicator represents cash on hand less the net book value of tangible capital assets less debt. The accumulated surplus is forecast to increase from 2021 to 2026 for both water and wastewater. The increasing projected surpluses in water and wastewater operations indicate that if the City adheres to the Financial Plan, it will strengthen its combined cash and asset position.



Statement of Financial Operations—Water

Statement of Financial Operations - Water	Budget		Projected			
(000's)	2021	2022	2023	2024	2025	2026
Water Total Revenues						
Waterworks User Fee Water - Metered Revenue	\$ 2,104	\$ 2,169	\$ 2,297	\$ 2,297	\$ 2,359	\$ 2,423
Waterworks User Fee Water Monthly Service Crg	\$ 3,123	\$ 3,356	\$ 3,648	\$ 3,648	\$ 3,754	\$ 3,863
Multi Unit and Other Multi Unit	\$ 133	\$ 81	\$ 8	\$ 8	\$ 8	\$ -
Waterworks User Fee Water Purchased	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Waterworks User Fee Other Service Charges	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Total Operating Revenues	\$ 5,460	\$ 5,807	\$ 5,888	\$ 6,052	\$ 6,220	\$ 6,385
Local Improvement Revenues (matures 2020)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from Other Sources (Subsidies)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 5,460	\$ 5,807	\$ 5,888	\$ 6,052	\$ 6,220	\$ 6,385
Water Total Expenses						
Operating Expenses						
Waterworks	\$ 1,631	\$ 1,734	\$ 1,734	\$ 1,769	\$ 1,804	\$ 1,840
Water Standpipes/Booster Stations	\$ 75	\$ 75	\$ 77	\$ 78	\$ 80	\$ 81
Water Treatment Plant	\$ 42	\$ 1,068	\$ 1,086	\$ 1,107	\$ 1,130	\$ 1,152
Water & Sewer Vehicles	-\$ 3	-\$ 4	-\$ 3	-\$ 3	-\$ 3	-\$ 3
Total Operating Expenses	\$ 1,745	\$ 2,816	\$ 2,894	\$ 2,951	\$ 3,011	\$ 3,071
Debt Charges						
Debt Charges - Installments	\$ 40	\$ 68	\$ 64	\$ 60	\$ 56	\$ 52
Amortization Expense						
Water Assets	\$ 683	\$ 738	\$ 770	\$ 808	\$ 841	\$ 876
Total Expenses	\$ 3,474	\$ 3,622	\$ 3,728	\$ 3,820	\$ 3,908	\$ 3,999
Annual Surplus/(Deficit)	\$ 1,986	\$ 2,085	\$ 2,160	\$ 2,232	\$ 2,312	\$ 2,387

The annual surplus increases from \$1.99 million in 2021 to \$2.4 million in 2026 which provides additional funds for the replacement of assets.

Statement of Cash Flow/Cash Receipts—Water

Statement of Cash Flow - Water	Budget	Actual				
(000's)	2021	2022	2023	2024	2025	2026
Total Revenues	\$ 5,460	\$ 5,707	\$ 5,805	\$ 6,052	\$ 6,220	\$ 6,385
Cash Paid For						
Operating Costs	\$ 2,751	\$ 2,891	\$ 2,894	\$ 2,905	\$ 3,011	\$ 3,071
Cash Provided From Operating Transactions	\$ 2,708	\$ 2,816	\$ 2,911	\$ 3,147	\$ 3,210	\$ 3,315
Capital Transactions						
Acquisition of TCA	\$ 1,305	\$ 1,950	\$ 2,304	\$ 1,967	\$ 1,658	\$ 1,976
Finance Transactions						
Proceeds from Debt Issues	\$ 1,975	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Repayment - Principal	\$ 120	\$ 120	\$ 123	\$ 127	\$ 131	\$ 135
Increase/(Decrease) in Cash Equivalents	\$ 1,363	\$ 855	\$ 567	\$ 1,006	\$ 1,421	\$ 1,203
Cash and Cash Equivalents at Beginning of Period	\$ 1,120	\$ 1,120	\$ 1,975	\$ 2,542	\$ 3,548	\$ 4,969
Cash and Cash Equivalents at Ending of Period	\$ 1,120	\$ 1,975	\$ 2,542	\$ 3,548	\$ 4,969	\$ 6,172

The reserve position increased from \$1.1 million in 2021 to \$6.2 million in 2026 due to an increase in the contribution to reserves.

Statement of Financial Position—Water

Statement of Financial Position - Water	Budget	Projected				
(000's)	2021	2022	2023	2024	2025	2026
Financial Assets						
Cash	\$ 1,120	\$ 1,975	\$ 2,542	\$ 3,118	\$ 4,969	\$ 6,172
Liabilities						
Debt - Principal Outstanding	\$ 2,139	\$ 1,919	\$ 1,806	\$ 1,760	\$ 1,638	\$ 1,503
Net Financial Assets	\$ (1,019)	\$ 56	\$ 736	\$ 1,358	\$ 3,331	\$ 4,669
Non-Financial Assets						
Tangible Capital Assets	\$ 51,672	\$ 51,672	\$ 53,589	\$ 55,893	\$ 57,860	\$ 59,518
Additions to Tangible Capital Assets	\$ 1,304	\$ 1,917	\$ 1,304	\$ 1,967	\$ 1,658	\$ 1,976
Accumulated Amortization	\$ 19,939	\$ 19,939	\$ 19,448	\$ 20,256	\$ 21,097	\$ 21,973
Total Non-Financial Assets	\$ 32,037	\$ 32,650	\$ 34,445	\$ 37,604	\$ 38,420	\$ 39,521
Accumulated Surplus	\$ 32,754	\$ 34,867	\$ 37,091	\$ 39,383	\$ 41,751	\$ 44,190
Cash as a % of Net Fixed Assets	6.3%	5.7%	7.0%	9.4%	12.9%	15.6%
Debt as a % of Net Fixed Assets	6.3%	5.8%	5.2%	4.7%	4.3%	3.8%

The accumulated surplus increases from \$32.7 million to \$44.2 million due to an increase in tangible capital assets, reserve position and decrease in debt.

