

AGENDA – Regular Meeting of Council

Wednesday, July 10, 2019 at 1:00 PM

Magnetawan Community Centre

“R” denotes a
Council resolution

1. CALL TO ORDER

2. ADOPTION OF THE AGENDA

R

3. DISCLOSURE OF PECUNIARY INTEREST

4. ADOPTION OF MINUTES

R

4.1. Regular Meeting of Wednesday June 26, 2019

5. PUBLIC MEETING PURSUANT TO PLANNING ACT

6. PRESENTATIONS

6.1. Pahapill & Associates: 2018 Year End Report

R

7. REPORTS FROM MUNICIPAL BOARDS / COMMITTEES AND OFFICIALS

7.1. By-law Enforcement:

7.1.1. Quarterly Report and Update

7.2. Administration:

7.2.1. Bayview Rd discussion of Municipally owned Block B

R

7.2.2. Participation in Regional Community Safety Plan

R

7.2.3. Discussion on previously grandfathered trailers

R

7.2.4. Support in Principle purchase of Original Road Allowance, Hoskins

R

7.3. Committee and Board Minutes:

R

Magnetawan Community Centre Board Meeting of June 6, 2019

8. BY-LAWS

8.1. By-law 2019-46, being a By-law to establish a Police Background Check for Staff and Volunteers

R

8.2. By-law 2019-47, being a bylaw to confirm the proceedings of Council at the regular meeting of June 26, 2019

R

9. CORRESPONDENCE

9.1. Letter: St. Paul's Lutheran Church authorization to utilize Centennial Park

R

9.2. Letter: Request from Magnetawan Lion's Club to cover Swimming Lesson Insurance

R

10. UNFINISHED BUSINESS

11. ADDENDUM

12. ACCOUNTS PAYABLE FOR PAYMENT APPROVAL

R

13. CLOSED SESSION

RR

13.1. In accordance with Section 239(2) of the Municipal Act, 2001, S.O. 2001, c.25, as amended,
Council shall proceed into Closed Session in order to address matters pertaining to:

(c) Acquisition or disposition of land (being to discuss disposal of land in the municipality)

14. NEXT MEETING OF COUNCIL

Wednesday, July 24, 2019, 6:00 P.M., Magnetawan Community Centre

15. ADJOURNMENT

R

COUNCIL MEETING MINUTES
June 26, 2019

The regular meeting of the Council of the Corporation of the Municipality of Magnetawan was held at the Magnetawan Community Centre on Wednesday, June 26, 2019 at 6:00 P.M.

Council members present: Mayor Sam Dunnett; Deputy Mayor Tim Brunton; Councillors John Hetherington, Brad Kneller and Wayne Smith.

Staff in attendance: Interim Clerk – Administrator (CA), Nicole Fraser; Parks and Maintenance Manager (PMM), Steve Robinson.

1. CALL TO ORDER

The meeting was called to order at 6:00 P.M.

2. ADOPTION OF THE AGENDA

RESOLUTION 2019-204

Moved by Councillor Brunton; Seconded by Councillor Kneller:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts the agenda for this regular Council meeting of Wednesday, June 26, 2019. (Carried)

3. DISCLOSURE OF PECUNIARY INTEREST

4. ADOPTION OF MINUTES

RESOLUTION 2019-205

Moved by Councillor Kneller; Seconded by Councillor Brunton:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts the minutes for the regular Council meeting of Wednesday, June 5, 2019. (Carried)

5. PUBLIC MEETING PURSUANT TO THE PLANNING ACT

5.1. Temporary Zoning By-law Amendment to allow a Garden Suite: Bolte – Eagles 12 25th & 26th Side Rd Magnetawan

6. PRESENTATIONS

None.

7. REPORTS FROM MUNICIPAL BOARDS, COMMITTEES, AND OFFICIALS

7.1. Public Works:

7.1.1. Memo: PWA on Municipal Gas Tanks

7.2. Parks:

7.2.1. Update on Electronic Signs for Magnetawan and Ahmic Harbour Community Centres

PMM left the meeting.

7.3. Administration:

7.3.1. Support in Principle: Consent Application – Croft CON 12 LOT 25 Right of Way
RESOLUTION 2019-206

Moved by Councillor Brunton; Seconded by Councillor Smith:

WHEREAS the Municipality of Magnetawan has received a request to support an application for consent for a right of way over lands located north of 25th 26th Side Rd in the Municipality of Magnetawan. The property is legally described as Geographic Township of Croft, Concession 12, Part Lot 24 and 25 in the Municipality of Magnetawan, hereinafter referred to as “the Lands”; AND WHEREAS the Municipal planning consultant has provided a report in support of the application; NOW THEREFORE BE IT RESOLVED THAT the Council of the Municipality of Magnetawan supports in principle the Right of Way application for the Lands, subject to the following conditions:

1. Payment of applicable fees under By-laws 2011-11 and 2011-16 and User Fees By-law 2019-28; and 2. Compliance with all conditions set by the Central Almaguin Planning Board. (Carried)

7.3.2. Letters of resignation Magnetawan Library Board

RESOLUTION 2019-207

Moved by Councillor Kneller; Seconded by Councillor Brunton:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan accepts the letters of resignation from the following Magnetawan Library Board Members: Dayle Fitzpatrick; Sally E. Norman; Barb Vaughan; and Shirley Doerig. (Carried)

7.3.3. Letter of Authorization for the AP Clerk/Admin Assistant to enroll in the AMCTO MAP Program for the Fall Semester

RESOLUTION 2019-208

Moved by Councillor Kneller; Seconded by Councillor Smith

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan authorizes the Accounts Payable Clerk/Administrative Assistant to register for the Fall semester of the AMCTO Municipal Administration Program. (Carried)

7.4. Committee and Board Minutes

RESOLUTION 2019-209

Moved by Councillor Brunton; Seconded by Councillor Smith:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts the following Committee and Board minutes: the May 2, 2019 meeting Magnetawan Community Centre Board; the May 2, 2019 meeting of the Magnetawan Community Development Committee; and the May 27, 2019 meeting of the Almaguin Community Development Department. (Carried)

8. BY-LAWS

8.1. RESOLUTION 2019-210

Moved by Councillor Brunton; Seconded by Councillor Smith:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts By-law 2019-38, being a By-law to Temporarily amend By-law 2001-26, as amended, the Zoning By-law for the Corporation of the Municipality of Magnetawan with respect to lands legally described as Croft Concession 10, Part Lot 26 Registered Plan 42R 3291, Part 1 and Part 2 in the Municipality of Magnetawan, and municipally known as at 12 25th & 26th Side Road, Municipality of Magnetawan. (Deferred)

8.2. RESOLUTION 2019-211

Moved by Councillor Kneller; Seconded by Councillor Brunton:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts By-law 2019-39, being a By-law to establish a Private Road Grant. (Carried)

8.3. RESOLUTION 2019-212

Moved by Councillor Smith; Seconded by Councillor Hetherington:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts By-law 2019-40, being a By-law to establish Golf Course Rd as a Public Highway. (Carried)

8.4. RESOLUTION 2019-213

Moved by Councillor Smith; Seconded by Councillor Kneller:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts By-law 2019-41, being a By-law to stop up, close and sell Part of Lot 1, Concession 5 being Part 1, Plan 42R-21167 and Part of West Street North of Magnetawan River, Registered Plan 319, being Part 2, Plan 42R-21167, Municipality of Magnetawan, District of Parry Sound. (Carried)

8.5. RESOLUTION 2019-214

Moved by Councillor Brunton; Seconded by Councillor Smith

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts By-law 2019-42, being a By-law to rename the southern portion of Gordon Point Rd to Lakeside Trail. (Carried)

8.6. RESOLUTION 2019-215

Moved by Councillor Brunton; Seconded by Councillor Hetherington:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts By-law 2019-43, being a By-law to establish a Strategic Asset Management Policy. (Carried)

8.7. RESOLUTION 2019-216

Moved by Councillor Kneller; Seconded by Councillor Brunton:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts

By-law 2019-44, being a By-law to appoint a CAO/Clerk for the Municipality of Magnetawan.

(Carried)

8.8. RESOLUTION 2019-217

Moved by Councillor Smith; Seconded by Councillor Hetherington:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adopts

By-law 2019-45, being a By-law to confirm the proceedings of Council at the regular meeting on

June 5, 2019. (Carried)

9. CORRESPONDENCE

9.1. Letter: Bill and Nancy Woodruff

9.2. Correspondence Folder (available for viewing in the Municipal Office)

9.2.1. Lakeland Holding Annual Shareholder's Meeting Documents

10. UNFINISHED BUSINESS

11. ADDENDUM

11.1 Emergency Management and Civil Protection Act Compliance Letter from John Peg

Council directed the Interim CA to speak to the Kearney CAO regarding their training session.

