



AGENDA MATERIAL

COMMITTEE OF THE WHOLE

MEETING DATE: MONDAY, JULY 18, 2022

LOCATION: S. H. BLAKE MEMORIAL AUDITORIUM
(Council Chambers)

TIME: 6:30 P.M.



MEETING: Committee of the Whole

DATE: Monday, July 18, 2022

Reference No. COW - 31/53

CLOSED SESSION in the McNaughton Room at 4:30 p.m.

Committee of the Whole - Closed Session

Chair: Councillor Aldo Ruberto

Closed Session agendas will be distributed separately to Members of Council and EMT only.

OPEN SESSION in S.H. Blake Memorial Auditorium at 6:30 p.m.

Committee of the Whole - Operations Session

Chair: Councillor Brian McKinnon

DISCLOSURES OF INTEREST

CONFIRMATION OF AGENDA

Confirmation of Agenda - July 18, 2022 - Committee of the Whole **(Page 9)**

WITH RESPECT to the July 18, 2022 Committee of the Whole, we recommend that the agenda as printed, including any additional information and new business, be confirmed.

DEPUTATIONS

Nuclear Waste Management Organization Project Update

Correspondence from Norman Sandberg - Nuclear Waste Management Organization, dated July 4, 2022 requesting to appear before Committee to provide a deputation relative to the above noted.
(Pages 10 – 11)

ITEMS ARISING FROM CLOSED SESSION

REPORTS OF COMMITTEES, BOARDS AND OUTSIDE AGENCIES

Clean, Green & Beautiful Committee Minutes

Minutes of Meeting 04-2022 of the Clean, Green & Beautiful Committee held on May 18, 2022, for information. **(Pages 12 – 16)**

EarthCare Advisory Committee Minutes

Minutes of Meeting 05-2022 of the EarthCare Advisory Committee held on May 3, 2022, for information. **(Pages 17 – 23)**

REPORTS OF MUNICIPAL OFFICERS

Community Efficiency Financing Feasibility Study Results

Report R 113/2022 (Infrastructure & Operations) relative to the Community Efficiency Financing Feasibility Study prepared by Enerva Energy Solutions Inc., recommending that Administration be directed to prepare and submit an application to the Federation of Canadian Municipalities' Green Municipal Fund for a Program Design Study to support the creation of a Home Energy Improvement Loan Program in the City of Thunder Bay. **(Pages 24 – 70)**

Memorandum from Sustainability Coordinator Summer Stevenson, dated June 29, 2022 requesting to provide a presentation relative to the above noted. **(Page 71)**

WITH RESPECT to Report R 113/2022 (Infrastructure & Operations), we recommend that Administration be directed to prepare and submit an application to the Federation of Canadian Municipalities' Green Municipal Fund for a Program Design Study to support the creation of a Home Energy Improvement Loan Program in the City of Thunder Bay;

AND THAT the City explore opportunities to collaborate on a regional third-party financing program with other municipalities in Northern Ontario;

AND THAT the City commits \$35,000 from existing budgets to account for 20% of study cost;

AND THAT Appropriation No. 22 be approved;

AND THAT any necessary By-laws be presented to City Council for ratification.

Contract 1, 2022 Extension

R 116/2022 (Infrastructure & Operations – Engineering & Operations), recommending that the negotiation method as set forth in section 4.09 of Procurement By-Law No. 113-2011 be adopted and that the total contract price for Contract 1, 2022 for Asphalt Resurfacing be increased by \$713,272.95 to \$4,817,880.43 (inclusive of HST) for completion of additional works as listed in this report without the necessity of calling for bids as authorized by Section 4.09 (f) of the By-law. **(Pages 72 – 74)**

WITH RESPECT to Report R 116/2022 (Infrastructure & Operations – Engineering & Operations), we recommend that the negotiation method as set forth in section 4.09 of Procurement By-Law No. 113-2011 be adopted and that the total contract price for Contract 1, 2022 for Asphalt Resurfacing be increased by \$713,272.95 to \$4,817,880.43 (inclusive of HST) for completion of additional works as listed in this report;

AND THAT the General Manager of Infrastructure and Operations report significant variations in the Contract quantities to City Council;

AND THAT the Mayor and Clerk be authorized to sign all documentation related to this matter;

AND THAT any necessary By-laws be presented to City Council for ratification.

Contract 2, 2022 - Sidewalk & Pedestrian Crossover

At May 16, 2022 Committee of the Whole meeting the City Clerk advised that this item was withdrawn from the agenda and will be re-presented at a later date.

At June 6, 2022 Committee of the Whole meeting the Deputy City Clerk advised that this item was withdrawn from the agenda and will be re-presented at a later date.

At June 20, 2022 Committee of the Whole meeting the Deputy City Clerk advised that this item was withdrawn from the agenda and will be re-presented at a later date.

Report R 65/2022 (Infrastructure & Operations - Engineering & Operations) containing a recommendation relative to the above noted, re-presented. **(Pages 75 – 79)**

WITH RESPECT to Report R 65/2022 (Infrastructure & Operations - Engineering & Operations), we recommend that Contract 2, 2022 – Sidewalk and Pedestrian Crossover Construction be awarded to Bay City Contractors who submitted the lowest compliant tender in the amount of \$1,230,010.65 [inclusive of HST]; it being noted that the amount shown is based on estimated quantities; final payment for this contract will be based on measured quantities for the completed work;

AND THAT the General Manager of Infrastructure and Operations report any circumstances to City Council should significant variation in the contract quantities occur;

AND THAT the Mayor and City Clerk be authorized to sign all documentation related to these matters;

AND THAT any necessary bylaws be presented to City Council for ratification.

Contract 4, 2022 - Sewer and Watermain II - Additional Tender Award

Report R 131/2022 (Infrastructure & Operations - Engineering & Operations) relative to the above noted. **(Distributed separately)**

Contract 7, 2022- Balmoral Street Reconstruction Phase III - Additional Tender Award

Report R 132/2022 (Infrastructure & Operations - Engineering & Operations) relative to the above noted. **(Distributed separately)**

Blue Box Transition - Municipal Involvement Decision

R 120/2022 (Infrastructure & Operations – Environment) recommending that City Council approve opting out of providing residential recycling services during the transition period from July 1, 2024 to December 31, 2025 (inclusive) on behalf of Producers. **(Pages 82 – 87)**

WITH RESPECT to Report R 120/2022 (Infrastructure & Operations – Environment), we recommend that the City opt out of providing residential recycling services during the transition period from July 1, 2024 to December 31, 2025 (inclusive) on behalf of Producers;

AND THAT the necessary steps are taken to negotiate the termination of the current service provider contract with GFL Environmental Inc. for the City's residential recycling program effective July 1, 2024;

AND THAT Administration explore options on how best to support the Industrial, Commercial and Institutional sector with Blue Box (blue bag) recycling services and report back to Council on or before December 4, 2023;

AND THAT the costs associated with transition of services in the amount of \$120,000 be added to the 2023 Solid Waste and Recycling Services Operating Budget for Council's consideration;

AND THAT the Mayor and Clerk are authorized to execute any necessary documentation related to opting out of residential recycling services during the transition period in the form satisfactory to the City Solicitor;

AND THAT any necessary by-laws are presented to City Council for ratification.

Outstanding Item 2021-112-INO - Neebing River

At the December 6, 2021 Committee of the Whole meeting the following resolution was passed recommending that Administration provide information relating to the jurisdictional authority for river use and maintenance and that Administration report back on or before May 2, 2022.

At the January 10, 2022 Committee of the Whole a resolution was passed as contained in the memorandum from City Manager Norm Gale directing Administration to defer items on the Outstanding List for all Departments by up to two (2) months.

R 112/2022 (Infrastructure & Operations - Engineering & Operations) recommending that 2021-112-INO Neebing River Request for Report be removed from the Outstanding List.
(Pages 88 – 99)

WITH RESPECT to Report R 112/2022 (Infrastructure & Operations - Engineering & Operations), we recommend that 2021-112-INO Neebing River – Request for Report be removed from the Outstanding List;

AND THAT any necessary by-laws be presented to Council for ratification.

PETITIONS AND COMMUNICATIONS

Product Care Association of Canada – Amending Agreement

Memorandum from Manager - Solid Waste & Recycling Services Jason Sherband, dated June 23, 2022 containing a recommendation relative to the above noted. **(Pages 100 – 102)**

WITH RESPECT to the Memorandum from Jason Sherband, Manager – Solid Waste and Recycling Services, dated June 23, 2022, relative to the Hazardous and Special Products Program, we recommend that the City of Thunder Bay enter into an Amending Agreement with Product Care Association of Canada;

AND THAT the Mayor and Clerk are authorized to execute this Agreement and any other necessary documentation related to the agreement;

AND THAT any necessary by-laws are presented to City Council for ratification.