Statement of Financial Operations—Wastewater

Statement of Financial Operations - Wastewater	Budget	Projected				
(000's)	2021	2022	2023	2024	2025	2026
Wastewater Total Revenues						
Sanitary System User Fee Residential Surcharge	\$ 4,997	\$ 5,289	\$ 5,738	\$ 5,738	\$ 5,947	\$ 6,163
Sanitary System User Fee Commercial Surcharge	\$ 198	\$ 202	\$ 212	\$ 212	\$ 218	\$ 224
Multi Unit and Other Multi Unit	\$ 133	\$ 141	\$ 8	\$ 8	\$ 8	\$ -
Sanitary System User Fee Miscellaneous Charges	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	\$ 20
Total Operating Revenues	\$ 5,348	\$ 5,592	\$ 5,771	\$ 5,978	\$ 6,193	\$ 6,407
Local Improvement Revenues (matures 2020)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from Other Sources (Subsidies)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 5,348	\$ 5,592	\$ 5,771	\$ 5,978	\$ 6,193	\$ 6,407
Wastewater Total Expenses						
Operating Expenses						
Sanitary System	\$ 1,766	\$ 1,766	\$ 1,795	\$ 1,831	\$ 1,867	\$ 1,905
Sewer Lift Stations	\$ 702	\$ 702	\$ 702	\$ 716	\$ 731	\$ 745
Sewage Treatment Plant	\$ 1,097	\$ 1,097	\$ 1,121	\$ 1,144	\$ 1,167	\$ 1,190
Water & Sewer Vehicles	\$ 3	\$ 4	\$ 3	\$ 3	\$ 3	\$ 3
Total Operating Expenses	\$ 4,481	\$ 3,549	\$ 3,616	\$ 3,688	\$ 3,762	\$ 3,837
Debt Charges						
Debt Charges - Interest Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization Expense						
Wastewater Assets	\$ 785	\$ 845	\$ 887	\$ 925	\$ 962	\$ 1,001
Total Expenses	\$ 4,265	\$ 4,394	\$ 4,503	\$ 4,613	\$ 4,724	\$ 4,838
Annual Surplus/(Deficit)	\$ 1,082	\$ 1,199	\$ 1,269	\$ 1,366	\$ 1,469	\$ 1,569

Currently there is a surplus of \$1.1 million. At the end of the plan (2026), there is a surplus of \$1.6 million which provides additional funds for the replacement of assets.

Statement of Cash Flow/Cash Receipts—Wastewater

Statement of Cash Flow - Wastewater	Budget		Projected			
(000's)	2021	2022	2023	2024	2025	2026
Total Revenues	\$ 5,348	\$ 5,592	\$ 5,716	\$ 5,978	\$ 6,193	\$ 6,407
Cash Paid For						
Operating Costs	\$ 3,481	\$ 3,549	\$ 3,616	\$ 3,788	\$ 3,762	\$ 3,837
Debt Repayment - Debt Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Provided From Operating Transactions	\$ 1,867	\$ 2,043	\$ 2,156	\$ 2,290	\$ 2,431	\$ 2,570
Capital Transactions						
Acquisition of TCA	\$ 3,640	\$ -	\$ 2,269	\$ 2,252	\$ 1,833	\$ 2,118
Finance Transactions						
Proceeds from Debt Issues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Repayment - Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase/(Decrease) in Cash Equivalents	\$ (772)	\$ (463)	\$ (113)	\$ 38	\$ 598	\$ 452
Cash and Cash Equivalents at Beginning of Year	\$ 774	\$ (998)	\$ (1,461)	\$ (1,574)	\$ (1,536)	\$ (938)
Cash and Cash Equivalents at Ending of Year	\$ (998)	\$ (1,461)	\$ (1,574)	\$ (1,536)	\$ (938)	\$ (486)

By the end of 2021, it is estimated that the reserves will be in deficit of \$1 million due to capital requirements. By 2026, with increased reserve contributions, the reserve balance is forecast to be in deficit of \$490 thousands.

Statement of Financial Position—Wastewater

Statement of Financial Position - Wastewater	Budget		Projected			
(000's)	2021	2022	2023	2024	2025	2026
Financial Assets						
Cash	\$ (998)	\$ (1,400)	\$ (1,574)	\$ (1,536)	\$ (938)	\$ (486)
Liabilities						
Debt - Principal Outstanding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Financial Assets	\$ (998)	\$ (1,400)	\$ (1,574)	\$ (1,536)	\$ (938)	\$ (486)
Non-Financial Assets						
Tangible Capital Assets	\$ 7,740	\$ 11,383	\$ 13,889	\$ 56,158	\$ 58,410	\$ 60,243
Additions to Tangible Capital Assets	\$ 3,640	\$ 2,907	\$ 2,269	\$ 2,252	\$ 1,833	\$ 2,118
Accumulated Amortization	\$ (1,111)	\$ (1,773)	\$ (18,842)	\$ (19,767)	\$ (20,730)	\$ (21,731)
Total Non-Financial Assets	\$ 10,269	\$ 35,934	\$ 37,316	\$ 38,643	\$ 39,514	\$ 40,630
Accumulated Surplus	\$ 33,304	\$ 34,473	\$ 35,742	\$ 37,107	\$ 38,576	\$ 40,144
Cash as a % of Net Fixed Assets	-2.9%	-4.1%	-4.2%	-4.0%	-2.4%	-1.2%
Debt as a % of Net Fixed Assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

The accumulated surplus increases from \$33.3 million to \$40.14 million due to an increase in reserve position.



October 25, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

Fr: Heather Pihulak, Director of Corporate Services/City Clerk

Re: 2022 Council Meeting Schedule

Recommendation:

That Council hereby accepts the 2022 Council meeting calendar as presented.

Background:

Annually, the Clerk will establish the Council meeting calendar for the upcoming Council meetings the following year.

In accordance with our Procedural Bylaw, the calendar follows the second Tuesday for Committee of the Whole and the third Tuesday for Council, wherever possible.

2022 is an election year and the regular Council calendar will appear slightly altered. It does include the proposed annual conferences that Council may attend including KDMA, ROMA, OGRA, AMO, and NOMA.