12. ACCOUNTS PAYABLE FOR PAYMENT APPROVAL

RESOLUTION 2019-218

Moved by Councillor Hetherington; Seconded by Councillor Kneller:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan approves for payment the

Accounts Payable and Payroll for the period June 1, 2019 to June 15, 2019 in the amount of

\$527,077.32. (Carried)

13. CLOSED SESSION

RESOLUTION 2019-219

Moved by Councillor Brunton; Seconded by Councillor Hetherington:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan moves to a closed session at 6:50 P.M., pursuant to Section 239(2) of the Municipal Act, 2001, S.O. 2001, c.25, as amended, as the subject matter being considered consists of:(d) Labour relations or employee negotiations (being to discuss an employee review) (Carried)

RESOLUTION 2019-220

Moved by Councillor Smith; Seconded by Councillor Hetherington:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan returns to open session at 7:30 P.M. (Carried)

14. QUESTION PERIOD FROM THE PUBLIC

15. NEXT MEETING OF COUNCIL

Wednesday, July 10, 2019 1:00 P.M., Magnetawan Community Centre – regular meeting

16. ADJOURNMENT

RESOLUTION 2019-221

Moved by Councillor Brunton; Seconded by Councillor Hetherington:

BE IT RESOLVED THAT the Council of the Municipality of Magnetawan adjourns this regular meeting at 7:35 P.M. (Carried)

Sam Dunnett, Mayor

Date

DRAFT



**THE CORPORATION OF THE
MUNICIPALITY OF MAGNETAWAN
TRUST FUNDS FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018**

INDEPENDENT AUDITORS' REPORT TRUST FUNDS

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Municipality of Magnetawan

Qualified Opinion

We have audited the accompanying financial statements of the trust funds of the Corporation of the Municipality of Magnetawan, which comprise of the statement of financial position as at December 31, 2018 and the statement of financial activities and changes in accumulated surplus for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the Municipality of Magnetawan as at December 31, 2018, and its statement of financial activities and changes in accumulated surplus for the year then ended in accordance to Canadian public sector accounting standards.

Basis for Qualified Opinion

The trust funds of the Corporation of the Municipality of Magnetawan derive cash receipts from the sale of cemetery interment rights, which are not susceptible to compete audit verification. Accordingly, our verification of such receipts was limited to accounting for the amounts recorded in the records of the trust funds. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Huntsville, Ontario

Pahapill and Associates Professional Corporation
Chartered Professional Accountants
Authorized to practise public accounting by
The Chartered Professional Accountants of Ontario

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN TRUST FUNDS
STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Magnetawan Medical Trust	Emily Ross Langford Award	Capital Account Care and Maintenance	Total 2018	Total 2017
Revenue					
Interest earned	\$ -	\$ -	\$ -	\$ -	\$ 3,387
Capital receipts	-	-	3,050	3,050	5,150
Total Revenue	-	-	3,050	3,050	8,537
Expenditures					
Transfer to Municipality	-	75	-	75	86,303
Total Expenditures	-	75	-	75	86,303
Net Surplus (deficit)	-	(75)	3,050	2,975	(77,766)
Opening Accumulated Surplus	-	75	86,346	86,421	164,187
Closing Accumulated Surplus	\$ -	\$ -	\$ 89,396	\$ 89,396	\$ 86,421

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

	Magnetawan Medical Trust	Emily Ross Langford Award	Capital Account Care and Maintenance	Total 2018	Total 2017
Financial Assets					
Cash and temporary investments	\$ -	\$ -	\$ 90,401	\$ 90,401	\$ 87,363
Liabilities and Accumulated Surplus					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 1,005	\$ 1,005	\$ 942
Accumulated surplus	-	-	89,396	89,396	86,421
	\$ -	\$ -	\$ 90,401	\$ 90,401	\$ 87,363

The accompanying notes are an integral part of these financial statements

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS

Year Ended December 31, 2018

1. ACCOUNTING POLICIES

Basis of Accounting

- (a) (i) Sources of financing and expenditures are reported on the accrual basis of accounting.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.
- (b) Temporary Investments
Investments are reported at cost plus accrued interest.

2. CARE AND MAINTENANCE FUND

The Care and Maintenance Fund administered by the Municipality is funded by the sale of cemetery interment rights and markers. These funds are invested and earnings derived therefrom are used to perform maintenance to the Municipality's cemeteries. The operations and investments of the fund are undertaken by the Municipality in accordance with the regulations of the Funeral, Burial and Cremation Services Act, 2002.

3. INTEREST INCOME

In 2018 \$1,378 (2017 \$1,171) of care and maintenance interest was earned and transferred to the Municipality.

4. MEDICAL TRUST

Effective 2012, as there is no longer a Medical Centre in Magnetawan, the Municipality is permitted to use the funds for general matters.

**THE CORPORATION OF THE
MUNICIPALITY OF MAGNETAWAN**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2018

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN
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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Municipality of Magnetawan

Opinion

We have audited the consolidated financial statements of The Corporation of the Municipality of Magnetawan, which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations, the consolidated change in its net financial assets (debt) and its consolidated cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Municipality of Magnetawan as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Huntsville, Ontario

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THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 1,925,818	\$ 1,235,135
Accounts receivable, net of allowance of \$11,000 (2017 - \$11,000)	698,871	882,312
Investment in Lakeland Holding Ltd. (Note 5)	669,606	617,650
Inventories held for resale	7,489	8,049
	3,301,784	2,743,146
LIABILITIES		
Accounts payable and accrued liabilities	590,798	407,980
Deferred revenue (Note 6)	123,270	72,571
Municipal debt (Note 7)	1,040,000	1,170,000
Landfill closure and post-closure liability (Note 8)	1,377,000	1,336,000
	3,131,068	2,986,551
NET FINANCIAL ASSETS	170,716	(243,405)
NON-FINANCIAL ASSETS		
Tangible capital assets - net (Note 9, Schedule 1)	15,427,992	15,203,056
Inventories of supplies	37,618	38,254
Prepaid expenses	117,931	110,877
	15,583,541	15,352,187
ACCUMULATED SURPLUS	\$ 15,754,257	\$ 15,108,782

CONTINGENT LIABILITIES (Note 13)

APPROVED ON BEHALF OF COUNCIL:

 Mayor

The accompanying notes and schedules are an integral part of these financial statements

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget 2018 (Note 11)	Actual 2018	Actual 2017
REVENUE			
Property taxes	\$ 4,417,001	\$ 4,440,634	\$ 4,165,232
User fees	11,978	14,912	14,194
Government transfers	1,454,631	1,389,644	1,323,672
Lakeland Holding Ltd. income (Note 5)	-	51,956	59,626
Other	612,232	616,994	571,377
TOTAL REVENUE	6,495,842	6,514,140	6,134,101
EXPENSES			
General government	954,213	853,240	798,503
Protection to persons and property	1,152,981	1,081,533	1,030,276
Transportation services	2,105,470	2,048,596	2,210,960
Environmental services	396,476	412,803	336,847
Landfill	-	41,000	26,500
Health services	366,297	298,486	277,463
Social and family services	516,348	516,349	512,793
Recreation and culture	627,778	600,082	587,799
Planning and development	30,000	16,576	4,978
TOTAL EXPENSES	6,149,563	5,868,665	5,786,119
ANNUAL SURPLUS (DEFICIT)	346,279	645,475	347,982
ACCUMULATED SURPLUS, BEGINNING OF YEAR	15,108,782	15,108,782	14,760,800
ACCUMULATED SURPLUS, END OF YEAR	\$ 15,455,061	\$ 15,754,257	\$ 15,108,782

The accompanying notes and schedules are an integral part of these financial statements

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget 2018 (Note 11)	Actual 2018	Actual 2017
Annual surplus (deficit)	\$ 346,279	\$ 645,475	\$ 347,982
Acquisition of tangible capital assets	(1,129,345)	(1,129,345)	(1,325,220)
Amortization of tangible capital assets	872,464	872,464	820,693
Allocation from work in progress	12,542	12,542	-
(Gain) loss on disposition of tangible capital assets	-	11,203	127,113
Proceeds on disposition of tangible capital assets	8,200	8,200	18,584
Change in supplies inventories	-	636	436
Change in prepaid expense	-	(7,054)	5,965
Increase (decrease) in net financial assets	110,140	414,121	(4,447)
Net financial assets (debt), beginning of year	(243,405)	(243,405)	(238,958)
Net financial assets (debt), end of year	\$ (133,265)	\$ 170,716	\$ (243,405)

The accompanying notes and schedules are an integral part of these financial statements

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2017
Operating transactions		
Annual surplus	\$ 645,475	\$ 347,982
Non-cash charges to operations:		
Amortization	872,464	820,693
(Gain)loss on disposal of tangible capital assets	11,203	127,113
	1,529,142	1,295,788
Changes in non-cash items:		
Accounts receivable	183,441	161,375
Inventories held for resale	560	539
Accounts payable and accrued liabilities	182,818	(61,321)
Deferred revenue	50,699	(32,849)
Landfill closure and post closure liability	41,000	26,500
Inventories of supplies	636	436
Prepaid expenses	(7,054)	5,965
	452,100	100,645
Cash provided by operating transactions	1,981,242	1,396,433
Capital transactions		
Acquisition of tangible capital assets	(1,129,345)	(1,325,220)
Allocation from work in progress	12,542	-
Proceeds on disposal of tangible capital asset	8,200	18,584
Cash applied to capital transactions	(1,108,603)	(1,306,636)
Investing transactions		
Lakeland Holding Ltd.	(51,956)	(59,626)
Cash provided by investing transactions	(51,956)	(59,626)
Financing transactions		
Debt principal repayments	(130,000)	(130,000)
Cash applied to financing transactions	(130,000)	(130,000)
Net change in cash and cash equivalents	690,683	(99,829)
Cash and cash equivalents, beginning of year	1,235,135	1,334,964
Cash and cash equivalents, end of year	\$ 1,925,818	\$ 1,235,135

The accompanying notes and schedules are an integral part of these financial statements

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

The Corporation of the Municipality of Magnetawan is a municipality in the Province of Ontario, Canada. It conducts its operations guided by the provisions of provincial statutes such as the Municipal Act, 2001, Planning Act, Building Code Act and other related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the Municipality of Magnetawan (the "Municipality") are prepared by management in accordance with Canadian public sector accounting standards for local governments as recommended in the Public Sector Accounting Board "PSAB" of the Chartered Professional Accountants Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

(a) Reporting Entity

These consolidated statements reflect the assets, liabilities, revenues, expenses and reserve and reserve fund balances of the reporting entity. The reporting entity is comprised of all committees of Council and the boards, joint boards and municipal enterprises for which Council is politically accountable as follows:

(i) Consolidated and Proportionally Consolidated entities

The following local boards are consolidated:

Heritage Centre
Library

Inter-organizational transactions and balances between these organizations are eliminated.