OUTSTANDING ITEMS

Outstanding List for Operations as of July 5, 2022

Memorandum from City Clerk Krista Power, dated July 5, 2022 providing the Operations Outstanding Items List, for information. **(Pages 103 – 105)**

OPEN SESSION in the S.H. Blake Memorial Auditorium

Committee of the Whole - Community Services Session
Chair: Councillor Shelby Ch'ng

REPORTS OF COMMITTEES, BOARDS AND OUTSIDE AGENCIES

Accessibility Advisory Committee Minutes

Minutes of Meeting 02-2022 of the Accessibility Advisory Committee held on April 14, 2022, for information. **(Pages 106 – 114)**

The District of Thunder Bay Social Services Administration Board Minutes

Minutes of Meetings 08/2022 and 09/2022 (Closed) of The District of Thunder Bay Social Services Administration Board held on May 19, 2022, for information. **(Pages 115 – 129)**

Sister Cities Advisory Committee Minutes

Minutes of Meeting 02-2022 of the Sister Cities Advisory Committee held on March 2, 2022, for information. **(Pages 130 – 134)**

Thunder Bay District Health Unit - Board of Health Minutes

Minutes of Thunder Bay District Health Unit - Board of Health Meeting held on April 20, 2022 and May 18, 2022 respectively, for information. **(Pages 135 – 147)**

Waterfront Development Committee Minutes

Minutes of meeting 02-2022 of the Waterfront Development Committee held on March 16, 2022, for information. **(Pages 148 – 151)**

REPORTS OF MUNICIPAL OFFICERS

Affordable Access Pilot Program – Transit and Recreation & Culture

At the December 6, 2021 Committee of the Whole meeting, a resolution was passed recommending that Administration report back with recommendations and implications for a proposed Affordable Access to Recreation & Culture Pilot by Q4 2022.

At the January 10, 2022 Committee of the Whole a resolution was passed as contained in a Memorandum from City Manager Norm Gale directing Administration to defer items on the Outstanding List for all Departments by up to two (2) months.

Report R 28/2022 (Community Services - Recreation & Culture) recommending establishing an Affordable Access to Transit and Recreation & Culture Pilot Program as a collaboration between the Recreation and Culture Division and the Transit Services Division, beginning July 1, 2023 for a 3-year pilot period. **(Pages 152 – 157)**

WITH RESPECT to Report R 28/2022 (Community Services - Recreation & Culture), we recommend that the Affordable Bus Pass Pilot Program and the Affordable Access to Recreation & Culture Pilot Program presented in this report, be approved;

AND THAT the Pilot Programs' anticipated participant subsidy and administration costs of \$115,750 for six (6) months representing a \$66,000 increase to the Transit Services and \$49,750 increase in the Recreation and Culture budgets be included in the 2023 Operating Budget submission for Council's consideration;

AND THAT Administration will report back on the findings of the pilot program annually beginning Q4 2024;

AND THAT Administration be authorized to negotiate and enter into an agreement with Lakehead Social Planning Council (LSPC) relative to this project in such form and content satisfactory to the General Manager – Community Services, Treasurer, and City Solicitor;

AND THAT the General Manager – Community Services be authorized to execute all associated documents;

AND THAT any necessary by-laws be presented to City Council for ratification.

Canada-wide Early Learning and Child Care Agreement

Report R 124/2022 (Community Services) recommending that Council direct Administration to submit an application to enroll in the Canada-wide Early Learning and Child Care (CWELCC) System by the September 1, 2022 deadline. **(Pages 158 – 162)**

WITH RESPECT to Report R 124/2022 (Community Services - Central Support Services), we recommend Administration submit an application to enroll in the Canada-wide Early Learning and Child Care (CWELCC) System by the September 1, 2022 deadline;

AND THAT the City Manager, in concert with the City Treasurer & General Manager of Corporate Services and Long Term Care, be authorized to execute any agreement(s) to support the City's participation in the CWELCC program and/or execute an option to 'opt out' pending a fuller understanding of the implications of the City's enrollment in the program;

AND THAT any necessary by-laws be presented to City Council for ratification.

2021 Audit Committee Annual Report

Report R 117/2022 (Corporate Services & Long Term Care - Financial Services), recommending that the 2021 Audit Committee Annual Report be received and the Audited Consolidated Financial Statements and Trust Fund Statements for the year ended December 31, 2021 be approved. **(Pages 163 – 236)**

WITH RESPECT to Report R 117/2022 (Corporate Services & Long Term Care – Financial Services), we recommend that the Consolidated Financial Statements and the Trust Funds Statements for the year ending December 31, 2021 be approved, as recommended by the Audit Committee;

AND THAT the amended Terms of Reference for the Audit Committee, as appended as Attachment A, be approved;

AND THAT any necessary by-laws be presented to Council for consideration.

PETITIONS AND COMMUNICATIONS

Climate Refugees

Memorandum from Councillor Peng You, dated April 26, 2022 containing a motion relative to the above noted. **(Pages 237 – 238)**

WITH RESPECT to the Memorandum from Councillor Peng You, dated April 26, 2022, we recommend that Administration complete the work required to provide council with an update on relevant work that has been done on the subject of climate refugees; how the city is prepared to host and welcome those relocating as a result of climate change and associated climate emergencies;

AND THAT Administration consult with CEDC and the Multicultural Association (Local Immigration Partnership (LIP) and Northern LIP) on this report;

AND THAT Administration report back on or before February 27, 2023;

AND THAT any necessary by-laws be presented to City Council for ratification.

NEW BUSINESS

OUTSTANDING ITEMS

Outstanding List for Community Services as of July 5, 2022

Memorandum from City Clerk Krista Power, dated July 5, 2022 providing the Community Services Outstanding Items List, for information. **(Pages 239 – 241)**

ADJOURNMENT

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Confirmation of Agenda

SUMMARY

Confirmation of Agenda - July 18, 2022 - Committee of the Whole

RECOMMENDATION

WITH RESPECT to the July 18, 2022 Committee of the Whole, we recommend that the agenda as printed, including any additional information and new business, be confirmed.

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Deputation - Nuclear Waste Management Organization Project Update

SUMMARY

Correspondence from Norman Sandberg - Nuclear Waste Management Organization, dated July 4, 2022 requesting to appear before Committee to provide a deputation relative to the above noted.

ATTACHMENTS

1. Deputation Request - Nuclear Waste Management Organization

Please note the following response to Speak to City Council has been submitted at Monday, July 4th 2022 12:04 PM with reference number 2022-07-04-010.

- **If you would like to speak to City Council about another topic not associated with an agenda item, please state topic here (if applicable):**
Introduction/update to Council and the public about the Nuclear Waste Management Organization's (NWMO) site selection process for the long-term management of Canada's used nuclear fuel (background information to be submitted to Council prior to deputation). Also, an invitation to Council and the public to speak with NWMO staff at the NWMO's Mobile Learn More Center at the InterCity Mall on Thursday July 21 and Friday July 22.
- **What are you requesting from Council?**
other:
- **If other:**
No action requested. Information/update only.
- **Have you already been in contact with City Administration in regards to the subject matter of your deputation request?**
Yes
- **If yes, what was the outcome?**
Suggested submitting a Request for Deputation to Committee of the Whole.
- **Please select the date of the meeting:**
Committee of the Whole - Monday, July 18, 2022
- **Please choose**
Mr
- **First name:**
Norman
- **Last name:**
Sandberg
- **Email:**
nsandberg@nwm.ca
- **Phone:**
(416) 934-9814
- **Organization you represent: (optional)**
Nuclear Waste Management Organization

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Clean, Green & Beautiful Committee Minutes

SUMMARY

Minutes of Meeting 04-2022 of the Clean, Green & Beautiful Committee held on May 18, 2022, for information.

ATTACHMENTS

1. CGB Minutes - May 18, 2022

DATE: MAY 18, 2022**MEETING: 04-2022****TIME:** 10:10 AM**PLACE:** MICROSOFT TEAMS**CHAIR:** COUNCILLOR REBECCA JOHNSON**MEMBERS:**

Councillor Rebecca Johnson, *City Council*
Biljana Baker, *Local Artist*
Kerry Berlinquette, *Small Business Representative*
Kendal Donahue, *Citizen Representative*
Sharon Godwin, *Thunder Bay Art Gallery*
Sue Hamel, *Eco Superior*
Kristy Holmes, *Public Art Committee*
Stephen Margarit, *Large Industrial Representative*
Jessica Reinhart, *Youth Representative*
Heidi Strobl, *Heritage Advisory Committee*
Andy Puiatti, *Architectural*
Geoff Ritchie, *Labour Representative*

OFFICIALS:

Dana Earle, *Deputy City Clerk*
Karen Lewis, *General Manager – Development & Emergency Services*
Jillian Fazio, *Planner II*
Lori Wiitala, *Council & Committee Clerk – Office of the City Clerk*

GUESTS:

Debbie Reed, *Gone Too Soon Garden*
Karen Krzyzewski, *Gone Too Soon Garden*

1. WELCOME & DISCLOSURES OF INTEREST

The Chair called the meeting to order at 10:10 a.m. There were no disclosures of interest declared at this time.

2. AGENDA APPROVAL

It was the consensus of the Committee that the agenda for Meeting 04-2022 of the Clean, Green & Beautiful Committee held on Wednesday, May 18, 2022 be amended as follows:

- Defer item #4: Presentation – Update on Projects – Plans for Summer 2022 to June 15th meeting;
- Include a presentation from Debbie Reed and Karen Krzyzewski relative to Gone Too Soon Garden
- Include information from Sue Hamel relative to the Healing Garden.