June sees the Council meeting one week later to allow the Clerk and Deputy Clerk both to attend the annual AMCTO conference.

You will note that August 19 begins the potential lame duck period and therefore I have prepared the calendar to ensure the August meeting series are completed prior to the potential lame duck period.

October 24 is voting day and therefore the October meeting series have been moved up to the first and second week as the Clerks division will be very busy with elections.

The inaugural meeting of Council is November 15th and is proposed for 5:00 p.m. to allow for a formal reception event following where friends and family of the new Council are invited to participate and witness the new Council being sworn in.

Budget: N/A

Risk Analysis: There is no risk associated with this report as it is administrative in nature only.

Communication Plan/Notice By-law Requirements: Public notice/website

Strategic Plan or other Guiding Document: Administrative only

January 2022



February 2022

Su	Mo	Tu	We	Th	Fr	Sa
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	1	2	3	4	5

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	31	1 New Years Day
2	3	4	5	6	7	8
9	10	11 9:00 a.m. Committee of the Whole	12	13	14	15
16	17	18 12:00 noon Council	19 KDMA AGM Dryden	20 KDMA AGM Dryden	21	22
23 ROMA Conference - virtual	24 ROMA Conference - virtual	25 ROMA Conference - Virtual	26	27	28	29
30	31	1	2	3	4	5

February 2022



March 2022

Su	Mo	Tu	We	Th	Fr	Sa
27	28	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	31	1	2	3	4	5
6	7	8 9:00 a.m. Committee of the Whole	9	10	11	12
13	14	15 12:00 noon Council	16	17	18	19
20	21 FAMILY DAY	22	23	24	25	26
27 OGRA Conference - Toronto	28 OGRA Conference - Toronto	1	2	3	4	5

March 2022



April 2022

Su	Mo	Tu	We	Th	Fr	Sa
27	28	29	30	31	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	1 OGRA Conference - Toronto	2 OGRA Conference - Toronto	3 OGRA Conference - Toronto	4 OGRA Conference - Toronto	5
6	7	8 9:00 a.m. Committee of the Whole	9	10	11	12
13	14	15 12:00 noon Council	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2

April 2022



May 2022

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	29	30	31	1	2
3	4	5	6	7	8	9
10	11	12 9:00 a.m. Committee of the Whole	13	14	15 GOOD FRIDAY	16
17 EASTER SUNDAY	18 EASTER MONDAY	19 12:00 noon Council	20	21	22	23
24	25	26	27 NOMA Conference - Fort Frances	28 NOMA Conference - Fort Frances	29 NOMA Conference - Fort Frances	30

May 2022



June 2022

Su	Mo	Tu	We	Th	Fr	Sa
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	1	2

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 Nomination & Registration Period Begins	3	4	5	6	7
8	9	10 9:00 A.M. Committee of the Whole	11	12	13	14
15	16	17 12:00 noon Council	18	19	20	21
22	23 VICTORIA DAY	24	25	26	27	28
29	30	31	1	2	3	4

June 2022

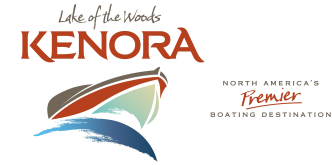


July 2022

Su	Mo	Tu	We	Th	Fr	Sa
26	27	28	29	30	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31	1	2	3	4	5	6

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	1	2	3	4
5	6	7 9:00 a.m. Committee of the Whole	8	9	10	11
12	13	14	15	16	17	18
19	20	21 12:00 noon Council	22	23	24	25
26	27	28	29	30	1	2

July 2022



August 2022

Su	Mo	Tu	We	Th	Fr	Sa
31	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31	1	2	3

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	1 CANADA DAY	2
3	4	5	6	7	8	9
10	11	12 9:00 a.m. Committee of the Whole	13	14	15	16
17	18	19 12:00 noon Council	20	21	22	23
24	25	26	27	28	29	30
31	1	2	3	4	5	6

August 2022

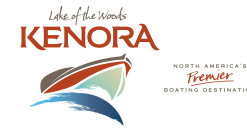


September 2022

Su	Mo	Tu	We	Th	Fr	Sa
28	29	30	31	1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	1

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
31	1 CIVIC HOLIDAY	2 9:00 a.m. Committee of the Whole	3	4	5	6
7	8	9 12:00 noon Council	10	11	12	13
14 AMO Conference - Ottawa	15 AMO Conference - Ottawa	16 AMO Conference - Ottawa	17 AMO Conference - Ottawa	18	19 Nomination Day (last day to file or withdraw) Potential lame duck period begins	20
21	22	23	24	25	26	27
28	29	30	31	1	2	3

September 2022



October 2022

Su	Mo	Tu	We	Th	Fr	Sa
25	26	27	28	29	30	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2	3	4	5

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28	29	30	31	1	2	3
4	5 LABOUR DAY	6	7	8	9	10
11	12	13 9:00 a.m. Committee of the Whole	14	15	16	17
18	19	20 12:00 noon	21	22	23	24
25	26	27	28	29	30	1

October 2022



November 2022

Su	Mo	Tu	We	Th	Fr	Sa
30	31	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	1	2	3

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
25	26	27	28	29	30	1
2	3	4 9:00 a.m. Committee of the Whole	5	6	7	8
9	10 THANKSGIVING	11 12:00 noon Council	12	13	14	15
16	17	18	19	20	21	22
23	24 VOTING DAY	25	26	27	28	29
30	31	1	2	3	4	5

November 2022



NORTH AMERICA'S
Premier
BOATING DESTINATION

December 2022

Su	Mo	Tu	We	Th	Fr	Sa
27	28	29	30	1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	31	1	2	3	4	5
6	7	8	9	10	11 Remembrance Day	12
13	14	15 5:00 p.m. Inaugural Meeting of new Council	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	1	2	3