(ii) Modified equity accounting

Government business enterprises are accounted for by the modified equity method. Under this method the business enterprises' accounting principles are not adjusted to conform with those of the Municipality and interorganizational transactions and balances are not eliminated. The following government business enterprise is included in these financial statements: Lakeland Holding Ltd.

(iii) Non-consolidated entities

The following joint local boards are not consolidated:

North Bay Parry Sound District Health Unit
Parry Sound District Social Services Administration Board
District of Parry Sound (East) Home for the Aged.

(iv) Accounting for school board transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in these consolidated financial statements.

(v) Trust funds

Trust funds administered by the Municipality are not included in these consolidated financial statements, but are reported separately on the trust funds financial statements.

(b) Basis of Accounting

(i) Accrual basis of accounting

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

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

(ii) Non-financial assets

Non-financial assets are not available to discharge existing liabilities but are held for use in the provision of Municipal services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(a) Tangible capital assets

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

Land improvements - 20 years

Buildings - 40 years

Machinery, equipment and furniture - 5 to 20 years

Vehicles - 8 to 10 years

Roads - 8 to 75 years

Bridges - 30 to 60 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Estimated closure and post-closure expenses for active landfill sites as well as the land occupied by the sites are amortized annually on the basis of capacity used during the year as a percentage of the estimated total capacity of the landfill site.

The Municipality has a capitalization threshold of \$3,000; individual tangible capital assets, or pooled assets of lesser value are expensed in the year of purchase.

(b) Inventories of supplies

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

(iii) Reserves and reserve funds

Certain amounts, as approved by Council, are set aside in reserves and reserve funds for future operating and capital purposes. Balances related to these funds are included in the accumulated surplus of the Consolidated Statement of Financial Position.

(iv) Government transfers

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

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

(v) Deferred revenue

The Municipality receives gas tax revenue from the Federal Government and payments in lieu of parkland under the authority of provincial legislation and Municipal by-laws. These funds are restricted in their use and until applied to the applicable expenditures are recorded as deferred revenue. Amounts applied to qualifying expenditures are recorded as revenue in the fiscal period they are expended. The Municipality also defers recognition of certain government grants which have been collected but for which the related expenditures have yet to be incurred. These amounts will be recognized as revenues in the fiscal year the services are performed.

(vi) Taxation and related revenues

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Council, incorporating amounts to be raised for local services and amounts the Municipality is required to collect on behalf of the Province of Ontario in respect of education taxes. A normal part of the assessment process is the issue of supplementary assessment rolls which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Municipality determines the taxes applicable and renders supplementary tax billings. Taxation revenues are recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the result of the appeal process is known. The Municipality is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period the interest and penalties are levied.

(vii) Pensions and employee benefits

The Municipality accounts for its participation in the Ontario Municipal Employee Retirement System (OMERS), a multi-employer public sector pension fund, as a defined contribution plan.

(viii) Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include valuation allowances for accounts receivable, various employee matters and solid waste landfill closure and post-closure liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future. The estimates are reviewed periodically and any resulting adjustments are reported in earnings in the year in which they become known.

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

2. CONTRIBUTIONS TO UNCONSOLIDATED JOINT BOARDS

Further to Note 1(a)(iii), the following contributions were made by the Municipality to these boards:

	2018	2017
District of Parry Sound Social Services Administration Board	\$ 300,617	\$ 301,076
North Bay Parry Sound District Health Unit	43,298	43,298
District of Parry Sound (East) Home for the Aged	204,642	200,778
Land Ambulance	196,201	190,663
Total contributions made	\$ 744,758	\$ 735,815

The Municipality is contingently liable for its share, if any, of the accumulated deficits as at the end of the year for these boards. The Municipality's share of the accumulated surpluses (or deficits) of these boards has not been determined at this time.

The Municipality is also contingently liable for its share, if any, of the long-term liabilities issued by other municipalities for these boards. The Municipality's share of these long-term liabilities has not been determined at this time.

3. OPERATIONS OF SCHOOL BOARDS

Further to Note 1(a)(iv), the Municipality is required to collect property taxes and payments-in-lieu of taxes on the behalf of the school boards. The amounts collected, remitted and outstanding are as follows:

	2018	2017
Payable (Receivable) at the beginning of the year	\$ 874	\$ (1,560)
Taxation and payments-in-lieu, net of adjustments	1,178,457	1,215,845
Remitted during the year	(1,180,175)	(1,213,411)
Payable (Receivable) at the end of the year	\$ (844)	\$ 874

4. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$90,401 (2017 \$87,363) have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations. As such balances are held in trust by the Municipality for the benefit of others, they are not presented as part of the Municipality's financial position or operations.

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

5. INVESTMENT IN LAKELAND HOLDING LTD.

Lakeland Holding Ltd. is a municipally owned government business enterprise. It's subsidiaries produce and distribute hydro electric power to users in Bracebridge, Huntsville, Sundridge, Burk's Falls and Magnetawan. On July 1, 2014, Lakeland Holding Ltd. amalgamated with Parry Sound Hydro Corporation which resulted in the Municipalities' share of equity to be reduced from 1.47% to 1.24%. Condensed financial information in respect to Lakeland Holding Ltd. is provided below.

	2018	2017
Consolidated Balance Sheet		
Assets:		
Current assets	\$ 22,850,000	\$ 20,854,000
Capital and other assets	101,825,000	96,309,000
Regulatory assets, net of liabilities	806,000	867,000
Total Assets	\$ 125,481,000	\$ 118,030,000
Liabilities:		
Current liabilities	\$ 10,082,000	\$ 22,844,000
Long-term liabilities	61,398,000	45,375,000
Total Liabilities	71,480,000	68,219,000
Equity		
Share capital	12,610,000	12,610,000
Retained earnings and Contributed surplus	41,401,000	37,244,000
Accumulated other comprehensive loss	(10,000)	(43,000)
Total Equity	54,001,000	49,811,000
Total Liabilities and Equity	\$ 125,481,000	\$ 118,030,000
Municipality's share of equity (1.24% ownership)	\$ 669,606	\$ 617,650
Consolidated Statement of Operations, Retained Earnings and Comprehensive Income		
Total Revenues	56,528,000	56,651,000
Total Expenses	48,633,000	47,855,000
Net income and comprehensive income	7,895,000	8,796,000
Less: dividends	(1,896,000)	(1,750,000)
Less: provision for payments in lieu of taxes	(2,006,000)	(2,117,000)
Add: Net movement in regulatory deferral account balances	164,000	(153,000)
Add: other comprehensive income	33,000	33,000
Net income, net of dividends	\$ 4,190,000	\$ 4,809,000
Municipality's share of net income, net of dividends (1.24% ownership)	51,956	59,626
Municipality's share of net income, net of dividends and loss on reduction of share equity (1.24% ownership)	\$ 51,956	\$ 59,626

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

6. DEFERRED REVENUE - OBLIGATORY RESERVE FUNDS

The 2018 continuity of transactions within the obligatory reserve funds are described below:

	Balance beginning of year	Contributions received	Interest earned	Amounts taken into revenue	Balance end of year
Cash in lieu of parkland	\$ 69,990	\$ 22,500	\$ 1,209	\$ (6,337)	\$ 87,362
Federal gas tax	-	92,623	87	(92,710)	-
Other	2,581	33,327	-	-	35,908
	\$ 72,571	\$ 148,450	\$ 1,296	\$ (99,047)	\$ 123,270

7. MUNICIPAL DEBT

(a) The balance of the municipal debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2018	2017
Infrastructure Ontario, due December 2026, repayable in semi-annual payments of \$65,000 including interest calculated at 2.47% and is secured by future funding.	1,040,000	1,170,000
	\$ 1,040,000	\$ 1,170,000

(b) Future estimated principal and interest payments on the municipal debt are as follows:

	Principal	Interest
2019	\$ 130,000	\$ 24,883
2020	130,000	21,734
2021	130,000	18,461
2022	130,000	15,250
2023	130,000	12,039
2024 onwards	390,000	16,877
	\$ 1,040,000	\$ 109,244

(c) Total charges for the year for municipal debt which are reported in the financial statements are as follows:

	2018	2017
Principal payments	\$ 130,000	\$ 130,000
Interest	28,094	31,305
	\$ 158,094	\$ 161,305

The annual principal and interest payments required to service the Municipality's debt were within the the annual debt repayment limit of \$1,243,685 prescribed by the Ministry of Municipal Affairs and Housing.

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

8. LANDFILL CLOSURE AND POST CLOSURE LIABILITY

Commencing in 2001, the local government accounting standards issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants require that municipalities recognize a liability related to the closure of solid waste landfill sites. This liability encompasses all costs related to the closure and subsequent maintenance of such sites. The liability is recognized in the financial statements over the operating life of the solid waste disposal site, in proportion to its utilized capacity.