3. MINUTES OF PREVIOUS MEETING

It was consensus of the Committee to confirm the Minutes of Meeting 03-2022 held on April 20, 2022.

4. PRESENTATION – GONE TOO SOON GARDEN

Debbie Reed and Karen Krzyzewski provided a presentation relative to the above noted and responded to questions.

An email with photos of the suggested location and improvements was distributed through the Chair during the meeting.

5. REVIEW OF CLEAN, GREEN & BEAUTIFUL POLICY

The Chair advised that Administration is currently reviewing the Policy document and will provide further updates at the June 15, 2022 meeting.

6. REVIEW OF CLEAN, GREEN & BEAUTIFUL TERMS OF REFERENCE

The Chair advised that Administration is currently reviewing the Terms of Reference document and will provide further updates at the June 15, 2022 meeting.

7. EMERGING PROJECTS – RECOMMENDATIONS

Biljana Baker provided the following update relative to the above noted.

Sue Hamel declared a conflict regarding the above noted as they are employed by Eco Superior and Eco Superior has a grant submission.

The deadline to receive external Emerging Project Fund Project Applications was May 6, 2022 and was extended to May 10, 2022 and the committee received three (3) applications as follows:

- Thunder Bay Repair Café
- Waterfront BIA
- Eco Superior

It was determined that Thunder Bay Repair Café was not eligible to receive the grant funding at this stage of development and it was recommended to direct them to a Not-for-profit organization to partner with.

The Committee agreed to award the Emerging Projects Fund Project Application as follows:

• Earthcare	\$5,000.00
• Human Resources Health & Wellness Division	\$5,000.00
• Northern Nishnawbe Education Council	\$5,000.00
• The Waterfront District BIA	\$20,000.00
• Eco Superior	\$18,000.00
• St. Ignatius High School	\$1,500.00
• St. Patrick High School	\$1,500.00

MOVED BY: Stephen Margarit

SECONDED BY: Biljana Baker

CARRIED

8. CLEAN, GREEN & BEAUTIFUL AWARD UPDATE

The Chair provided the following update relative to the above noted.

The Chamber of Commerce awards event on Thursday, May 26, 2022 and eight (8) people will be attending.

9. DOWNTOWN FORT WILLIAM REVITALIZATION COMMITTEE UPDATE

Stephen Margarit provided the following update relative to the above noted.

The committee held a walking tour of Downtown Fort William on Friday, May 13, 2022, and recognized a lot of new businesses moving into the area. Saturday, May 14, 2022 the Committee held a meeting at City Hall to develop short and long-term goals as well as next steps.

10. PUBLIC ART COMMITTEE UPDATE

Kristy Holmes provided the following update relative to the above noted.

The committee formed a sub-committee to brainstorm and present the four (4) top ideas for funding to be presented at the May 25, 2022 meeting.

11. EARTHCARE UPDATE

The Chair provided the following update relative to the above noted.

Earthcare Advisory Committee is currently working on the City of Thunder Bay Home Energy Financing Program as well as SWOT analysis.

12. HERITAGE ADVISORY COMMITTEE UPDATE

Heidi Strobl introduced herself as the new representative from Heritage Advisory Committee and provided the following update relative to the above noted.

- Vickers Park was designated as a heritage site
- Discussion was held regarding the Hoito site
- The James Whalen tug boat will be a topic of discussion at the next meeting.

13. ROUNDTABLE & ANNOUNCEMENTS

Sue Hamel, Sharon Godwin and Andy Puiatti provided the following announcements:

Eco Superior in collaboration with City of Thunder Bay - Indigenous Relations and Parks & Open Spaces and Port Arthur Rotary Club are working together on revitalizing the Spirit/Healing Garden as it is infested with invasive species and not symbolically appropriate as is.

Thunder Bay Art Gallery event – Thursday May 19, 2022: Secondary School art show including a zoom presentation and The Banner Project featuring a drone picture of his home land by Damian Bouchard from Aroland First Nation.

Ontario Architect Association held a convention and a topic of discussion was climate change including carbon emissions and the Federal plan to reduce emissions by 2030.

14. NEXT MEETING

- Wednesday, June 15, 2022 - at Art Gallery
- August – Project Tour – Date to be determined
- Wednesday, December 14, 2022

15. ADJOURNMENT

The meeting adjourned at 11:37 a.m.

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT EarthCare Advisory Committee Minutes

SUMMARY

Minutes of Meeting 05-2022 of the EarthCare Advisory Committee held on May 3, 2022, for information.

ATTACHMENTS

1. Earthcare Minutes - May 3, 2022

DATE: May 3 , 2022**MEETING NO.:** 05-2022**TIME:** 4:10 P.M.**PLACE:** Microsoft Teams Meeting**CHAIR:** Councillor Andrew Foulds

PRESENT:

Councillor Andrew Foulds
Margaret Wanlin
Shannon Costigan
Kiera Essex
Courtney Strutt
Sandra Stiles

OFFICIALS:

Summer Stevenson, Sustainability Coordinator
Jacob Porter – Climate Adaptation Coordinator
Michelle Warywoda, Director – Environment Division
Lynae Grace – Administrative Assistant - Environment

GUESTS:

Jason Sherband, Manager – Solid Waste & Recycling Services
Mike Birett, Consultant – Organics
Emily Posteraro, Program Development Coordinator – Invasive Species Centre

1.0 WELCOME AND DISCLOSURES OF INTEREST

The meeting was called to order at 4:10 p.m. There were no disclosures of interest declared at that time.

2.0 APPROVAL OF AGENDA

Councillor Andrew Foulds added one item to the agenda under New Business – a personnel matter.

THAT the revised Agenda for Meeting No. 05-2022 of the EarthCare Advisory Committee, held May 3, 2022, including any additional information and new business, be confirmed.

MOVED BY: Shannon Costigan

SECONDED BY: Courtney Strutt

CARRIED

3.0 PRESENTATIONS

3.1 Jason Sherband, Manager – Solid Waste & Recycling Services and Mike Birett,

Consultant – Organics gave a presentation on plans for the mandated Organics Recycling Program and automated collection, followed by a Q&A period. Discussion on a memo to Council in support of this program will take place at a subsequent meeting.

- 3.2 Emily Posteraro, Program Development Coordinator – Invasive Species Centre gave a presentation on Invasive Species Impacts, Expenditures & Priorities in Canadian Municipalities, followed by a Q&A period.

4.0 MINUTES OF PREVIOUS MEETING

THAT the Minutes of Meeting No. 03-2022 of the EarthCare Advisory Committee, held April 5, 2022, to be confirmed.

MOVED BY: Margaret Wanlin
SECONDED BY: Shannon Costigan

CARRIED

5.0 BUSINESS ARISING FROM PREVIOUS MINUTES

- 5.1 Presentation by We the Nuclear Free North was discussed. A request was made by Shannon Costigan that the Intergovernmental Committee be contacted to see what their stance is on this issue and brought to the June meeting. Summer Stevenson to inquire about past consultation and report back in June.
- 5.2 Community Efficiency Financing Update – no discussion.
- 5.3 IPCC Report – 3rd report has been released, information to follow in an email from Summer Stevenson.
- 5.4 EAC Vacancies – deferred to next Chair in 2023.

Courtney Strutt left the meeting at 5:40 pm.

6.0 NET ZERO UPDATE

1. LEAD: Provide civic leadership to advance mutual respect, equal opportunity and hope.

- a. Community Efficiency Financing Feasibility Study
 - i. Continued review and refinement of draft Landscape Assessment Report – two components remaining, anticipated completion date in mid-May.
 - ii. Northern Ontario Home Financing Program ad-hoc working group meeting on April 20. Continuing to explore pathways for regional collaboration.

- iii. Continued meeting with local credit unions to explore third-party financing pathway.
 - iv. Engagement window opened on April 21 with soft launch of Get Involved page. Media release scheduled (April 26) to announce page and survey. Consultant to begin phone survey of local contractors during this period.
 - v. Met with project team leading the new energy advisor training program at Confederation College. Exploring opportunities to collaborate in the future.
- b. Supported ongoing initiatives
- i. Provided feedback on waste SSO report.
2. SERVE: Advance service excellence through a citizen focus and best use of technology.
- i. May Engagement:
 - Home Energy Improvement Loan Study survey available until May 15: <https://getinvolvedthunderbay.ca/community-efficiency-financing-feasibility-study>
 - Virtual public information sessions will be held at 2:00pm and 6:00pm on Thursday, May 12. Registration link is available on the Get Involved page.
3. **GROW: Focus on city building and social infrastructure to strengthen our economy, lifestyle and wellbeing & RENEW: Focus on essential infrastructure, revitalize our cores and enhance our Image Routes.**

7.0 SUSTAINABILITY COORDINATOR UPDATE

May Sustainability Plan Update:

1. LEAD:

- a. Review and propose updates to the Sustainability Plan to further the Community's commitments to sustainability and climate adaptation
 - i. SWOT workshops completed with all active Working Groups.
 - ii. Initiated summary and thematic analysis of SWOT responses. Feedback will be included in brief "What We Heard" summary that includes results from the public survey.