December 2022



NORTH AMERICA'S
Premier
BOATING DESTINATION

January 2023

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	29	30	1	2	3
4	5	6	7	8	9	10
11	12	13 9:00 a.m. Committee of the Whole	14	15	16	17
18	19	20 12:00 noon Council	21	22	23	24 Christmas Eve
25 Christmas Day	26 Boxing Day	27	28	29	30	31 New Years Eve



November 2, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

Fr: Leadership Team

Re: KDMA Potential Resolutions

Recommendation:

Council hereby directs administration to prepare draft resolutions for presentation at the Kenora District Municipal Association upcoming Annual AGM in the following areas:

Background:

The Kenora District Municipal Association works to make regional municipal governments stronger and more effective. Through KDMA, the region's 9 municipalities work together to achieve shared goals and meet common challenges. The mandate of the organization is to support and enhance strong and effective municipal government in Ontario. It promotes the value of the municipal level of government as a vital and essential component of Ontario and Canada's political system. KDMA's mandate is delivered in a variety of ways, KDMA: develops policy positions and reports on issues of general interest to municipal governments; conducts ongoing liaison with the provincial government elected and non-elected representatives; and informs and educates governments, the media and the public on municipal issues.

The KDMA AGM and Annual Conference will be held January 19th and 20th in Dryden. The executive has asked that resolutions be submitted not later than December 10th which any of the nine municipalities would like to see considered. Administration has developed an initial list for Council to consider and welcomes any additional resolutions that Council identifies as a priority.

Once Council establishes the subject(s) that they wish to have presented on behalf of the City, administration will prepare the draft resolution to send to KDMA in advance of the December 10th deadline.

Options to consider include (in no particular order):

Housing Development Support:

- The City of Kenora has demonstrated housing needs across the continuum;
- Current NOHFC programs do not consider support for residential projects to be an eligible activity;
- The existing Province of Ontario Site Readiness and Investment Ready: Certified Site Programs support industrial lands only – could there be opportunity for new, similar programs to support investment readiness related to residential development.

Rural and Northern Immigration Pilot

- Announced in January 2019 to support the attraction and retention of skilled immigrants to rural and northern communities as a three year pilot program.
- The City of Kenora supported an application by LOWBIC to the program – municipalities were not eligible applicants;
- Kenora was not selected as a host community – successful municipalities in Northern Ontario were Thunder Bay, SSM, Sudbury, North Bay, Timmins;
- The City of Kenora would be interested in participating in future pilots should the program be extended or re-opened to new host communities to assist in addressing current gaps in the labour force.

Needle Exchange Program

The Northwestern Health Unit operates a needle exchange program in the region. That program was introduced (would need to be verified) in 2018 in an effort to mitigate the risk of the spread of disease through the sharing of needles. At the time of the programs introduction, the Northwestern Health Unit and other social service agencies would distribute needles, mount sharps containers and education on safe disposal and do mobile pick-up when requested. In addition, the Health unit would respond to community requests to do clean-up of carelessly discarded needles which would come from a variety of sources including the municipality, community members, social service agencies and businesses. The volume of needle distribution has increase drastically from what the municipality has been told. In 2021, the Northwestern Health Unit has been very aggressive in its roll-out of vaccinations to the benefit of the community. That said, they have changed their position on their responsibility as it relates to the clean-up of needles. They will, when notified respond to sharps containers that are full and empty those boxes. They won't, respond to requests from the public and municipality to pick-up carelessly discarded needles. They have in fact said "that they are in the needle distribution and not the needle clean-up business". They have also said that their mandate has changed at the direction of the Province. The result, is that the City of Kenora and other social service agencies like the Makwa Patrol are having to shift resources from core service delivery to pick up needles. Municipalities in the region rely very heavily on tourism dollars to stimulate our economy. The sheer volume of waste related to the needle kits and discarded needles themselves has gotten out of hand. Through public consultation, discarded needles and associated waste is one of the primary concerns being communicated back. It is out of control and the Northwestern Health Units does not feel that it is their responsibility. We don't agree. During the timeframe of March – August 2021, the City of Kenora picked up in excess of 4,000 needles. The volume of waste related to those needles is ten-fold.

Reducing OPP Costs

The City of Kenora has a history of high policing costs, being one of the six communities in all of Ontario where the cost of policing is over \$600 per household. Over the last 6+ years, the municipality has been advocating for reduced policing costs, which have included various meetings, letters, and delegations made to several Ministers. There are a number of risk factors that influence the presence of harm, victimization and crime, which relate to the number of calls for service our local OPP detachment attends. These issues facing our community are complex and root causes have to be addressed in order to develop upstream solutions. It is clear that the City of Kenora is facing a unique fiscal burden that is borne from systematic failures in provincial and federal policy relating to criminal justice and the current OPP billing model does not take this factor into account.

Northwestern Health Unit Funding

The Government of Ontario has mandated a change to the cost-shared funding formula to a 70% Provincial: 30% Municipal levy effective January 1, 2022 and programs that were previously 100% provincially funded will now be included in the cost-shared formula thereby shifting approximately \$3 million in expenses into the cost-shared formula. Municipalities in the Kenora District have identified that they cannot afford this 35% increase to their expenses for the provision of public health services due to affordability concerns in their communities.

The Kenora District Municipal Association needs to lobby the Government of Ontario to reconsider the changes to the Public Health Unit Funding model to address the affordability concerns identified by municipalities, while recognizing the critical importance that decentralized public health services have on the communities in Northwestern Ontario.

Escalating Municipal Insurance Costs

Municipalities are facing significant insurance cost increases which are not sustainable for smaller municipalities. KDMA needs to lobby the Attorney General to take immediate steps to support AMO's recommendations to reform joint and several liability by introducing modified proportionate liability and provide for uniform limitation periods while maintaining a separate limitation period for municipalities.

Ontario Land Tribunal Process

Ontario is the only province in Canada to maintain a planning tribunal and as such, acts as another layer of red-tape for development and further, reduces the discretion exercised by municipalities in planning matters. Among the outcomes of the Ontario Government's Regional Governance Review was a statement reaffirming municipalities as responsible levels of government that are best situated to determine local priorities. Although Bill 108 is an attempt to make the LPAT more responsive with the objective of facilitating affordable housing supply, revived processes such as the scope of review no longer being limited to conformity and consistency with the Provincial Policy Statement, accomplish the opposite. Since the City already exists in a challenging development environment, the City is looking to the Province to reform this burdensome planning tribunal. Opportunities for change include further increases to the fees associated with appeals and stricter criteria on appeal validity.