The Municipality is currently responsible for the Croft and Chapman landfill sites, which have approved footprints of 25,000m² and 15,000m² respectively. An engineering study received in 2009 estimated that the maximum usable footprints are 15,000m² at the Croft site and 10,000m² at the Chapman site, with corresponding maximum waste and cover material capacities of 17,460m³ and 38,712m³ for Croft and Chapman respectively. An engineering study received in 2011 has significantly increased waste capacities at both the Croft and Chapman landfill sites due to the prior study being based on existing waste footprints and did not account for the entire approved waste footprint and the calculated theoretical capacity of each site. The maximum waste and cover material capacities are 138,850m³ at the Croft site and 46,650m³ at the Chapman site.

An engineering study received in 2016 has increased the amount of capacity remaining, overall capacity and remaining landfill site life at both the Croft and Chapman landfill sites due to calculations based on a 3:1 final slope design contour. Prior to 2015 used a 4:1 final slope design contour.

Based on an engineering report received in 2016 which increased the amount of capacity remaining, the landfill closure and post-closure estimates for the usable footprints are as follows:

Croft Landfill

Total estimated expenditures for closure and post-closure care	\$1,053,607
Reported liability in current year	\$794,000
Total expenditures remaining to be recognized	\$259,607
Utilization/year	730m ³
Estimated remaining usable capacity	37,821m ³
Remaining landfill site life	42 years
Number of year required for post-closure care	25 years

Chapman Landfill

Total estimated expenditures for closure and post-closure care	\$854,814
Reported liability in current year	\$583,000
Total expenditures remaining to be recognized	\$271,814
Utilization/year	610m ³
Estimated remaining usable capacity	17,901m ³
Remaining landfill site life	29 years
Number of year required for post-closure care	25 years

9. TANGIBLE CAPITAL ASSETS

Schedule 1 provides information on the tangible capital assets of the Municipality by major asset class. Additional information relating to these assets is provided below.

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**
Year Ended December 31, 2018

(a) Capitalization of Interest

The Municipality has a policy of expensing borrowing costs related to the acquisition of tangible capital assets.

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

10. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT

The Municipality and its Boards and Committees provide a wide range of services to its citizens. The schedule and segment disclosure provides a breakdown of the annual surplus (deficit) reported on the Consolidated Statement of Operations by major reporting segment. The segments correspond to the major functional categories used in the Municipality's Financial Information Return, which include the following activities:

General Government

This segment includes Council, Clerk's Department, and Treasury. This area supports the operating departments in implementing priorities of Council and provides strategic leadership on issues relating to governance, strategic planning and service delivery.

Protection to Persons and Property

This segment includes fire, police, building inspection, and bylaw enforcement. Police services are provided by the Ontario Provincial Police under contract.

Transportation Services

Transportation Services include roadway systems and winter control.

Environmental Services

This segment includes sanitary sewers, waterworks and solid waste management.

Health Services

This segment includes cemeteries, ambulance services as well as payments to the district health unit.

Social and Family Services

This segment consists primarily of payments made to the district social services administration board and home for the aged for the provision of social services such as childcare, social housing, general assistance and assistance to the elderly.

Recreation and Culture

This segment includes parks, recreation programs, recreation facilities and library services.

Planning and Development

This segment includes activities related to planning, zoning and economic development.

Unallocated Amounts

Items are recorded as unallocated amounts when there is no reasonable basis for allocating them to a segment. Major items included in this category are property taxation and related penalty and interest charges, and the municipality's annual Ontario Municipal Partnership Fund unconditional grant.

In preparation of segmented financial information, some allocation of expenses is made. This generally includes charges of rent to specific segments.

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

10. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT (continued)

FOR THE YEAR ENDED DECEMBER 31, 2018

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Culture	Planning and Development	Unallocated Amounts	Consolidated
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,440,634	\$ 4,440,634
User fees	-	-	-	-	2,759	-	10,379	1,774	-	14,912
Government transfers	50,615	22,482	108,800	36,110	-	-	51,037	-	1,120,600	1,389,644
Lakeland Holding Ltd. income	-	-	-	-	-	-	-	-	51,956	51,956
Other	24,070	4,985	250,432	58,629	-	-	42,368	120,595	115,915	616,994
TOTAL REVENUE	74,685	27,467	359,232	94,739	2,759	-	103,784	122,369	5,729,105	6,514,140
EXPENSES										
Salaries, wages and benefits	500,651	248,501	425,902	137,108	19,587	-	320,324	-	-	1,652,073
Operating expenses	325,237	803,221	981,360	201,656	276,751	514,972	183,355	16,576	-	3,303,128
Landfill	-	-	-	41,000	-	-	-	-	-	41,000
Amortization	27,352	29,811	641,334	74,039	2,148	1,377	96,403	-	-	872,464
TOTAL EXPENSES	853,240	1,081,533	2,048,596	453,803	298,486	516,349	600,082	16,576	-	5,868,665
ANNUAL SURPLUS (DEFICIT)	\$ (778,555)	\$ (1,054,066)	\$ (1,689,364)	\$ (359,064)	\$ (295,727)	\$ (516,349)	\$ (496,298)	\$ 105,793	\$ 5,729,105	\$ 645,475

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

10. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT (continued)

FOR THE YEAR ENDED DECEMBER 31, 2017

	General Government	Protection to Persons and Property	Transportation Services	Environmental Services	Health Services	Social and Family Services	Recreation and Culture	Planning and Development	Unallocated Amounts	Consolidated
REVENUE										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,165,232	\$ 4,165,232
User fees	-	-	-	-	3,940	-	8,604	1,650	-	14,194
Government transfers	125,319	12,368	122,688	29,710	-	-	40,287	-	993,300	1,323,672
Lakeland Holding Ltd. income	-	-	-	-	-	-	-	-	59,626	59,626
Other	100,395	1,296	243,718	35,552	-	-	34,958	129,594	25,864	571,377
TOTAL REVENUE	225,714	13,664	366,406	65,262	3,940	-	83,849	131,244	5,244,022	6,134,101
EXPENSES										
Salaries, wages and benefits	443,482	238,398	397,227	122,867	20,299	-	306,466	-	-	1,528,739
Operating expenses	327,186	755,213	1,210,043	155,198	254,800	511,416	191,353	4,978	-	3,410,187
Landfill	-	-	-	26,500	-	-	-	-	-	26,500
Amortization	27,835	36,665	603,690	58,782	2,364	1,377	89,980	-	-	820,693
TOTAL EXPENSES	798,503	1,030,276	2,210,960	363,347	277,463	512,793	587,799	4,978	-	5,786,119
ANNUAL SURPLUS (DEFICIT)	\$ (572,789)	\$ (1,016,612)	\$ (1,844,554)	\$ (298,085)	\$ (273,523)	\$ (512,793)	\$ (503,950)	\$ 126,266	\$ 5,244,022	\$ 347,982

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended December 31, 2018

11. BUDGET FIGURES

The unaudited budget adopted for the current year was prepared on a fund basis, and has been amended to conform with the accounting and reporting standards adopted for the current year actual results.

12. PENSION AGREEMENTS

The Municipality makes contributions to the Ontario Municipal Employee Retirement Fund (OMERS), which is a multi-employer plan, on behalf of certain members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2018. The results of this valuation disclosed total actuarial liabilities of \$99,058 million with respect to benefits accrued for service with actuarial assets at that date of \$94,867 million indicating an actuarial deficit of \$4,191 million. Because OMERS is a multi employer plan, any Plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Municipality does not recognize any share of the Plan surplus or deficit.

The amount contributed to OMERS for 2018 was \$88,756 (2017 \$85,795) for current service and is included as an expense on the Consolidated Statement of Operations.

13. CONTINGENT LIABILITY

In the normal course of business, the municipality is named to lawsuits related to its operations. Management is of the view that these lawsuits are without merit and any settlement would not be material to the financial position of the municipality.

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2018

Schedule 1

	Land and Land Improvements	Buildings	Machinery and Equipment	Vehicles	Roads and Bridges	Assets Under Construction	TOTAL 2017	TOTAL 2016
COST								
Balance, beginning of year	\$ 2,683,003	\$ 4,606,139	\$ 597,788	\$ 2,926,999	\$ 24,783,510	\$ 444,983	\$ 36,042,422	\$ 35,386,581
Additions and betterments	86,049	61,618	18,617	316,852	635,434	10,775	1,129,345	1,325,220
Disposals and writedowns		(40,495)	(18,345)	(170,957)	(259,636)		(489,433)	(669,379)
Allocation from work in progress						(12,542)	(12,542)	
BALANCE, END OF YEAR	2,769,052	4,627,262	598,060	3,072,894	25,159,308	443,216	36,669,792	36,042,422
ACCUMULATED AMORTIZATION								
Balance, beginning of year	1,606,059	1,174,624	366,142	1,212,080	16,480,461		20,839,366	20,542,355
Annual amortization	70,184	114,955	38,741	223,257	425,327		872,464	820,693
Amortization disposals		(22,833)	(18,345)	(170,957)	(257,895)		(470,030)	(523,682)
BALANCE, END OF YEAR	1,676,243	1,266,746	386,538	1,264,380	16,647,893		21,241,800	20,839,366
TANGIBLE CAPITAL ASSETS-NET	\$ 1,092,809	\$ 3,360,516	\$ 211,522	\$ 1,808,514	\$ 8,511,415	\$ 443,216	\$ 15,427,992	\$ 15,203,056