May Sustainability Coordinator Update

2. SERVE:

- a. Working Groups/Partner projects:
 - i. Awaiting response from CG&B submission.

- ii. Community Greening WG/Urban Forestry partnering with EcoSuperior to profile invasive species in the June edition of the Walleye.
- iii. Waste WG to host a clean up event during Spring Up to Clean Up for the working group, friends, and family. Date TBD.
- iv. Committee assembled to revive the “commuter challenge” following pandemic hiatus. New challenge will be Thunder Bay specific and take place the entire month of June. Coordinated by the Health Unit, more details to follow.
- v. Urban Greenscapes/Adelaide Monarch Garden Group – committed to renewing Thunder Bay’s pledge to the Mayor’s Monarch Pledge (originally committed in 2018 and now up for renewal)

8.0 SUSTAINABILITY PLAN UPDATE – see Sustainability Coordinator Update above

9.0 CLIMATE ADAPTATION UPDATE

- 1. LEAD: Provide civic leadership to advance mutual respect, equal opportunity and hope.**
- 2. SERVE: Advance service excellence through a citizen focus and best use of technology**
 - i. Presenting to Leadership Thunder Bay cohort this May
- 3. GROW: Focus on city building and social infrastructure to strengthen our economy, lifestyle and well-being & RENEW: Focus on essential infrastructure, revitalize our cores and enhance our Image Routes**
 - i. RPWCO Roadmap for assessing climate vulnerabilities is being piloted on urban flooding risk on a section of intercity, and we are supporting Risk Sciences International with feedback on newly implemented tools.
<http://www.rpwco.ca/climate-roadmap-webinars>
 - ii. Second climate-related emergency exercise took place on April 8, engaging some of the broader emergency partnerships formed in COVID-19 response. Feedback from debriefs will help inform shifts in policies and procedures.
 - iii. Participating in Advancing adaptation partnership program with ICLEI Canada. Will be investigating topic of resilience hubs. Supporting ICLEI Canada on a related application that could support additional long term Implementation

10.0 WORKING GROUP UPDATE FOR LIAISONS – None

Current working group liaisons are as follows:

- a) Mobility – Councillor Andrew Foulds
- b) Air, Energy & Green Building – Vacant
- c) Community Greening – Margaret Wanlin
- d) Food – Jane Todd
- e) Waste – Shannon Costigan
- f) Water – Sandra Stiles
- g) Climate Adaptation – Courtney Strutt

11.0 UPCOMING EVENTS

- 11.1 Home Retrofit Study Engagement: April 21 – May 15, available on the Get Involved Page: <https://getinvolvedthunderbay.ca/community-efficiency-financing-feasibility-study>
- 11.2 May Spring Up to Clean Up: <https://www.ecosuperior.org/springuptbay>

12.0 NEW BUSINESS

- 12.1 SWOT Form – Sustainability Plan Renewal – Exercise workbook to be sent out via email by Summer Stevenson
- 12.2 June Update to Council – determined that presentation to Council would include update on the Sustainability Plan renewal and update on the Net Zero strategy.
- 12.3 Personnel Matter:

Councillor Andrew Foulds turned the Chair over to Shannon Costigan to make the following motion:

THAT on behalf of the EarthCare Advisory Committee, Councillor Andrew Foulds, Chair, would like to extend thanks to Amy Coomes, former Sustainability Coordinator, for her years of dedication to the Committee and to a sustainable future for the City of Thunder Bay.

A recorded vote was requested.

In Favour: Councillor Andrew Foulds, Sandra Stiles, Shannon Costigan,
Kiera Essex, Margaret Wanlin

Not in Favour: None

CARRIED

The Chair was turned back over to Councillor Andrew Foulds.

13.0 NEXT MEETING

Committee meetings are held on the first Tuesday of each month, except July and August, at 4:00 p.m. in the McNaughton Room, City Hall, 500 Donald Street E. unless otherwise notified.

The 2022 meeting schedule is as follows:

- June 7, 2022
- September 6, 2022
- October 4, 2022
- November 1, 2022
- December 6, 2022

14.0 ADJOURNMENT

The meeting was adjourned at 6:05 p.m.

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Corporate Report

DEPARTMENT/ DIVISION	Infrastructure & Operations	REPORT NO.	R 113/2022
DATE PREPARED	06/15/2022	FILE NO.	
MEETING DATE	07/18/2022 (mm/dd/yyyy)		
SUBJECT	Community Efficiency Financing Feasibility Study Results		

RECOMMENDATION

WITH RESPECT to Report R 113/2022 (Infrastructure & Operations), we recommend that Administration be directed to prepare and submit an application to the Federation of Canadian Municipalities' Green Municipal Fund for a Program Design Study to support the creation of a Home Energy Improvement Loan Program in the City of Thunder Bay;

AND THAT the City explore opportunities to collaborate on a regional third-party financing program with other municipalities in Northern Ontario;

AND THAT the City commits \$35,000 from existing budgets to account for 20% of study cost;

AND THAT Appropriation No. 22 be approved;

AND THAT any necessary By-laws be presented to City Council for ratification.

LINK TO STRATEGIC PLAN

This report directly supports the fifth goal under the Lead pillar of the City of Thunder Bay's Corporate 2019-2022 Strategic Plan to "Further [previous] commitments to sustainability and climate adaptation."

EXECUTIVE SUMMARY

Addressing residential building emissions is critical to achieving a net-zero future. Residential emissions are the result of daily activities that require energy consumption like turning on the lights, space heating and cooling, and water heating. Reducing greenhouse gas (GHG) emissions will require an overall decrease in residential energy demand and switching from fossil fuels like natural gas to less carbon intensive energy sources.

Municipalities are well positioned to begin addressing retrofit barriers within their communities by conducting robust baseline assessments and engaging local stakeholders in this critical

conversation. Through the Federation of Canadian Municipalities' (FCM) Green Municipal Fund, funding is available to study, develop, and launch municipal retrofit financing programs to accelerate retrofit uptake.

The City of Thunder Bay conducted a feasibility study through FCM's funding program from October 2021 – June 2022. The results of this study demonstrate that there is a significant potential for energy savings and GHG emissions reductions for homeowners in Thunder Bay and there is community support and interest in a home retrofit financing program. A Program Design Study is required to develop a program and finalize the estimated program uptake, GHG outcomes, and financial implications for the City of Thunder Bay.

DISCUSSION

On June 7, 2021, Thunder Bay City Council endorsed in principle Climate-Forward City: Thunder Bay Net-Zero Strategy (NZS) and set a community-wide GHG reduction target of net-zero by 2050.

During the development of the NZS, a baseline and business-as-planned (BAP) scenario of the spatial energy use and GHG emissions for the community was created for the years 2016 (baseline) and 2050 (BAP). The findings from this exercise revealed that the residential sector is the third largest consumer of energy in the city (5 petajoules, 20% of total share). In 2016, residential buildings emitted 227 ktCO₂e (19% of total share). This emissions category is only projected to decrease by 4% in 2050 if we continue to proceed BAP.

Residential Retrofits as a Tool for Emissions Reduction

In order to decarbonize the residential building sector all dwellings that do not meet net-zero standards will need to be retrofitted; this includes homes built to code today. Recognizing the potential barriers to retrofitting all homes to net-zero standards, the low-carbon pathway modelled in the NZS aims for a 50% energy improvement of existing housing stock and the electrification of space and water heating. Generally, due to variation in the Ontario Building Code, older homes are less efficient and require more energy to operate. Therefore, retrofitting the least efficient homes will have a greater impact on energy demand and GHG emissions.

Barriers to Retrofit Uptake

Residential retrofits not only require careful planning and consideration but they can also be extremely costly. A 2014 analysis of residential energy retrofits in the United States revealed capital costs varying from \$50,000 - \$100,000 USD to achieve an average energy reduction of 50% or more. Modelling conducted on three existing single-family homes in Toronto reveals that the costs may be slightly lower, projecting costs that range from \$30,000 - \$80,000 CAD to achieve 64-67% energy savings. High upfront capital costs make retrofits unappealing to homeowners. Especially when the cost outweighs the potential energy savings.

In addition to the high upfront cost of completing energy retrofits, other barriers to the uptake of residential home retrofits on the demand-side include the low priority of energy issues, lack of information for homeowners, lack of understanding of energy efficiency (EE), and split incentives. The “split incentives” barrier refers to the assumption that landlords of multi-unit residential buildings are less inclined to implement EE measures when tenants pay the utility bills as the savings from EE are passed on to the tenants as opposed to the landlords who make the upfront investment.

Supply-side barriers include lack of information for contractors, gaps in contractor knowledge, lack of marketing, and the risk of investing time and resources learning new skills for incentive programs without continuous and reliable sources of funding.