Budget: There is no budget impact to this report

Risk Analysis: there is no risk associated with this report. Draft resolutions are optional and optional to submit on behalf of the municipality.

Communication Plan/Notice By-law Requirements: n/a

Strategic Plan or other Guiding Document: administrative



November 9, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

Fr: Stace Gander, Director of Community Services

**Re: Anicinabe Park Winter Tourism– Extended Winter Road Closure
Old Chalet Lane**

Recommendation:

That Council hereby authorizes Administration to keep Old Chalet Lane closed at Anicinabe Park for the 2021/2022 winter season; and further

That three readings be given to a bylaw to authorize a Memorandum of Understanding with Middle Lake Enterprises for this purpose.

Background:

The City entered into a five (5) year lease agreement with Middle Lake Enterprises to manage Anicinabe Park on the City's behalf. Middle Lake Enterprises is in the third year of the five year agreement. Middle Lake Enterprises, in collaboration with the City, has undergone a number of improvements to the main concession building. Middle Lake Enterprises presented a deputation to Mayor and Council at the September 8, 2020 Committee of the Whole meeting which presented a request to keep Old Chalet Lane closed for the 2020/2021 winter season. This closure would allow Middle Lake Enterprises to develop winter activities such as crokicurl, sliding, skiing and skating in the park that could not be accomplished with traffic from Old Chalet Lane. The operator feels that these activities will help stimulate winter tourism in Kenora and create a more vibrant recreational community.

In response to the deputation, an internal circulation took place requesting comments/concerns regarding the closure. There were no concerns expressed from any of the internal departments including Operations pertaining to snow removal and Emergency Services pertaining to fire response. Middle Lake Enterprises has received letters of support from all EMS organizations.

To support the concept of the winter road closure, staff referenced the 2016 Kenora Beaches, Parks & Trails report created by Scatliff, Miller & Murray which recommended expanded programming at Anicinabe Park to include winter activities. The report recommends improvements to amenities in the Park including year-around washrooms and improved concession facilities concluding that this work would help to make Anicinabe a winter destination for residents and tourists.

The intent of this road closure request is on a trial basis with the intention to operate for the 2020/2021 winter season with the road closed. Council supported that

recommendation and asked that Middle Lake Enterprises monitor the level of increased activity as a means to evaluate the effectiveness of the new programming.

Results

The COVID pandemic had a direct impact on Middle Lake Enterprises' ability to offer additional programming that was initially planned for. Utilization on the north side of the road was not as active as planned and the actual numbers of new visitors was not tabulated. That said individuals and families took advantage of the closure and used the main road as a walking area with their pets and families. Pedestrian traffic overall was up as noted by the pictures below.



2020/2021 events included:

- Contact with Schools & Service Organizations (eg. Scouts and Church groups to increase usage of all the park grounds)
- A local Beavers group enjoyed overnight camping in the park.
- There was an increased usage of Crokicurl.
- Increased usage by families on the road connecting the parking lot to the hill area of sites 70-81.
- Continued improvement on trails for all purpose activities.

Longer-term plans include:

- Ungroomed trails on the north side of Old Chalet Lane with the potential move to groomed trails;
- A walking trail along the road that is closed for individuals and individuals with pets;
- Family picnic/fire hampers for bush family picnics;
- Winter outdoor birthday party or celebration venue;
- Winter camping (eg: purchased 3 small trailers that can be used winter rental in 2022/23)

Budget: There will be no incremental cost to the City as a result of this road closure.

Risk Analysis: There is a low to insignificant risk associated with this report.

Communication Plan/Notice By-law Requirements:

Notice required to be placed on Committee Agenda, Minutes and subsequent Council Agenda/Minutes

Strategic Plan or other Guiding Document:

1-9 The City will promote and leverage its recreation and leisure amenities as a means to support local economic activity, tourism and to strengthen community ties with our regional neighbours.

2-1 The City will ensure that our municipal infrastructure is maintained using available resources with the intent of moving towards all City infrastructure being in good state of repair to ensure certainty, security and long-term stability of our systems.

2-9 The City will support continuous improvements to recreation and leisure amenities, particularly those that support quality of life.

2-10 The City will continue to explore opportunities to develop and improve our beaches, parks & trails.

3-7 The City will continue to build and strengthen our working relations with our Indigenous Partners, including Treaty 3 and the surrounding First Nations communities. Kenora is committed to ongoing outreach and building relationships, including joint meetings to identify issues of common concern and to discuss pathways for closer collaboration.

THIS AGREEMENT made as of the _____ day of _____, 2021.

BETWEEN:

**THE CORPORATION OF THE CITY OF KENORA
hereinafter called the "City of Kenora"**

OF THE FIRST PART

- and -

MIDDLE LAKE ENTERPRISES

OF THE SECOND PART

Whereas the City of Kenora owns Anicinabe Park; and

Whereas Middle Lake Enterprises has entered into a five (5) year agreement with the City of Kenora for the operation of Anicinabe Park; and

Whereas Middle Lake Enterprises has approached the City of Kenora Council requesting a temporary closure of the portion of Old Chalet Lane that connects to Anicinabe Park in an effort to increase winter activity in the Park; and

Whereas Council approved the temporary closure on a one year basis in the 2020/2021 winter season; and

Whereas Middle Lake Enterprises has requested an extension of the road closure for the 2021/2022 winter season; and

Whereas Middle Lake Enterprises plans on extending winter programming to include ungroomed walking and ski trails on the north side of Old Chalet Lane;

NOW THEREFORE the parties agree as follows:

1. The City agrees to permit the closure Old Chalet Lane connecting to Anicinabe Park for the 2021/2022 winter season conditional upon the walking and ski trails being developed.
2. Middle Lake Enterprises will make effort to capture images of winter utilization of outdoor amenities when possible.
3. Middle Lake Enterprises will allow ungroomed trails on the north side of Old Chalet Lane.
4. The City will plow a walking path down Old Chalet Lane on the roadway through Anicinabe Park from the location of the existing store to the boulders.