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

SUPPLEMENTARY UNAUDITED SCHEDULE OF SURPLUS

2018

	2018	2017
RESERVES AND RESERVE FUNDS		
Working capital	\$ 1,380,539	\$ 1,281,701
Asset management	381,577	237,326
Waste disposal	168,912	148,913
Community enhancement	111,611	97,222
Cemetery	9,500	9,500
Other	4,876	4,876
TOTAL RESERVES AND RESERVE FUNDS	2,057,015	1,779,538
OTHER		
Tangible capital assets	15,427,992	15,203,056
General operating surplus(deficit)	16,644	14,538
Amounts to be recovered	(2,417,000)	(2,506,000)
Equity in Lakeland Holding Ltd.	669,606	617,650
TOTAL OTHER	13,697,242	13,329,244
ACCUMULATED SURPLUS	\$ 15,754,257	\$ 15,108,782

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN
2018 FINANCIAL HIGHLIGHTS

TAX RATES

	2018 Tax Rates (%)		2017 Tax Rates (%)	
	Township purposes	School Board purposes	Township purposes	School Board purposes
Residential and Farm:				
Area 1, 3 & 4	0.656690	0.170000	0.623690	0.179000
Area 2	0.760024	0.170000	0.837055	0.179000
Multi-residential:				
Area 2	1.520048	0.170000	1.674110	0.179000
Farmland and Managed Forest:				
Area 1, 3 & 4	0.164173	0.042500	0.155923	0.044750
Area 2	0.190007	0.042500	0.209264	0.044750
Commercial Occupied:				
Area 1, 3 & 4	0.755580	0.715788	0.717610	0.700999
Area 2	0.874475	0.715788	0.963105	0.700999
Commercial Vacant:				
Area 1, 3 & 4	0.528961	0.501052	0.502327	0.490699
Area 2	0.612187	0.501052	0.674174	0.490699
Industrial Occupied:				
Area 1, 3 & 4	0.722316	1.030650	0.686018	1.091284
Industrial Vacant:				
Area 1, 3 & 4	0.469505	0.669923	0.445912	0.709335

TRANSACTIONS FOR THE SCHOOL BOARDS

	2018	2017
Payable (Receivable) at the beginning of the year	\$ 874	\$ (1,560)
Taxation and payments-in-lieu, net of adjustments	1,178,457	1,215,845
Remitted during the year	(1,180,175)	(1,213,411)
Payable (Receivable) at the end of the year	\$ (844)	\$ 874

These revenues and expenditures are not reflected in the Consolidated Statement of Operations.

YEAR END BALANCE OF TRUST FUNDS UNDER ADMINISTRATION

	2018	2017
Trust Funds	\$ 90,401	\$ 87,363

NOTES

1. The 2018 financial report consolidates the operations, assets and liabilities of the Municipality's museum and library.
2. The above data has been extracted from the audited 2018 Consolidated Financial Report of the Municipality and its local boards and committees as described in Note 1. Copies of the 2018 Consolidated Financial Report and the Auditors' Report of Pahapill and Associates Professional Corporation, Chartered Professional Accountants, Huntsville, Ontario are available at the Municipality's office to any resident who wishes to review or analyze the financial operations of the Municipality in greater detail.

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN**2018 FINANCIAL HIGHLIGHTS****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT DECEMBER 31, 2018**

	2018	2017
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 1,925,818	\$ 1,235,135
Accounts receivable	698,871	882,312
Investment in Lakeland Holding Ltd.	669,606	617,650
Inventories held for resale	7,489	8,049
	3,301,784	2,743,146
LIABILITIES		
Accounts payable and accrued liabilities	590,798	407,980
Deferred revenue	123,270	72,571
Municipal debt	1,040,000	1,170,000
Landfill closure and post-closure liability	1,377,000	1,336,000
	3,131,068	2,986,551
NET FINANCIAL ASSETS (DEBT)	170,716	(243,405)
NON-FINANCIAL ASSETS		
Tangible capital assets - net	15,427,992	15,203,056
Inventories of supplies	37,618	38,254
Prepaid expenses	117,931	110,877
	15,583,541	15,352,187
ACCUMULATED SURPLUS	\$ 15,754,257	\$ 15,108,782

THE CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN**2018 FINANCIAL HIGHLIGHTS****CONSOLIDATED STATEMENT OF OPERATIONS****FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budget 2018	Actual 2018	Actual 2017
REVENUE			
Property taxes	\$ 4,417,001	\$ 4,440,634	\$ 4,165,232
User fees	11,978	14,912	14,194
Government transfers	1,454,631	1,389,644	1,323,672
Lakeland Holding Ltd. income	-	51,956	59,626
Other	612,232	616,994	571,377
TOTAL REVENUE	6,495,842	6,514,140	6,134,101
EXPENSES			
General government	954,213	853,240	798,503
Protection to persons and property	1,152,981	1,081,533	1,030,276
Transportation services	2,105,470	2,048,596	2,210,960
Environmental services	396,476	412,803	336,847
Landfill	-	41,000	26,500
Health services	366,297	298,486	277,463
Social and family services	516,348	516,349	512,793
Recreation and culture	627,778	600,082	587,799
Planning and development	30,000	16,576	4,978
TOTAL EXPENSES	6,149,563	5,868,665	5,786,119
ANNUAL SURPLUS (DEFICIT)	346,279	645,475	347,982
ACCUMULATED SURPLUS, BEGINNING OF YEAR	15,108,782	15,108,782	14,760,800
ACCUMULATED SURPLUS, END OF YEAR	\$ 15,455,061	\$ 15,754,257	\$ 15,108,782

CORPORATION OF THE MUNICIPALITY OF MAGNETAWAN

MAGNETAWAN PUBLIC LIBRARY

FINANCIAL STATEMENTS

DECEMBER 31, 2018

MAGNETAWAN PUBLIC LIBRARY

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the
Corporation of the Municipality of Magnetawan

Opinion

We have audited the financial statements of the Magnetawan Public Library, which comprise the statement of financial position as at December 31, 2018, and the statements of operations, the change in its net financial assets (debt) and its cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Magnetawan Public Library as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Library in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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



PAHAPILL and ASSOCIATES Chartered Accountants

Professional Corporation

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

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

Pahapill and Associates

Huntsville, Ontario
April 09, 2019

Pahapill and Associates Professional Corporation
Chartered Professional Accountants
Authorized to practise public accounting by
The Chartered Professional Accountants of Ontario

MAGNETAWAN PUBLIC LIBRARY**STATEMENT OF FINANCIAL POSITION****AS AT DECEMBER 31, 2018**

	2018	2017
FINANCIAL ASSETS		
Cash	\$ 21,866	\$ 17,116
Accounts receivable	4,187	1,668
	26,053	18,784
LIABILITIES		
Accounts payable and accrued liabilities	10,633	10,308
Deferred revenue (Note 2)	2,581	2,581
	13,214	12,889
NET FINANCIAL ASSETS	12,839	5,895
NON-FINANCIAL ASSETS		
Tangible capital assets - net (Note 4)	55,049	59,655
Prepaid expenses	1,842	1,726
	56,891	61,381
ACCUMULATED SURPLUS	\$ 69,730	\$ 67,276

APPROVED ON BEHALF OF THE BOARD:

_____ Chairman

The accompanying notes are an integral part of these financial statements

MAGNETAWAN PUBLIC LIBRARY**STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS****FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budget 2018	Actual 2018	Actual 2017
REVENUE			
Municipal contributions	\$ 72,400	\$ 72,400	\$ 70,600
Grants - operating	18,447	11,140	18,137
Other	1,785	5,263	3,125
TOTAL REVENUE	92,632	88,803	91,862
EXPENSES			
Wages and benefits	\$ 65,000	\$ 56,231	66,760
Miscellaneous	8,929	7,434	7,124
Rent and insurance	9,078	8,874	8,757
Audit	800	870	750
Bank charges	250	180	217
Telephone and DSL	2,800	2,380	2,265
Amortization	10,380	10,380	10,461
TOTAL EXPENSES	97,237	86,349	96,334
ANNUAL SURPLUS (DEFICIT)	(4,605)	2,454	(4,472)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	67,276	67,276	71,748
ACCUMULATED SURPLUS, END OF YEAR	\$ 62,671	\$ 69,730	\$ 67,276

The accompanying notes are an integral part of these financial statements

MAGNETAWAN PUBLIC LIBRARY
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget 2018	Actual 2018	Actual 2017
Annual surplus (deficit)	\$ (4,605)	\$ 2,454	\$ (4,472)
Acquisition of tangible capital assets	(5,774)	(5,774)	(4,262)
Amortization of tangible capital assets	10,380	10,380	10,461
Change in prepaid expenses	-	(116)	(17)
Increase (decrease) in net financial assets	1	6,944	1,710
Net financial assets, beginning of year	5,895	5,895	4,185
Net financial assets, end of year	\$ 5,896	\$ 12,839	\$ 5,895

The accompanying notes are an integral part of these financial statements

MAGNETAWAN PUBLIC LIBRARY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018

	2018	2017
Operating transactions		
Annual surplus (deficit)	\$ 2,454	\$ (4,472)
Non-cash charges to operations:		
Amortization	10,380	10,461
	12,834	5,989
Changes in non-cash assets and liabilities:		
Accounts receivable	(2,519)	21
Accounts payable and accrued liabilities	325	(2,298)
Prepaid expenses	(116)	(17)
	(2,310)	(2,294)
Cash provided by operating transactions	10,524	3,695
Capital transactions		
Acquisition of tangible capital assets	(5,774)	(4,262)
Cash applied to capital transactions	(5,774)	(4,262)
Investing transactions		
Cash provided by investing transactions	-	-
Financing transactions		
Cash applied to financing transactions	-	-
Net change in cash and cash equivalents	4,750	(567)
Cash and cash equivalents, beginning of year	17,116	17,683
Cash and cash equivalents, end of year	\$ 21,866	\$ 17,116
Cash flow supplementary information:		
Investment interest income received	\$ 118	\$ 71
Interest paid	180	217
Net interest received	\$ (62)	\$ (146)