Overcoming Barriers to Accelerate Retrofit Uptake

Municipalities are well positioned to begin addressing retrofit barriers within their communities by conducting robust baseline assessments and engaging local stakeholders in this critical conversation. A five pillars framework has been proposed for municipalities looking to scale up building retrofits (Pembina Institute, 2020):

1. **Actionable Data:** Gathering and distributing actionable data supports public education and outreach, policy and incentive design, and monitoring and verification of program outcomes.
2. **Technology and Innovation:** Supporting enabling technology through standards development and associated policies, and increase availability of retrofit technologies through program design and/or innovative public procurement.
3. **Industry Capacity:** Assess local industry gaps and identify opportunities to support the delivery of training and partnerships to meet community needs; explore reliable and continuous sources of funding to minimize risk for local industry.
4. **Financing and Incentives:** Partner with senior levels of government or third party investors to provide long-term, adaptable, and outcome-focused mechanisms that deliver loans and grants to reduce cost barriers and stimulate local economic development.
5. **Regulations:** Utilize available regulatory mechanisms to accelerate transition away from fossil fuels and reduce barriers to innovation. Mechanisms available to municipalities include mandatory home energy labelling, mandatory building benchmarking and reporting, and GHG requirements for new construction.

Developing a Municipal Retrofit Financing Program

Municipally delivered and/or supported retrofit financing programs provide an opportunity to explore how the five pillars framework can be deployed to scale up building retrofits. Recognizing the need for accelerated retrofit uptake, the NZS includes the recommendation that

the Corporation conduct a feasibility study for establishing a Local Improvement Charge or alternative financing mechanism to support building retrofits.

To support municipalities undertaking this work, the Federation of Canadian Municipalities offers funding throughout the creation and delivery of a retrofit financing program through the Community Efficiency Financing (CEF) initiative under the Green Municipal Fund. An overview of the CEF Funding Offer is provided in Table 1.

Table 1. *CEF Funding Offer overview.*

CEF funding	Details
Study grant	<ol style="list-style-type: none"> 1. Feasibility, program design, and program evaluation studies 2. Grant for up to 80% of eligible costs 3. Up to a maximum of \$175,000
Pilot grant	<ol style="list-style-type: none"> 1. Grant for up to 50% of eligible costs 2. Up to a maximum of \$500,000 <p>Note: Limited funding is available for exceptional proposals that demonstrate clear market transformation potential, and are otherwise ineligible under the capital program stream.</p>
Capital program: Loan and grant	<ol style="list-style-type: none"> 1. Funding for up to 80% of eligible costs 2. Loan up to a maximum of \$10 million 3. Grant up to a maximum of 50% of the loan amount (not to exceed the total start-up and operating costs)
Capital program: Credit enhancement and grant	<ol style="list-style-type: none"> 1. Funding for up to 80% of eligible costs 2. Up to a maximum of \$2 million in a credit enhancement pledge by GMF to support third-party financing 3. Applicants must demonstrate a minimum leverage ratio of 5:1 (third-party capital to credit enhancement) 4. Grant of up to \$5 million (not to exceed total start-up and operating costs)

In keeping with this funding program, and the recommendation outlined in the NZS, the City of Thunder Bay commissioned a feasibility study to explore and assess options for a financing program for home energy upgrades within the community (Attachment A). The remainder of this report will outline the high-level findings from this process.

Community Efficiency Financing Feasibility Study Results

The Community Efficiency Financing Feasibility Study (“Study”) assesses the viability of a City supported retrofit financing program (Attachment A). The Study took place from October 2021 – June 2022 and included three deliverables, a Landscape Assessment Report, Stakeholder Engagement Report, and a final report (the Study). The key findings from the Landscape Assessment and Stakeholder Engagement are included in the Study.

Landscape Assessment

The landscape assessment is intended to assist with identifying the market potential for building retrofits and includes an examination and analysis of the following:

1. Housing stock and demographics;
2. Cost benefit analysis of upgrade measures;
3. Potential uptake of upgrades;
4. Common barriers to upgrades;
5. Existing incentive programs; and,
6. Regulatory framework.

The results of this analysis demonstrate that there is a significant potential for energy savings and GHG emissions reductions for homeowners in Thunder Bay. The energy savings and emissions reductions can be realized through the implementation of the following upgrade measures: building envelope, mechanical systems, renewable energy systems, and appliances. The estimated annual volume of retrofits is subject to program design details, energy prices, the cost of retrofits, and many macro-economic considerations like interest rate trends, inflation, consumer confidence, and economic growth. A summary of the landscape assessment is included in Part 2. Landscape Assessment (Attachment A).

Stakeholder Engagement

Stakeholder engagement helps to determine local readiness and support for a financing program and identify potential program champions and implementing partners. Stakeholder engagement included the creation of an internal Project Advisory Team, one online public survey, two virtual information sessions, and a series of one-on-one phone calls and interviews with contractors and trade associations, third-party lenders, utilities, and environmental groups.

Results from these engagements reveal that there is community support and interest in a home retrofit financing program, with 74% of survey respondents either supportive of or interested in learning more about a City sponsored borrowing program. An engagement summary is included in Part 5. Stakeholder Engagement (Attachment A).

Program Approach

The final phase of the Study includes an evaluation of financing models, funding sources, and associated costs of different program delivery models to help inform the feasibility of moving forward with a home retrofit financing program.

Three financing models were evaluated:

1. **Local Improvement Charge (LIC):** Since 2012, enabled by changes to the *Municipal Act, 2001*, Ontario municipalities have been permitted to use the LIC mechanism (Ontario Regulation 586/06 as amended by Ontario Regulation 322/12) to provide financing to private property owners for energy-related projects. The City of Toronto, City of Ottawa, City of Kingston, and the Town of Halton Hills operate LIC-based home energy retrofit programs.

2. **Utility On-bill:** A method of financing where loans are repaid through an additional line item on the utility bill. These programs are typically funded and administered by utility companies.
3. **Third-party Lending:** Traditional financing provided by financial institutions. This type of financing can be paired with a program to provide resources for homeowners to access information, rebates, and support to complete their retrofit. The Regional Municipality of Durham recently launched the Durham Greener Homes program which provides financing through partner credit unions and an energy concierge support service.

In addition, two program delivery models were evaluated: contractor driven (business to business) and “one stop shop” (business to customer). A summary of the program approach considerations is included in Part 3. Evaluation of Repayment Mechanisms and Part 4. Evaluation of Financing Models and Cost Considerations (Attachment A).

Recommendation for Program Design

The results of this study demonstrate that there is a significant potential for energy savings and GHG emissions reductions for homeowners in Thunder Bay and there is community support and interest in a home retrofit financing program. The Study recommends collaborating with credit unions to offer unsecured loans for home renovations. This type of financing reduces the financial burden on the City as well as a portion of the administrative burden.

In addition, the Study recommends partnering with other jurisdictions in Northern Ontario to develop a regional financing program. This recommendation is a direct outcome of engagement with both local Credit Unions and sustainability staff in the larger cities throughout Northern Ontario. Given the number of home retrofit financing programs already in market, competition for FCM funding has increased given the limited funding budget. A regional approach to aggregate and create economies of scale may differentiate the City’s application.

A Program Design Study is required to provide a more accurate estimate of program uptake, GHG savings, and cost to the City of Thunder Bay and any partner municipalities. Therefore, the Study recommends completing a Program Design Study through FCM’s CEF funding program.

LINK TO EARTHCARE SUSTAINABILITY PLAN

This report addresses the following action outlined in the EarthCare Sustainability Plan (2014-2020): Develop a Local Improvement Charge incentive program to facilitate energy efficiency upgrades to private property (Energy: A.c; p. 12).

In addition, this report fulfils the following action outlined in the Net-Zero Strategy’s first five-year implementation plan: Conduct a feasibility study for establishing a Local Improvement Charge or alternative financing mechanism to support building retrofits (p. 78).

FINANCIAL IMPLICATION

A Program Design Study, including robust stakeholder engagement, is expected to cost \$175,000. The Federation of Canadian Municipalities provides funding for up to 80% of study costs. To apply for this funding pool, the City of Thunder Bay must commit \$35,000 to account for the remaining 20% of study costs.

There are sufficient funds in capital carry forward accounts to contribute 20% to complete the study. The source of financing is shown in Appropriation No. 22 (Attachment B).

CONCLUSION

It is concluded that the Community Efficiency Financing Feasibility Study (Attachment A) should be received and administration be directed to submit an application for a Program Design Study through the Federation of Canadian Municipalities' Green Municipal Fund as identified in the recommendation.

A municipal Home Energy Improvement Loan Program will enable homeowners to reduce their GHG emissions and support the City of Thunder Bay on its path to net-zero by 2050.

BACKGROUND

The EarthCare Sustainability Plan (2014-2020) set a corporate and community GHG emissions reduction target of 20% below 2009 levels by 2020. Steady progress has helped to achieve a 26% decrease in corporate GHG emissions from a baseline year of 2009. However, similar reductions have not been realized for the community. In 2016, community-wide emissions were 22% higher than 2009 levels, highlighting a need for a renewed approach for tackling community-wide emissions.

In 2019, the City of Thunder Bay received funding from the Federation of Canadian Municipalities – Municipalities for Climate Innovation Program (\$125,000) and the Ontario Ministry of Energy, Northern Development and Mines – Municipal Energy Plan Program (\$89,500) for the creation of a community energy plan. With respect to Report No. R 88/2019 (Infrastructure & Operations), City Council approved the receipt and expenditure of funding to carry out the Net-Zero Strategy (formerly the Community Energy and Emissions Plan).