5. **Severability** – In the event that Middle Lake Enterprises does not operate the north side of Old Chalet Road, this MOU is severable with 14 days' notice and City reserves the right to reopen Old Chalet Lane to traffic.
6. **Governing Law** - This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

In Witness Whereof the parties hereto have hereunto set their hands and seals.

SIGNED, SEALED AND DELIVERED

In the presence of

The Corporation of the City of
Kenora

Middle Lake Enterprises

Per:

Per:

Daniel Reynard, *Mayor*

David Longe, *President*

Per:

Heather L. Pihulak
City Clerk



November 1, 2021

City Council Committee Report

TO: Kyle Attanasio, CAO

FR: Adam Smith, Director of Development Services

RE: Application for Variance to Sign By-law 115-2010 – 2748025 ON LTD

Recommendation:

That Council hereby approves an application for a variance to the Sign By-law 115-2010 seeking relief from Section 5.4 Development Signs.

Background:

The applicant, 2748025 ON LTD is seeking approval for a variance to Sign By-law 115-2010 under the provisions of 5.4 Development Signs. Specifically, those relevant sections include:

5.4.1 A development sign shall only be in the form of a ground sign, except as otherwise expressly set out in this Part 5.

5.4.2 A development sign shall only be located, erected or displayed on a property where approvals pursuant to the Planning Act have been granted

The subject property underwent a zoning by-law amendment in the previous year to allow for General Commercial (GC) uses with the stated intent of a hotel development.

Since that time, the applicant has requested a variance to the Sign By-law to promote and advertise their upcoming development as they proceed to the next step in the process being a site plan control application. The new sign will be 4 FT height x 8 FT width putting on the metal wire fence which 7 FT tall from the ground. The by-law currently does not permit such signs in the absence of site plan approval. Attached to this report are two concepts for the development signs.

Budget: N/A

Risk Analysis: There is a moderate risk to governance given the potential precedence in issuing a variance under the current Sign By-law. As presented, the concepts do not illustrate site details which have yet to be approved by Development Services. The sign design simply profiles a permitted use within the GC zone and one in which was stated in a previous planning application. This risk should be accepted as the variance is minor in nature as there does not appear to be any other non-conformities with the by-law at this present time.

Communication Plan/Notice By-law Requirements: 2748025 ON LTD and City Clerk

Strategic Plan or Other Guiding Document:

1-2 The City will ensure Kenora is recognized as being 'Open for Business' and facilitating development through streamlining application and approval processes, effectively eliminating any 'red tape'

2-4 - The City will act as the catalyst for continuous improvements to the public realm

3-4 - The City will embrace the importance of empowering Staff to make decisions that consistently demonstrate our commitment to making prompt, efficient and courteous customer service to our residents

FUTURE DEVELOPMENT

HOTEL

&

RETAIL SPACE RENTAL

2400 + Sq Ft

COMING SOON

HOTEL

&

RETAIL SPACE RENTAL



November 1, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

Fr: Adam Smith, Director of Development Services

Re: Declaration of Surplus Land and Request to Purchase – Chipman Street Lot

Recommendation:

That Council hereby declares surplus and authorize the sale of the land at an unassigned address on Chipman Street described as LOT 290 PLAN 25 AND PT OF LOT 291 PLAN 25 DES PT 7 PLAN 23R14508; CITY OF KENORA; and further

That in accordance with Notice By-law Number 144-2007, public notice is hereby given that Council intends to declare these described lands as surplus to the needs of the municipality at its November 16, 2021 meeting; and further

That Council hereby authorizes a purchase and sale agreement between the Corporation of the City of Kenora and Northern Sounds and Systems Inc. for the purchase of municipal lands legally described as above at in the amount of \$150,000 plus HST; and further

That three readings be given to the applicable by-laws for these purposes.

Background:

Since January 2020, staff have been seeking redevelopment opportunities for a portion of the vacant property located along Chipman Street. The parcel is approximately 5,881 square feet in size (see Exhibit 1). Staff delivered a competitive Expressions of Interest process that closed in May 2020. No submissions were received.

However, recently Mr. Carl Snow of Northern Sounds and Systems Inc. has expressed interest to acquire these lands to support an expansion of his business located adjacent to the subject property.

The municipality's objective is to encourage commercial growth within the Harbourtown Centre. A proponent has been selected that is seeking to create an addition to an existing retail use on an adjacent parcel. The surplus will support the expansion of a locally owned and operated business in the community and align with the objectives of Downtown Revitalization (DTR) Phase IV.

Staff anticipate that a conditional purchase and sale agreement will be presented at the November 16, 2021 Council meeting with the intent of this report being to formally begin the disposition process. The sale will be conditional on the purchaser undertaking development within a three year time period, subject to an approved site plan.

Budget: The appraised value of the property is \$150,000 which has formed the basis of negotiations on a conditional purchase and sale agreement.

Risk Analysis: There is a moderate financial risk however, this is deemed to be an opportunity to generate revenue on a lot that has been vacant since the conclusion of DTR Phase IV. It may also lead to increased assessment as a result of the sale of this property and a business expansion.