The accompanying notes are an integral part of these financial statements

MAGNETAWAN PUBLIC LIBRARY

NOTES TO THE FINANCIAL STATEMENTS Year Ended December 31, 2018

The Magnetawan Public Library is a board of the Corporation of the Municipality of Magnetawan. It is responsible for providing library services for local residents.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Magnetawan Public Library (the "Library") are prepared by management in accordance with Canadian public sector accounting standards for local governments as recommended in the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Library are as follows:

Basis of Accounting

- (i) **Accrual basis of accounting**
Sources of financing and expenditures are reported on the accrual basis of accounting. This method recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

- (ii) **Non-financial assets**
Non-financial assets are not available to discharge existing liabilities but are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(a) **Tangible capital assets**

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

Computers - 5 years
Equipment and furniture - 5 to 10 years
Library collections - 10 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

The Library has a capitalization threshold of \$500; individual tangible capital assets, or pooled assets of lesser value are expensed in the year of purchase. For the purposes of this policy, the Library pools books only.

The Library has a policy of expensing borrowing costs related to the acquisition of tangible capital assets.

- (iii) **Reserves and Reserve Funds**
Certain amounts, as approved by the Library Board, are set aside in reserves and reserve funds for future operating and capital purposes. Balances related to these funds are included in the accumulated surplus of the statement of financial position.

MAGNETAWAN PUBLIC LIBRARY

NOTES TO THE FINANCIAL STATEMENTS Year Ended December 31, 2018

(iv) Government Transfers

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

(v) Deferred Revenue

The Library defers recognition of certain operating grants which have been collected but for which the related expenditures have yet to be incurred. These amounts will be recognized as revenues in the fiscal year the expenditures are incurred.

(vi) Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. While actual results could differ from these estimates, material changes in the amounts reported within the next year are not considered reasonably possible.

2. DEFERRED REVENUE

A portion of the Province of Ontario's operating grant and pay equity funding has been deferred to reflect the fact that annual funding covers a one-year period beginning on April 1. The balance reported for deferred revenue is \$2,581 (2017 \$2,581).

3. EXPENDITURES BY OBJECT

The following is a summary of the expenses reported on the Statement of Operations by the object of the expenditures:

	2018	2017
Salaries, wages and benefit	\$ 56,231	\$ 66,760
Materials and supplies	13,111	12,568
Contracted services and external transfers	870	750
Rents and financial expenses	5,758	5,795
Amortization	10,379	10,461
	\$ 86,349	\$ 96,334

MAGNETAWAN PUBLIC LIBRARY**NOTES TO THE FINANCIAL STATEMENTS**
Year Ended December 31, 2018**4. TANGIBLE CAPITAL ASSETS**

The following table provides information on the tangible capital assets of the Library by major asset class.

	Computers	Equipment and Furniture	Collections	Leasehold Improvements	TOTAL 2018	TOTAL 2017
COST						
Balance, beginning of year	\$ 32,552	\$ 44,110	\$ 49,672	\$ 23,546	\$ 149,880	\$ 152,370
Additions and betterments	1,642	-	4,132	-	5,774	4,262
Disposals and writedowns			(7,194)	-	(7,194)	(6,752)
BALANCE, END OF YEAR	34,194	44,110	46,610	23,546	148,460	149,880
ACCUMULATED AMORTIZATION						
Balance, beginning of year	28,621	29,997	28,546	3,061	90,225	86,516
Annual amortization	1,303	3,792	4,814	471	10,380	10,461
Amortization disposals			(7,194)	-	(7,194)	(6,752)
BALANCE, END OF YEAR	29,924	33,789	26,166	3,532	93,411	90,225
TANGIBLE CAPITAL ASSETS-NET	\$ 4,270	\$ 10,321	\$ 20,444	\$ 20,014	\$ 55,049	\$ 59,655

5. BUDGET FIGURES

The unaudited budget adopted for the current year was prepared on a fund basis, and has been amended to conform with the accounting and reporting standards adopted for the current year actual results.

Magnetawan Quarterly Report

March/April/May

5 shipping containers,

- order to comply sent out

-4 of 5 have complied, 1 asked for an extension with valid reasons given until Oct 1, 2019 to be removed

Tree cut on road allowance on Hwy 124

- Investigation started

-follow up investigation research shows that the survey was done by E.J. Williams, still have yet to see official documents, and awaiting call back from the surveyor

Property standards complaint on East Whalley Lake rd.

- investigated

- order to comply will be issued

- order to comply was not received will issue a new one

Drainage complaint bayview rd

- investigated

-Investigated thoroughly after discovering the roadway is in fact owned by the municipality, driveway was inspected by road supervisor and found to have met his standards and requirements,

-Possibility of having a third official investigate the complaint and see how they interpret the bylaw

Docks on municipal lot on Bayview

- awaiting follow up from municipal solicitor and clerk

-no updates

June

-Canine emergency first aide Training and certification

2 dog at large complaints

7 Trailers notified to obtain license

5 Property standards orders issued and posted

- 3 of 5 have complied

- will issue a 15 day "second chance" order, if no compliance charges will be laid

Several charges before the courts

- building without permits
- fail to purchase dog tag
- fail to comply with order issued

3 parking warning s issued

2 warnings for dog leash-less in park

Russell, Christie, LLP

Barristers & Solicitors

W.D. (Rusty) Russell, Q.C., (1925-2019)
Douglas S. Christie, B.A., LL.B.
Michael M. Miller, B.Sc., in Comm, LL.B.
William S. Koughan, LL.B.

Edward B. Veldboom, MSc. Pl. LL.B.
Michael F. Sirdevan, B.A. (Hons), LL.B.
Jennifer E. Biggar, B.A., (Hons), J.D.
James R. Morse, B.A., LL.B.

Please reply to:
Edward B. Veldboom (Ext. 237)
Email: eveldboom@russellchristie.com

June 18, 2019

Nicole Fraser, Interim Clerk-Administrator
The Corporation of the Municipality of Magnetawan
4304 Hwy #520
P.O. Box 70
Magnetawan, ON P0A 1P0
via email to: DeputyClerk@magnetawan.com

Dear Ms. Fraser,

Re: Bayview Avenue and Block B, Plan M280

Further to our recent telephone conversations and email exchanges, we write to provide our opinion concerning the above noted matter.

Bayview Avenue

Bayview Avenue was laid out in Plan M-280 in 1971; it was dedicated as a public highway in the Plan. Ownership of Bayview Avenue (as set out in PIN 52097-0466 copy attached) is currently in the name of the "Public Authority Having Jurisdiction" which would be the Municipality of Magnetawan. Although at this time it is not necessary, the Municipality could register a change of name application to specifically name the Municipality as the registered owner.

Whether Bayview Avenue is an "open maintained" public highway or an unopened road allowance will depend upon whether the Municipality assumed the public highway at some point after it was dedicated. Prior to January 1, 2003, assumption could occur by by-law or through routine acts of maintenance and/or spending of public funds on with the intent of assuming it for public use. After January 1, 2003 (if not already assumed) a highway can only be assumed by by-law.

There is no by-law registered on title. You may wish to review the Municipality's by-law records to determine whether any such by-law was passed.

To make a determination as to whether the Municipality assumed Bayview Avenue through acts of maintenance and/or the expenditure of public funds, you may have to conduct a more involved search of the Municipality's records and perhaps speak to persons who have knowledge of the history of public works activities on this road allowance.

Block B

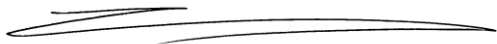
As noted in my email to Andrew Farnsworth (Aug. 30/18), Block B, Plan 280 is owned by the Municipality of Magnetawan. The Municipality became the owner of the Block through tax sale proceedings which resulted in a notice of vesting. The property is subject to interests set out in 12 instruments (identified in the property description). Our office obtained a copy of the first instrument (RO51011 copy attached) referenced in the property description to get a "sense of the rights" that exist. The right is described as "*a right in property in the nature of an easement to use the common area, Block B, for the benefit and appurtenant to the said Lot 9 in common with a similar right ...appurtenant to Lots 1 to 11 inclusive, Plan 280*". Although we have not gone to the expense of obtaining copies of the other 11 instruments, we suspect that each one makes reference to the same interest granted to each lot owner.

That right is simply a right to use Block B as a "common area". There is no specific direction as to what uses may occur in common with other lot owners. It could be argued that such right includes a right to use the land for access to the water, to store personal belongings, park cars, play games, etc., but all on the proviso that 10 other lot owners would have a similar rights and no benefitting owner could undertake activities that interfere with each other's rights. There is also no clear and express right to construct any buildings, including docks, for the sole and exclusive use of one of the benefitting lot owners.