On January 13, 2020, Thunder Bay City Council declared a climate emergency emphasizing the urgency of addressing climate change. The climate emergency reinforced the need for a plan to provide the community with the information and tools to make decisions that contribute to the decarbonisation of Thunder Bay.

Climate-Forward City: Thunder Bay Net-Zero Strategy was approved by City Council on June 7, 2021 (R 69/2021) and a community-wide target of net-zero greenhouse gas emissions by 2050 was established. This target was re-pledged on November 11, 2021, when Thunder Bay City

Council joined the Cities Race to Zero campaign. The Race to Zero pledge also included an interim target of 55% below 2016 levels by 2030.

In 2021, the City of Thunder Bay received funding from the Federation of Canadian Municipalities – Green Municipal Fund (\$116,800) to complete a Community Efficiency Financing Feasibility Study. Enerva Energy Solutions Inc. was awarded the contract to complete the study in November 2021 through an RFP process (RFP 2021/69).

REFERENCE MATERIAL ATTACHED:

Attachment A: Community Efficiency Financing Feasibility Study

Attachment B: Appropriation #22

PREPARED BY: SUMMER STEVENSON, SUSTAINABILITY COORDINATOR

THIS REPORT SIGNED AND VERIFIED BY: (NAME OF GENERAL MANAGER)	DATE:
Kerri Marshall, General Manager – Infrastructure & Operations	June 6, 2022

Community Efficiency Financing Feasibility Study

Prepared for the City of Thunder Bay by Enerva

June 2022



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Acronyms

B2B Business-to-Business

B2C Business-to-Customer

CMHC Canada Mortgage and Housing Corporation

CU Credit Union

EUL End of useful life

FCM Federation of Canadian Municipalities

GHG Greenhouse Gas

IESO Independent Electricity System Operator

LIC Local Improvement Charge

MOU Memorandum of Understanding

MPAC Municipal Property Assessment Corporation

NRCan Natural Resource Canada

NZS Net Zero Strategy

NYSERDA New York State Energy Research and Development
Authority

OEB Ontario Energy Board

PACE Property assessed Clean Energy Program

StatsCan Statistics Canada

Sqft Square foot

RBC Royal Bank of Canada

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1.0 Executive Summary

1.0 Executive Summary

The City of Thunder Bay declared a climate emergency in January 2020. With over 32,000 detached homes, reaching net-zero emissions in buildings requires over 1,000 homes to be renovated annually. Enerva conducted a feasibility study (“Study”) to assess the viability of a community energy efficiency financing program.

Over 150 residents responded to the household survey across all demographics. Survey results revealed substantial support for community action and 50% favored government-supported financing.

The landscape analysis identified multiple pathways to lower residential carbon emissions. The Study has identified priority markets at the intersection of building archetype characteristics of building age, size, existing cooling, and basements and socio-economic parameters like home value, demographics, and financial capability considerations.

The Study also examined program delivery approaches (business-to-business and business-to-customer), cost structures, and a high-level estimation of program participation. The role of Thunder Bay staff using either an internal delivery model or an out-sourced approach is assessed. The forecasted participation used a conservative approach inline with similar programs even though the homeowner survey demonstrated considerable local enthusiasm.

This Study recommends the following:

- Partner with credit unions to offer unsecured loans for home renovations therefore reducing the financial burden on the City
- Apply to FCM to fund a program design study
- Explore a regional approach for Northern Ontario with Thunder Bay as the hub for administrative efficiency and improve probability of FCM funding given more competition amongst funding applications and the need to demonstrate innovation

Recommendation for Program Design

All financing programs begin with cost-effective measures and motivated homeowners. Yet most fail to reach their renovation targets. Implementing a successful financing program will require careful treatment of the following subjects during program design:

Targeting Measures: Energy efficiency must fit within a renovations scope and budget for grants or financing to influence homeowner investments. Assess loan amortization periods across targeted measures.

Renovation Triggers: Energy efficiency renovations are rare, homeowners install insulation because of some other structural improvement. Bundling energy efficiency measures into amenity improvements is an important especially given the credit union approach which is not restricted to only energy and water efficiency measures like LIC-based financing.

Contractor Outreach: Contractors do not sell energy efficiency because very few homeowners ask for it. Contractor engagement must focus on dovetailing opportunities and incentives within their project work pipeline for them to benefit.

Renovation roadmaps: Very few homeowners engage in deep renovations. Staged energy efficiency measures must be evaluated.

Community Engagement: Engaging with the community once additional program details are developed to ensure program designs address market needs. Focus some engagement with landlords as 31% of residential buildings are tenant occupied.

Market Analysis: Program uptake forecasts are critical to finalize staffing and delivery cost structures.

Low Income: Examine additional program design features to potentially support lower income households and energy poverty issues.

2.0 Landscape Assessment

2.1 Landscape Assessment Introduction

In January 2020, the City of Thunder Bay declared a climate emergency. On June 7, 2021, Thunder Bay City Council endorsed Climate Forward City: Thunder Bay Net-Zero Strategy (NZS) in principle. This endorsement included a community-wide greenhouse gas reduction target of net zero by 2050. Significant transformations must occur in the uses of energy and the forms of the energy used to achieve the targets of the NZS. That is, energy must be used efficiently, and the sources must be sustainable.

Thunder Bay requested three deliverables for determining the feasibility of a homeowner energy finance program as follows:

- Landscape Assessment Report
- Stakeholder Engagement Report
- Community Efficiency Financing Feasibility Study (the “Study”)

The scope of the landscape assessment covers privately owned residential buildings within Part 9 of the Building Code and supports the evaluation of a property assessed clean energy (PACE) program enabled through local improvement charge (LIC) regulations. This report was prepared in close collaboration with the City’s Sustainability Coordinator, the Project Advisory Team, and included consultation with EarthCare, local contractors, trade associations, and credit unions.

This assessment includes an examination and analysis of the following:

- Housing stock and demographics
- Cost benefit analysis of upgrades
- Potential uptake of upgrades
- Common barriers to upgrades
- Existing incentive programs
- Regulatory framework

The assessment provides the key findings and conclusions from an analysis of technical housing stock parameters, socio-economic considerations, and the development of metrics related to energy use. The conclusions were drawn from energy audits and modeling done on 5,000 homes in Thunder Bay which is representative of the housing stock.

2.2 Key Findings & Conclusions

Our analysis demonstrates significant potential for energy savings and GHG emission reductions for homeowners in Thunder Bay. Energy savings and emission reductions can be realized through the implementation of the following upgrade types:

- Building envelope
- Mechanical systems
- Renewable energy systems
- Appliances

The energy modeling to assess the technical feasibility grouped the measures into packages identified as follows:

- Light energy retrofit
- Deep energy retrofit
- Electrification energy retrofit (often referred to as fuel-switching)

Before presenting the modeling details, the program uptake estimate is given. The uptake was first estimated using published results from similar programs in North America and Europe and Canadian renovation volumes. Second, the uptake was estimated by applying a market penetration rate of 0.5% across the modeled building archetypes in Thunder Bay. The results suggest a range of 40 to just over 100 retrofits per year. This annual volume is subject to final program design details, energy prices, the cost of the retrofits, and many macro-economic considerations like interest rate trends,

inflation, consumer confidence, and economic growth. The balance of this section explains the modeling undertaken to determine the value proposition for homeowners in Thunder Bay.

The measures included in each package are provided in the Landscape Assessment Report. The energy modeling used NRCan's Hot2000 (H2K) modeling software for three representative age bins reflective of the age of the housing stock in Thunder Bay. Homes built in 1950, 1980, and 1995 were specifically selected to represent the major revisions of the building code which significantly defines the characteristics of the building envelope and mechanical systems. A H2K simulation model was prepared for each building archetype built in 1950, 1980, and 1995. Also, home sizes and building structure type were used to define the building archetypes. In addition, and for greater granularity of analysis, the building archetypes were modeled with and without air conditioning and whether the archetype has a basement or not. The energy consumption and measure applicability are impacted materially by air conditioning and basements. Exhibit 1 provides the 11 residential building archetypes identified as a "house type" and the number of homes of that archetype.

Exhibit 1 House types- 11 building archetypes of houses

House Type	House Description	Size (sqft)	Central AC	Basement	Total Number
A	Detached, Single storey	1200	No	No	7,236
B	Detached, Single storey	1200	No	Yes	11,529
C	Detached, Single storey	2600	Yes	No	1,992
D	Detached, Single storey	1200	Yes	Yes	6,161
E	Detached, Single storey	2600	Yes	Yes	

House Type	House Description	Size (sqft)	Central AC	Basement	Total Number
F	Detached, 2 storeys	1800	No	No	2,594
G	Detached, 2 storeys	3200	Yes	No	728
H	Detached, 2 storeys	1800	No	Yes	1,882
I	Detached, 2 storeys	3200	Yes	Yes	1,074
J	Row houses, middle unit	1500	No	No	1,291
K	Row houses, end unit	1500	No	No	

In completing the cost-benefit analysis, the incremental cost of the retrofit package was used as opposed to the full cost of the package. The incremental cost is the extra cost for an energy-efficient measure relative to the standard measure. This approach further presumes that homeowners will predominantly invest in energy efficiency upgrades during an amenity renovation or equipment replacement at the end of its useful life. This approach was selected as home values in Thunder Bay relative to the full cost of the energy-efficient upgrade cost was high. For example, the total cost of a deep retrofit can range from \$30,000 to greater than \$80,000 depending on the home size, age, quality of finishes, and consumer budget for added features. Even though an incremental cost approach was used, the recommended program approach will provide a loan for the total cost of the selected retrofit package.