Communication Plan/Notice By-law Requirements:

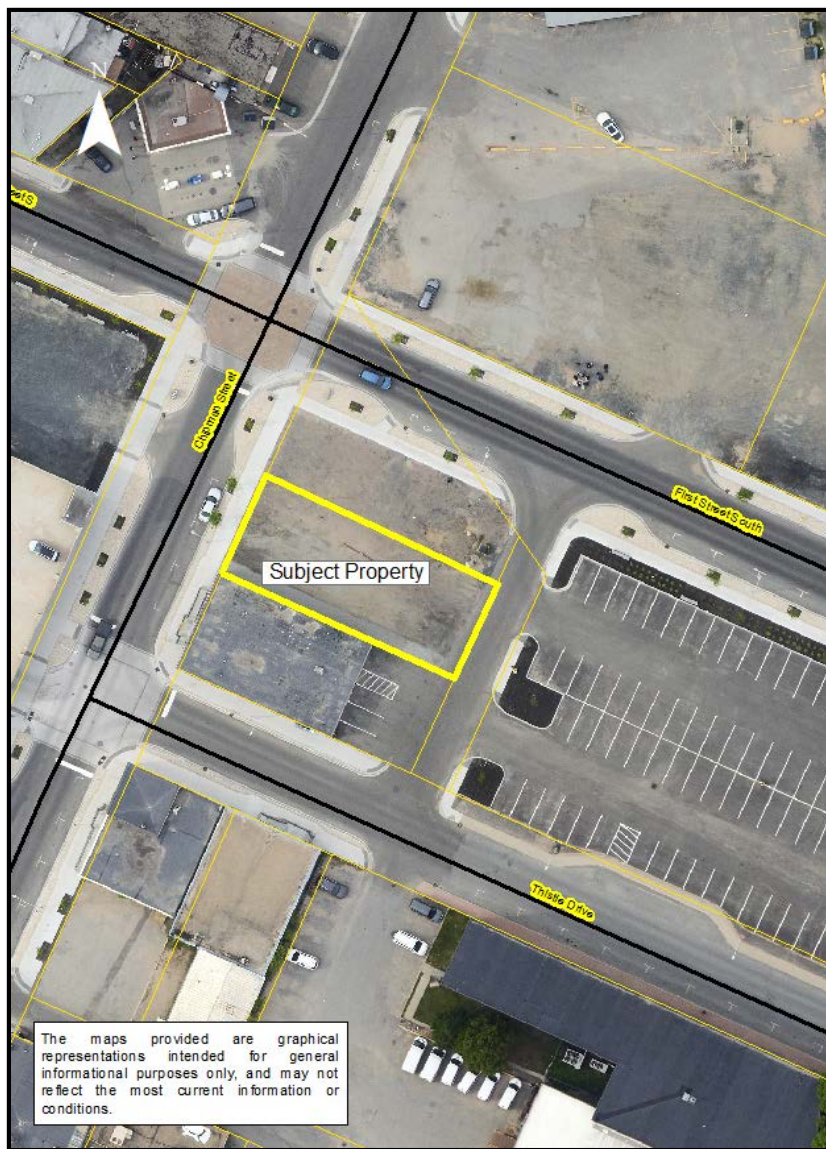
Director of Development Services, Municipal Solicitor

A notice of Intent to Declare Land Surplus of Complete Application to Purchase City Property was mailed to the owners of all neighbouring properties located within 120m of the subject properties.

Strategic Plan or other Guiding Document:

2-7 The City will encourage and support the development of vacant and transitional lands for uses that support our vision

EXHIBIT 1



Boundary of lands proposed to be declared surplus are indicated in yellow.



November 2, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

**Fr: Adam Smith, Director of Development Services
Megan Dokuchie, Economic Development Officer
Allyson Pele, Manager – Northwest Business Centre**

Re: Free Metered Parking in the Harbourtown Centre – December 2021

Recommendation:

Whereas the COVID-19 global pandemic has had a devastating effect on the City of Kenora business community; and

Whereas Council approved Kenora's Economic Recovery Plan in July 2020 which identified four priority areas including: Bring Tourists Back to Kenora, Restoration of Downtown Activity, Grow the Resiliency of the Business Community and Infrastructure that Supports Recovery; and

Whereas the City of Kenora, alongside its partners, are working to deliver shop local initiatives for the holiday season;

Now Therefore Be It Resolved that Council hereby approves free metered parking in the Harbourtown Centre for December 2021, excluding municipal parking lots.

Background:

The COVID-19 global pandemic has created great uncertainty for the Kenora business community. Beginning in March 2020, Development Services staff, alongside partner organizations including the Lake of the Woods Business Incentive Corporation, Harbourtown BIZ, the Kenora and District Chamber of Commerce and the Northwestern Ontario Innovation Centre, have worked to assist local businesses by providing resources and information, data collection, and linkage to financial supports.

Council approved Kenora's Economic Recovery Plan at its July 21, 2020 meeting. The plan identifies 20 actions that the municipality can undertake to effectively respond to the impact that the COVID-19 pandemic has had on local businesses. In particular, there are four priority areas defined including: Bring Tourists Back to Kenora, Restoration of Downtown Activity, Grow the Resiliency of the Business Community and Infrastructure that Supports Recovery. To support the objective of Restoration of Downtown Activity, Council had approved free parking in the Harbourtown Centre for the months of July 2020 and 2021 and the month of December 2020 as identified within the plan.

As the holiday season approaches, Development Services staff are requesting Council consideration to once again allow for free parking in the Harbourtown Centre for the month of December. This will align with the Economic Recovery Plan objectives as well as "shop local" initiatives currently being undertaken by the City of Kenora and its partners including the Harbourtown BIZ Holiday Trail, Keep it in Kenora collective social

media and print campaigns, and the Kenora and District Chamber of Commerce "I Choose Local First" regional marketing strategy. Additional events and activities are currently in the planning stages and will be supported by the approval of free parking in December.

Budget: Total foregone revenue is estimated at \$15,000. Metered parking revenue earned in December 2019 was \$16,160.56. Any lost revenue for December 2021 could potentially be covered by the COVID-19 funding that the City has received.

Risk Analysis: There is positive governance risk to be realized in offering free parking as it will support the local business community and partnerships. There is negative financial risk due to lost revenues which is to be accepted.

Communication Plan/Notice By-law Requirements: Promoted in conjunction with planned holiday marketing campaigns.

Strategic Plan or other Guiding Document:

Kenora's Economic Recovery Plan:

This program supports the four priorities of the Economic Recovery Plan to:

- Bring Tourists Back to Kenora;
- Restoration of Downtown Activity;
- Grow the Resiliency of the Business Community;
- Infrastructure that Supports Recovery.

Kenora's Strategic Plan

Guiding Principle 1-2 The City will forge strong, dynamic working relationships with the Kenora business community

1-2 The City will ensure Kenora is recognized as 'Open for Business' and facilitating development through the streamlining of application and approval processes, effectively eliminating any 'red tape'

2-4 The City will act as the catalyst for continuous improvements to the public realm.