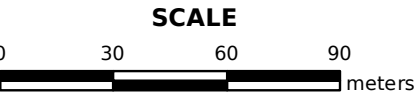
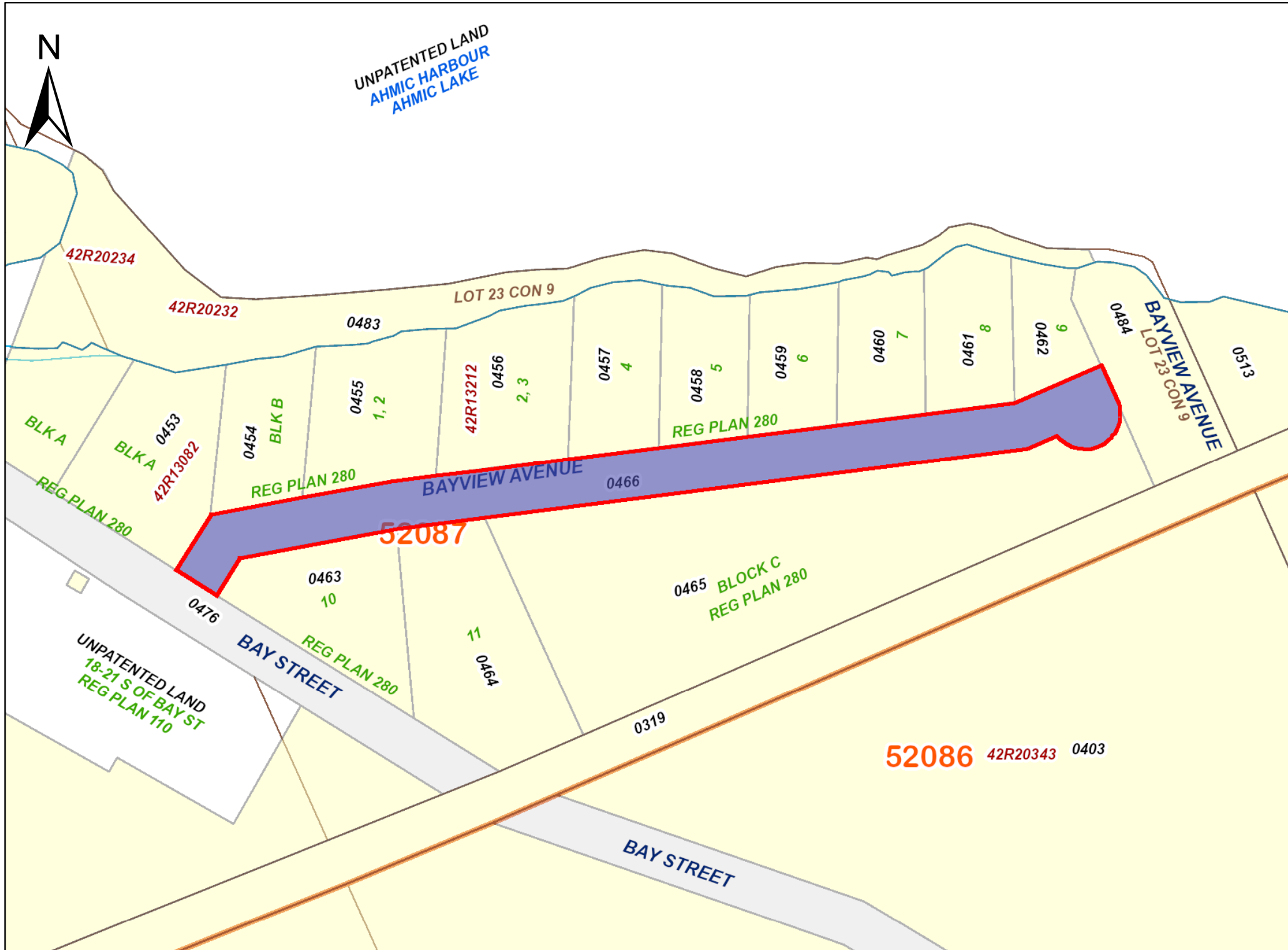
In our opinion, the Municipality's ability to put Block B to any "public uses" is severely constrained by the existing rights of the lot owners. Quite frankly, it would appear to have no utility whatsoever. The problem for the Municipality is that it may be difficult to dispose of this property through the normal proper disposal techniques. Simply stated, there is little or no value to a third party in this property because of the rights granted to owners of the Lots in Plan 280. It would seem that the most logical option would be for the Municipality to consider transferring the property to the owners of Lots 1 through 11.

We trust our comments are of assistance.

Sincerely,



Edward B. Veldboom
(electronically signed)



PROPERTY INDEX MAP
PARRY SOUND(No. 42)

LEGEND

FREEHOLD PROPERTY	0449
LEASEHOLD PROPERTY	08050
LIMITED INTEREST PROPERTY	
CONDOMINIUM PROPERTY	
RETIRED PIN (MAP UPDATE PENDING)	
PROPERTY NUMBER	
BLOCK NUMBER	
GEOGRAPHIC FABRIC	
EASEMENT	

THIS IS NOT A PLAN OF SURVEY

NOTES

REVIEW THE TITLE RECORDS FOR COMPLETE
PROPERTY INFORMATION AS THIS MAP MAY
NOT REFLECT RECENT REGISTRATIONS

THIS MAP WAS COMPILED FROM PLANS AND
DOCUMENTS RECORDED IN THE LAND
REGISTRATION SYSTEM AND HAS BEEN PREPARED
FOR PROPERTY INDEXING PURPOSES ONLY

FOR DIMENSIONS OF PROPERTIES BOUNDARIES SEE
RECORDED PLANS AND DOCUMENTS

ONLY MAJOR EASEMENTS ARE SHOWN

REFERENCE PLANS UNDERLYING MORE RECENT
REFERENCE PLANS ARE NOT ILLUSTRATED



RESOLUTION No. 2019 -

July 10, 2019

Moved by: Councillor _____

Seconded by: Councillor _____

WHEREAS the *Police Services Act* was amended on January 1, 2019 mandating all communities in Ontario to adopt a Community Safety and Well Being Plan by January 1, 2021;
AND WHEREAS, the Municipality of Magnetawan unanimously resolves to treat safety and well-being as a priority for all citizens and visitors to the municipality;

AND WHEREAS, the Council of the Municipality of Magnetawan is committed to working towards the development of a Community Safety and Well Being Plan with our Almaguin Area Partners, in recognition of the fact that the Almaguin Detachment of the OPP serves Almaguin as a whole, and that there are hubs wherein Almaguin residents access a wide range of safety and well-being services from the same agencies;

NOW THEREFORE BE IT RESOLVED THAT, the Council of the Municipality of Magnetawan directs Staff to work with the Almaguin Clerk's Group to create a Community Safety and Well-being Plan to be finalized and adopted by Council by January 1, 2021.

Carried _____ Defeated _____ Deferred _____

Sam Dunnett, Mayor

Recorded Vote Called by: _____

Recorded Vote (Vote Called by Clerk in random order, Mayor to vote last)

Councillor	Yea	Nay	Abstention	Absent
Tim Brunton				
John Hetherington				
Brad Kneller				
Wayne Smith				
Mayor: Sam Dunnett				

RESOLUTION No. 2019 -

July 10, 2019

Moved by: Councillor_____

Seconded by: Councillor_____

WHEREAS, the Council of the Municipality of Magnetawan has passed By-Law No. 2019-25, Trailer Licence By-law on April 10, 2019;

AND WHEREAS, the municipality is aware of trailers located on the following 4 properties zoned Shoreline Residential which are not in compliance with the Zoning By-Law 2001-26 as amended nor the Trailer Licence By-law: CROFT CON 3 PT LOT 20 RP 42R11126 PART 8 TOGETHER WITH R-O-W (Ahmic Lake Rd), 202B Wurm Road, 34 Magnet Rd and CROFT PLAN M286 BLK B REM PCL 12476 S/S SUBJECT TO R-O-W (Gordon Point Rd);

AND WHEREAS, recreational trailers can be used for temporary human habitation in the Rural Residential, Agricultural and Rural Zone between May 01 to November 30;

AND WHEREAS, the above mentioned trailers have been licenced in the past (grandfathered) and a 2019 trailer licence has been purchased for one of the properties prior to April 10, 2019;

NOW THEREFORE, BE IT RESOLVED THAT the Council of the Municipality of Magnetawan hereby authorizes Staff to issue a trailer licence for the remaining three properties, if needed, for the 2019 camping season only.

Carried_____ Defeated_____ Deferred_____

Sam Dunnett, Mayor

Recorded Vote Called by: _____

Recorded Vote (Vote Called by Clerk in random order, Mayor to vote last)

Councillor	Yea	Nay	Abstention	Absent
Tim Brunton				
John Hetherington				
Brad Kneller				
Wayne Smith				
Mayor: Sam Dunnett				

JUN 07 2019

Municipality of Magnetawan

Community Centre Board Meeting, ~~May 2, 2019~~

June 6th

Minutes;

Members preset; Garry Johnston, Mark Langford, Brad Kneller, Marie Dunnett, Harvey Sohm, Garfield Robertson and staff Steve Robinson.

Meeting called to order at 9:00 A.M.

Minutes of previous meeting reviewed with following noted;

- No Smoking signs made and posted.
- Roof repairs, measurements made, no estimates
- No action on the floor moisture problem.
- Stairs at pavilion, new cut stones ordered, should be in shortly.
- Painting at pavilion on hold due to weather conditions.
- Pavilion entrance, etc. pressure washed.
- Plexiglass not usable, to be sold .
- Pavilion rink fencing tightened.
- Zamboni motor is here to be installed.
- Lighted bulletin board in progress.

NEXT MEETING ,JULY 4 @ 9.00 A.M.

The new LED lights on pavilion are very bright. Steve has installed shields as required.