The potential savings are a function of the building characteristics, primarily: age, size, the existence of space cooling, and specifications of the existing equipment and building materials. As expected, due to building envelop construction, older homes generally consume more natural gas for heating.

Interestingly and unexpectedly, the range of the modeled energy consumption varied widely for homes built in the same year after normalizing for size. Although the detailed examination of this range is outside the scope of this report, the wide energy use variation indicates the potential for energy savings across the range of building ages. For some homes, the increased energy use may be explainable, but for others, energy may be wasted due to poor building envelopes or inefficient mechanical systems.

Exhibit 2 provides a rank order summary of the energy modeling analysis of all building archetypes and the retrofit package that will generate at least 80% GHG reduction.

Exhibit 2 Building types that can achieve 80% GHG savings

Rank	GHG Saving %	House Archetype	Representative Year	Retrofit Packages
1	86%	E	1950	Electrification
2	85%	B	1950	Electrification
3	84%	E	1980	Electrification
4	84%	D	1950	Electrification
5	83%	J	1950	Electrification
6	83%	H	1950	Electrification
7	82%	I	1950	Electrification
8	82%	C	1980	Electrification
9	82%	C	1950	Electrification
10	81%	F	1950	Electrification
11	81%	I	1980	Electrification
12	81%	H	1980	Electrification
13	80%	G	1950	Electrification
14	80%	K	1950	Electrification

Exhibit 3 shows the building archetype and the retrofit package that generates energy cost savings of at least 30% for the homeowner.

Exhibit 3 Building types that can achieve 30% energy cost saving

Rank	Energy Cost Saving %	House Archetype	Representative Year	Retrofit Packages
1	38%	E	1950	Deep Retrofit
2	35%	E	1980	Deep Retrofit
3	34%	E	1950	Light Retrofit
4	33%	I	1950	Deep Retrofit
5	32%	B	1950	Deep Retrofit
6	31%	E	1980	Light Retrofit
7	30%	D	1950	Deep Retrofit
8	30%	E	1950	Electrification

Exhibit 4 below shows the building archetype and the retrofit package that generates energy cost savings of at least \$1,000 per year.

Exhibit 4 Building types that can achieve \$1,000 in annual energy cost saving

Rank	Energy Cost Saving \$	House Archetype	Representative Year	Retrofit Packages
1	\$ 2,114	E	1950	Deep Retrofit
2	\$ 1,875	E	1950	Light Retrofit
3	\$ 1,843	I	1950	Deep Retrofit
4	\$ 1,827	E	1980	Deep Retrofit
5	\$ 1,651	E	1950	Electrification
6	\$ 1,639	E	1980	Light Retrofit
7	\$ 1,472	I	1980	Deep Retrofit
8	\$ 1,464	I	1950	Light Retrofit
9	\$ 1,383	E	1980	Electrification
10	\$ 1,320	I	1950	Electrification
11	\$ 1,245	G	1950	Deep Retrofit
12	\$ 1,220	I	1980	Light Retrofit
13	\$ 1,216	B	1950	Deep Retrofit
14	\$ 1,212	D	1950	Deep Retrofit
15	\$ 1,178	H	1950	Deep Retrofit
16	\$ 1,097	D	1950	Light Retrofit
17	\$ 1,080	B	1950	Light Retrofit

The incremental cost of the retrofit package varies by the building archetype. Exhibit 5 provides an example of the estimated incremental investment for archetype “B.”

Exhibit 5 Incremental costs calculations for Archetype B

Representative Year	Light Energy Retrofit	Deep Energy Retrofit	Electrification Energy Retrofit
1950	\$8,270	\$12,920	\$11,520
1980	\$8,270	\$10,670	\$9,270
1995	\$8,270	\$10,670	\$9,270

Exhibit 6 provides the priority building archetypes for a program. These archetypes optimize the retrofit package’s technical energy savings potential and financial performance.

Exhibit 6 Buildings with the highest saving potential

House Type	Description	Age	Retrofit Package	Annual Energy Cost Savings	GHG Savings
E	Detached, Single storey, 2600 sqft, with AC and basement	Pre 1975	Deep Retrofit	\$2,114; 38%	56%
I	Detached, 2 storeys, 3200 sqft, with AC and basement	Pre 1975	Deep Retrofit	\$1,843, 33%	48%
B	Detached, Single storey, 1200 sqft, with basement but no AC	Pre 1975	Deep Retrofit	\$1,216, 32%	54%
D	Detached, Single storey, 1200 sqft, with AC and basement	Pre 1975	Deep Retrofit	\$1,212, 30%	53%
H	Detached, 2 storeys, 3200 sqft, with basement but no AC	Pre 1975	Deep Retrofit	\$1,178, 29%	49%

Exhibit 7 provides estimated annual program participation for the priority markets using a simple penetration rate. A literature review informs the penetration rate of investment decisions by consumers related to energy efficiency. The homeowner survey indicated a higher level of interest than suggested by the penetration rate. Although, beyond the scope of this study, there is selection bias of the survey respondents. That is, the survey was voluntary, hence self-selection by interested homeowners who may skew to more environmentally conscious. In the absence of a random selection, the approach has used the broader market experience as demonstrated in the literature.

Exhibit 7 Estimated participation

House Type	Description	Age	Total Homes	Annual Penetration	Annual Estimated Program Participation
E	Detached, Single storey, 2600 sqft, with AC and basement	Pre 1975	236	0.5%	1
I	Detached, 2 storeys, 3200 sqft, with AC and basement	Pre 1975	1,074	0.5%	5
B	Detached, Single storey, 1200 sqft, with basement but no AC	Pre 1975	11,529	0.5%	58
D	Detached, Single storey, 1200 sqft, with AC and basement	Pre 1975	5,925	0.5%	30
H	Detached, 2 storeys, 3200 sqft, with basement but no AC	Pre 1975	1,882	0.5%	9
Total			20,646		103

Exhibit 8 estimates the annual loan budget based on the estimated program market penetration rate of 0.5%. It was assumed that the same penetration rate would apply across all building archetypes. For a multi-year program design, the total annual loan budget must be multiplied by the program life.

Exhibit 8 Estimated costs

House Type	Description	Annual Estimated Program Participation	Package	Estimated Package Cost (Full)	Annual Loan Budget
E	Detached, Single storey, 2600 sqft, with AC and basement	1	Deep	\$35,510	\$35,510
I	Detached, 2 storeys, 3200 sqft, with AC and basement	5	Deep	\$36,335	\$181,675
B	Detached, Single storey, 1200 sqft, with basement but no AC	58	Deep	\$21,570	\$1,251,060
D	Detached, Single storey, 1200 sqft, with AC and basement	30	Deep	\$24,570	\$737,100
H	Detached, 2 storeys, 3200 sqft, with basement but no AC	9	Deep	\$32,550	\$292,950
Total		103			\$2,498,295 ~\$2.5million

Residents' financial capability is primarily driven by household income, net worth, total indebtedness, home equity, and upgrade cost to the current home value ratio. These factors to a large extent drive consumer behaviour to invest in upgrades. The financial payback of the upgrades is simply the estimated lifetime savings from the upgrade relative to the cost to implement the same. The necessity factor is driven by systems and building materials reaching the end of useful life (EUL). This often manifests when maintenance costs become excessive, or building systems begin to fail. Within these conditions, the incremental cost of more energy-efficient choices is justified.

However, it is important to note that end of useful life decisions, although financially more attractive for energy efficiency optimization, are often emergency repairs resulting in the installation of the most readily available equipment, which tends to be less efficient. Although not thoroughly examined in the scope of this report, it is unlikely that the end-of-useful life approach will fulfill the emission reduction goals of the Net-Zero Strategy.

The potential for energy savings is technically viable. This technical potential must be overlayed with the financial capability, payback associated with the capital cost to implement the upgrades, and the necessity to undertake the retrofits by the homeowner.

Loan amortizations can be set for the homeowner to be cash flow neutral for select building archetypes and ages.

With a 31% tenant market, program design should consider landlord aspects. Many programs have restricted homeowners' eligibility and ignored the split incentive barrier. There are no easy answers but a focused engagement with landlords is highly recommended. In our experience, often other issues must be simultaneously addressed like deferred maintenance and health and safety issues.