November 2, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

Fr: Adam Smith, Director of Development Services

Re: Purchase and Sale Agreement - The Innkeepers Inc.

Recommendation:

That Council permanently closed and declared surplus to the needs of the municipality parts of Twelfth Avenue South and McCrae Street and the lands described as all of PIN 42168-0150, all of PIN 42168-0155 and part of PIN 42168-0154; and further

That Council hereby authorizes a conditional purchase and sale agreement between the Corporation of the City of Kenora and The InnKeepers Inc. for the municipal lands legally described as above at in the amount of \$301,000 plus HST; and further

That three readings be given to a by-law for this purpose.

Background:

The City of Kenora issued a call for Expressions of Interest for the municipal property identified below as Exhibit 1 and described as "Pine Portage – Area C" in December 2019. The InnKeepers Inc. was selected as the successful proponent through this process and the submitted proposal was assessed based on experience, description of proposed development, timelines, estimated construction cost, job creation potential and bid price.

The InnKeepers Inc. is proposing to construct a new hotel on the subject property (Exhibit 1) that is a permitted use within the Highway Commercial zone.

There are a number of conditions in the agreement related to financing, receipt of planning approvals, acceptance of a feasibility study, and opportunity to seek an alternative hotel location. There are timelines associated with each step in the process and the expectation that conditions will be cleared by November 2024. In the meantime, the City will be holding a security deposit in the amount of \$15,050.

Budget: The appraised value of the property is \$301,000 which is the proposed purchase price.

Risk Analysis: There is a high financial risk however, this is deemed to be an opportunity to generate revenue on a vacant lot. It may also lead to increased assessment as a result of the sale of this property and new business investment to the municipality.

There is a moderate service delivery risk as the sale will not close until November 2024 which will prevent the marketing of the property to other potential buyers in the meantime. However, based on the scope of the proposal, the Innkeepers project is deemed to be the highest and best use for the property with their capability to fulfill conditions evidenced by the provision of a security deposit.

Communication Plan/Notice By-law Requirements: By-law required, Municipal Solicitor

Strategic Plan or other Guiding Document:

2-7 The City will encourage and support the development of vacant and transitional la

EXHIBIT 1



Boundary of lands proposed to sold are indicated in red.



November 1, 2021

City Council Committee Report

To: Kyle Attanasio, CAO

Fr: Adam Smith, Director of Development Services

Re: KDSB Contribution Agreement – Public Washroom 15 Chipman Street

Recommendation:

That the Mayor and Clerk be hereby authorized to execute an agreement between the Corporation of the City of Kenora and the Kenora District Services Board to support the development of a self-cleaning washroom at 15 Chipman Street in the amount \$150,000.00; and further

That three readings be given to a by-law for this purpose.

Background:

The City of Kenora began capital construction on the next phase of downtown revitalization (DTR) in the area of Chipman Street and First Street South in 2019. Through this project, an area for the development of a pedestrian friendly space, including a new public washroom facility, was serviced during road construction.

In 2021, \$408,426 was approved in the 2021 Capital Budget for the purpose of redeveloping this space. Given the lack of public washroom facilities in the downtown and the associated maintenance challenges with the existing facilities, the City has identified the opportunity for a self-cleaning, automated washroom pilot for this area that would be accessible and in compliance with the Accessibility for Ontarians with Disabilities Act.

Through the Reaching Homes: Canada's Homelessness Strategy, the Kenora District Services Board (KDSB) has been successful in receiving \$150,000 to allocate as a contribution towards this project. Upon execution of this agreement, staff will commence working with the successful proponent of a competitive Request for Proposals process to execute a contract for services. Currently, the scope of the proposed new washroom will be a single stall, self-cleaning unit with an additional space that carries the potential to be programmed through community partners. This will also be completed in conjunction with detailed design of the surrounding park space and development of a proposed business expansion by the neighboring property owner.

Budget: In the 2021 Capital Budget, the total expenditure of \$408,426 considered \$150,000 from the KDSB, \$100,000 from the Municipal Accommodation Tax and \$17,500 from a DTR holdback. The net impact to the tax levy was \$117,500.

Risk Analysis: There is a low financial risk associated with this report as it is confirming a contribution that was identified as a possibility in the Capital Budget and reduces the impact on the tax levy for this project.

Communication Plan/Notice By-law Requirements: Agreement to be submitted to KDSB and Government of Canada

Strategic Plan or other Guiding Document:

2-4 The City will act as the catalyst for continuous improvements to the public realm

2-9 The City will support continuous improvements to recreation and leisure amenities, particularly those that support the quality of life



P R O C L A M A T I O N

Women Abuse Prevention Month November, 2021

WHEREAS violence continues to be the greatest gender inequality rights issue for women, girls and gender-diverse individuals; and

WHEREAS November is Woman Abuse Prevention Month; and

WHEREAS Gender-based violence is a human right issue which our community must work together to address, prevent and address through public awareness and education; and

WHEREAS 1 in 3 women will experience gender-based violence in their lifetime and these numbers increase exponentially for Black, Indigenous and Woman of Colour; and

WHEREAS the COVID-19 pandemic has increased barriers to support and services for survivors of gender-based violence and their children; and

WHEREAS last year in Ontario, every 13 days a woman or child was killed by a man known to them, with the majority being their current or former intimate partner

WHEREAS this month the we acknowledge our community's support of the Wrapped in Courage campaign and commitment to ending gender-based violence; and

WHEREAS during November a Wrapped in Courage 2021 Campaign flag will be raised in recognition that the courage of a woman alone is not enough, it takes an entire community to end gender-based violence; and

Now Therefore, I, Daniel Reynard, Mayor for the City of Kenora, do hereby proclaim November, 2021 as Women Abuse Prevention Month in and for the City of Kenora and urge all citizens to recognize this day by taking action to support survivors of gender-based violence and becoming part of Ontario wide efforts to end gender-based violence.

Proclaimed at the City of Kenora this 9th day of November, 2021

Mayor Daniel Reynard