Painting of rink lines and edge caution markers waiting on dry weather.

Pillar cement pad repairs to be completed,

Storage room at pavilion cleaned and garbage taken away, recreation area still to be completed.

Soccer Field; Lions have offered to build a 75X150 ft. soccer field between wells with 4 ft side fence and 8 ft end fencing. Agricultural Society to discuss at their meeting Thursday and let Garry Know results. If No Problems a letter to be sent to council.

SCHEDULE 'A' to BY-LAW 2019-

MAGNETAWAN EMPLOYEE/VOLUNTEER POLICE BACKGROUND CHECK POLICY

July 10th 2019

POLICY STATEMENT

This policy applies to all new municipal employees and volunteers, including but not limited to regular, full-time, part-time, temporary and contract employees and to volunteers, students, interns and members of Boards and Committees, (collectively called “employees”). The policy may also apply to employees who are being assigned or promoted into a position requiring a vulnerable sector screening check where the employee did not submit such a check at the time he or she was/is employed by the Municipality.

This policy is intended to supplement any other requirements imposed by applicable legislation or standards of professional practice. The policy will be implemented in a manner consistent with the *Ontario Human Rights Code*, the *Municipal Freedom of Information and Protection of Privacy Act*, the *Criminal Records Act*, and any other applicable legislation.

PURPOSE

In order to minimize risk and protect the Municipality’s employees, volunteers, citizens and assets, the Municipality has implemented a policy on police background checks for new employees, students, volunteers and Board/Committee members. Depending on the nature of the position, the risk inherent in the position, and any applicable legislation, the employee or volunteer will be required to provide the Municipality with either a criminal records check or a vulnerable sector screening check. Where the requirement for a renewed police background check is dictated by legislation, the employee may be required to renew the police background check at designated intervals.

DEFINITIONS

Bona Fide Occupational Requirement (BFOR): A requirement or qualification of a position, necessitated by the safe, efficient, and reliable performance of the essential duties of the job or the functioning of the organization. Submission of a police reference check may be a bona fide occupational requirement if:

- a clear police background check is mandated by legislation or by policy of a Provincial or Federal authority; or
- a clear police background check is required to fulfill some other requirement of the position (e.g. a class of driver’s license); or
- the individual performing the position is in a position of trust or authority over vulnerable persons; or
- the position requires the incumbent to handle cash in a relatively unsupervised environment; or
- the position is one that involves security or safety of assets or persons including access to master keys and master codes/passwords.

Clerk-Administrator: refers to the Clerk-Administrator for the Municipality of Magnetawan who is authorized and approved to submit and receive police record information.

Department: includes any Department, committee or board of the Municipality

Designated Position: a position determined by the Municipality as requiring a Police Background Check. A position is designated only if a Police Background Check is a bona fide occupational requirement (BFOR) as defined in this policy.

Employee: includes all municipal employees and also includes but not limited to regular, temporary and contract employees, students, volunteers, volunteer firefighters and members of Boards and Committees. Employee shall also include prospective employees who are considered for employment in a designated position as defined in this Policy.

Police Background Check: means a process where the police conduct a check of an individual's records through the Canadian Police Information Centre (CPIC) and provide a report on their findings to the individual requesting the Police Background Check. The report may contain information about criminal convictions, federal or provincial charges discharged or pending, and probation or probation orders. There are two (2) forms of Police Background Checks:

- ***Criminal Records Check*** - a process conducted by a police authority which identifies whether or not an individual has a criminal conviction for which a pardon has not been granted and/or outstanding criminal charges in their name in Canada.
- ***Vulnerable Sector Screening Check*** - in addition to the information provided in the Criminal Records Check, the Vulnerable Sector Screening Check identifies whether or not an individual has a sexual offence recorded in their name in Canada for which a pardon has been granted or issued. This check is only used for individuals seeking employment or volunteer opportunities with children or vulnerable persons, depending on the nature of the position.

Pardon: a decision by the National Parole Board upon application by an individual to have his or her record sealed. Once a pardon is granted, the records, including fingerprints, photographs and RCMP and court records are then sealed, and never opened unless the individual is subsequently charged with a criminal offence or unless, for sexual offences, a record is disclosed during a Vulnerable Sector Screening Check.

Personal Criminal History: means, in respect of an individual, information on criminal offences of which the individual has been convicted under the *Criminal Records Act* (Canada) and for which a pardon under Section 4.1 of the *Criminal Records Act* (Canada) has not been issued or granted to the individual

Vulnerable Persons: in accordance with the *Criminal Records Act*, means persons who, because of their age, a disability, or other circumstances, whether temporary or permanent;

- are in a position of dependence on others; or
- are otherwise at greater risk than the general population of being harmed by persons in a position of authority or trust relative to them.

PROCEDURE

- All prospective new employees of the Corporation of the Municipality of Magnetawan will submit to a Police Background Check within two weeks of being offered a position of employment with the Municipality. The offer of employment will specifically indicate that the opportunity for employment or volunteer service is conditional upon the submission of a Police Background Check within the probationary period. The probationary period may be extended until such time as a Police Background Check is submitted. Employment may be terminated pending the receipt of the Police Background Check. If the work or volunteer duties require an individual to have supervised and/or unsupervised access to vulnerable persons, the additional Vulnerable Sector Screening Check will

also be required to be submitted. Vulnerable Sector Checks and Police Background Checks are required to be updated every two years from date of issue.

- The Municipality of Magnetawan reserves the right to request a current employee or volunteer to obtain a Police Background Check if it is deemed necessary.
- Individuals who fail to provide the police background check as a condition of employment within the probationary period and who are not granted an extension, will be dismissed.
- Generally, the Police Background Check will be required only when the hiring body identifies that an individual is the preferred candidate for employment or voluntary service. An offer of employment or an offer of voluntary service will be made conditional on the individual providing a Police Background Check. The candidate/applicant must pay the current fee for the Police Background Check. Any cost incurred in obtaining a Police Background Check will be reimbursed to the applicant should he/she be chosen for a position with the Municipality. The individual will submit to a police background check within two weeks of being offered the position and submit the police background check prior to the expiry of the probationary period.
- The requirement for a Police Background Check shall not apply to persons 17 years of age or under.
- Any employee that will be driving a vehicle owned by the Municipality of Magnetawan will be required to provide a Driver's Abstract to the municipality on an annual basis
- In the event of a positive Police Background Check, the Municipality will adhere to the following guidelines:
 - If an applicant, student, employee or volunteer has a criminal record, the Clerk Administrator will review the seriousness and relevance of the criminal record and a determination will be made on whether the person can be hired, or if hired under the terms of paragraph 1 above, whether the person will be terminated.
 - In determining the appropriate course of action, some considerations will be: length of time since offence(s), did the offence involve children and/or sexual activity and/or acts of dishonesty; employment history; steps taken to rehabilitate; likelihood offence will be repeated; attitude towards offence(s); was alcohol or illegal drugs a factor in the commission of the offence(s) and; relevance of offence(s) to their employment duties

CONFIDENTIALITY

To protect the interests of employees and volunteers, the Municipality of Magnetawan commits to keep the information confidential and will only use the information gathered under this policy in relation to the purpose for which it is intended (recruitment or volunteer process).

APPLICABLE POSITIONS

The following positions require a Criminal Records Check:

Clerk Administrator, Deputy-Clerk, Treasurer, Administrative Assistant, Office Assistant, Landfill Attendant, Labourers, Chief Building Official, Building Inspector, Public Works Superintendent, Public Works Staff, Parks & Maintenance Staff, Contract positions.

The following positions require a Vulnerable Sector Screening Check:

Swim Instructor (if over 17 years of age), Recreation employees, Volunteer Fire Department members, Recreation Committee members working with youth or vulnerable persons, all Volunteers and employees working with youth or vulnerable persons.

EXEMPTIONS

Notwithstanding the requirements of this by-law, the following Committees and Boards are exempt from the requirements of this by-law: Library Board, Cemetery Committee, Community Centre Board, Heritage Centre Board, members who do not work with youth or vulnerable persons.

DRAFT

JUN 27 2019

St. Paul's Lutheran Church



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Pastor Christian Schweter
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To the
Municipal Council of Magnetawan
att. Mayor Sam Dunnett
PO Box 70
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Magnetawan, ON. P0A 1P0

Re: Use of the facilities at the Lions Park August 18

Dear members of council,

June 27, 2019

like in the past years, we would like to do a worship in the park to finish the week of Vacation Bible School with an ecumenical family oriented fun worship experience that is open to the whole community.

Would it be possible to use the Gazebo and the surrounding area at the Lions / Centennial Park on August 18.

We're expecting around 80 participants and would set everything up in the morning of August 18 around 10 a.m. with the worship service to start at 11 a.m. We'll stay for picnic afterwards, but will be done by 2 p.m. the latest.

Would the municipality be willing to provide chairs again and have them delivered to the park?

Thanks for your support.

Sincerely

Christian Schweter

JUN 27 2019

Magnetawan Lions Club

June 26 2019

Nicole Fraser

Deputy CEO

Municipality of Magnetawan

Dear Nicole,

The Lions Club of Magnetawan is sponsoring free swimming lessons at the Magnetawan beach again this summer. As in the past we are requesting the Municipality to add to their liability insurance policy coverage for the 3 weeks that the swimming lessons are being held. The Lions Club appreciates the cooperation the Municipality has given the Lions and it is our hope that this relationship will continue for years to come. Thank you for this opportunity to serve our community.

Yours truly,

Cliff Cookman

Chair of the Lions Swim Program.