2.3 Common Barriers

There are many common barriers to improve the energy performance of homes namely:

- Affordability includes access to capital, payback, and upgrade costs compared to home value
- Awareness or lack of information related to energy-efficient upgrades
- Split incentives between landlord and tenants
- Contractor network capacity and skill

2.4 Housing Stock Characterization

Thunder Bay's housing stock can be characterized as follows:

- 85% of homes are single-family detached
- 10% are semi-detached, row, or multi-plex
- 5% are condominiums or apartments
- 69% are owner-occupied, and 31% are tenanted
- 68% of homes have no space cooling
- For detached homes
 - 71% were built before 1975
 - 14% between 1975 - 1989
 - 12% between 1990 – 2012
 - 3% after 2012
- 93% of homes use natural gas for space heating
- 88% of homes use natural gas for domestic hot water heating

The data clearly demonstrates a noticeable decline in natural gas use in homes built after 1975 as the building code stipulated building envelope improvements.

2.5 Existing Incentive Programs

As of April 2022, Thunder Bay residents have programs available from the IESO, Enbridge Gas, OEB, CMHC, and NRCan. If the City proceeds with a community finance program, many of the current programs listed in Exhibit 9 can be integrated and leveraged to support Thunder Bay residents.

Exhibit 9 Existing incentive program

Program Name	Target Market	Administrator
Home Efficiency Rebate	Low-rise residential buildings	Enbridge
Smart Thermostats	Detached, semi-detached, row townhouses	Enbridge
Home Winterproofing Program	Income qualified households	Enbridge
Energy Affordability Program	Income qualified households	IESO
Green Home Program	Homeowners who purchase or construct a new home, or renovate for energy efficiency	CMHC
Canada Greener Homes Grant	Over 6-month old, owner occupied low rise houses	Natural Resources Canada
OEB Bill Assistance Programs	Income qualified households	Ontario Energy Board
RBC Energy Saver Loan	RBC account holders	RBC

2.6 Regulatory Framework

In 2012, the Ontario Ministry of Municipal Affairs and Housing amended Ontario Regulation 586/06 and 599/06 allowing municipalities a streamlined approach to use the LIC mechanism to finance improvements on private property repayable through the property tax bill. The LIC can only be used to make improvements related to energy efficiency, renewable energy, and water conservation aligned with approved municipal goals and policies. Municipalities are afforded flexibility in the design and implementation of programs.

3.0 Repayment Mechanism Evaluation

3.1 Repayment Mechanisms

Repayment mechanisms offer the means for homeowners to repay their energy efficiency loans. Also known as loan servicing or collection, repayment mechanisms allow for capital to flow seamlessly to-and-from homeowners. Financing programs may offer one or more repayment mechanisms, such as New York State Energy Research and Development Authority's (NYSERDA) complementary unsecured and utility-bill financing options for residential borrowers.

The City of Thunder Bay requested an evaluation of financing programs based on repayment mechanism types. The three most common methods for residential consumers are direct debit to consumer bank accounts, utility-bill collection, and property taxes or local improvement charges (LIC). These three repayment mechanisms can be further distinguished based on whether they are secured or unsecured loans.

- **Secured loans** have a claim to the property or a right to place a lien against the home if payments are missed. They are based on home equity or the ability of the property to support additional borrowing.
- **Unsecured loans** are loans with no claim to any asset or collateral. They are usually based on the creditworthiness of the borrower and the ability of the person's income to support additional borrowing.

Property tax-based financing is always a secured loan. During program design, utility bill programs tend to choose between secured or unsecured loans. Credit unions can offer both secured and unsecured loans to borrowers. Table 1 provides a comparison of the three repayment mechanisms.

Greater loan security benefits lenders of capital, which may result in advantageous homeowner borrowing terms. In some cases, securing lenders' rights to collateral permits lengthier loan durations.

Unsecured loans tend to be shorter duration in comparison. However, the level of interest rates should not be directly linked with loan security. Source of capital, program fees, desired loan term, availability of credit enhancements, interest-rate buydowns, and other forms of public subsidy all influence the final cost homeowner's face when borrowing.

Regardless of the repayment mechanism's security, it is safe to assume a small number of borrowers will default. Low-default rates are a measure of risk to the lenders of capital. Financing programs can exhibit exceptionally low-default rates and still be unsuitable for persons living on fixed income or persons with high-levels of debt. Therefore, cities should assume a small number of borrowers will struggle to make payments, requiring financing programs to take steps mitigating the consequences to both cities and homeowners.

A community's internal capacities may decide the choice of repayment mechanism. Simply put, loan servicing is work and may require investments in billing system upgrades by cities. If cities and utilities ~~or~~ already have advanced billing infrastructure, then the additional cost of loan servicing may be light. If loan servicing leads to excess costs or staff-time commitments, then it may be advantageous to partner with credit unions or payment service providers.

3.2 Choice of Repayment Mechanism

The Enerva team ran a goals and roles workshop with the City of Thunder Bay. Semi-structured interviews and written response forms solicited feedback on goals, staff time commitments, internal loan servicing capabilities, and appetite for taxpayer-supported borrowing. This was followed by an internal risk-evaluation workshop, secondary research, and external engagement. The recommendations made here are a composite of all these conversations and activities.

Direct-to-Debit Billing with Credit Unions

The Enerva team recommends the City of Thunder Bay pursues direct-to-debit unsecured loans by partnering with local credit unions. In terms of a repayment mechanism, the choice of offering unsecured loans to be repaid with direct-debit process offers:

1. **Desirable loan products.** Unsecured loans are the most popular loan product for home renovations in Canada.¹ Choosing a familiar, popular loan product is easier for homeowners to understand and credit unions to offer.
2. **Loan servicing infrastructure.** Credit unions employ sophisticated technologies and processes for bill payments and loan servicing. This limits program start-up and ongoing operational costs to cities.
3. **Rapid loan approvals.** Credit unions can quickly assess a borrower's ability to repay a loan. Fast and flexible, unsecured loans are generally quicker to approve than secured alternatives.
4. **Flexibility in renovation type.** Renovations rarely target energy efficiency measures alone. Other repayment mechanisms are usually limited to just efficiency measures. Unsecured loans

can finance whole renovations so long as they include energy efficiency.

In addition to the above, partnering with credit unions offers the following program advantages:

5. **Equitable loan approvals.** Credit unions are mission-driven and community based; they provide sage financial advice first and profits second.
6. **Scalable capital.** Partnering with credit unions allows capital to grow with program requirements.
7. **Risk transfer.** This financing program design transfers capital sourcing, loan approvals, and servicing to credit unions.
8. **Fast to implement.** There are no legislative roadblocks if credit-unions supply program capital.
9. **Marketing Channel.** Credit unions can discuss energy efficiency with members making financial plans and credit applications.
10. **Loan loss reserve eligibility.** FCM makes loan-loss reserves available to credit unions, which could result in lower interest rates, longer terms, and expanded credit access.

City of Thunder Bay staff had early discussions with two local credit unions for preliminary feedback. Both favored traditional loan products for energy efficiency and were amenable to exploring program participation.

Local Improvement Charges

Local Improvement Charge (LIC) or Property Assessed Clean Energy (PACE) programs are financing programs led or supported by a municipality through legislation and a municipal program by-law. LIC programs typically use the property tax bill as a repayment mechanism.

Financing is assessed as an additional charge on the property and repaid over time through municipal property tax bills. This type of financing program is available to qualified homeowners interested in home energy upgrades and energy efficiency. Current examples of such programs in Canada include Toronto's Home Energy Loan Program (HELP), Halifax Solar City, Better Homes Ottawa and Better Homes Kingston.

Reasons for rejection or further exploration in the program design study:

- Limited appetite to scale loan servicing given experience with lead-pipe replacement program
- Credit unions raised concerns of priority lien status and credit unions expressed interest in providing direct loans to homeowners for energy retrofits
- Using credit union capital eliminates capital requirements for the City. That is, even with FCM co-funding, the City would need to provide 20% of the capital for homeowner loans
- Lowers the resource requirements for loan approvals, payment collection, and customer service related to lending

Utility Bill Repayment

One major advantage of utility bill repayment for the customer is that energy cost savings are paired directly with repayment on the same bill; in some circumstances, the saving may cover the repayment. This type of program can also benefit the long-term lessors whose energy bills are not paid by landlords. Working with local utilities will also provide primary information on energy saving and cost-benefit analysis. However, since the power,

natural gas and water utilities are usually separated, this option will require billing system upgrades which will need to be funded. Loan transferability will need to be further investigated as a change in homeownership may trigger full repayment of the loan.

In consultation with Synergy North, the electric utility service provider in Thunder Bay, n-bill repayment is possible, but more work needs to be done to assess the billing system upgrades and funding for the upgrades.

Enbridge Gas has the Open Bill Program, that allows companies that offer energy-related products and services to include their charges on the customers' Enbridge gas bill. Currently there are 128 participating companies. The eligible services include household improvements that result in improved energy efficiency.

Reasons for rejection or further exploration in the program design study

- Synergy North would require public funding for program administration, billing system upgrades, and can only collect/remit loan payments. Synergy North cannot provide capital for loans to homeowners.
- Enbridge's open bill program is an option that can be considered during program design but not all Thunder Bay homes have natural gas service.

3.3 Comparison of Direct Lending, Utility Bill, & LIC Repayment Mechanisms

Exhibit 10 provides a comparison of the main attributes of each repayment mechanism.

Attribute	LIC/Tax Bill	Utility Bill	CU Direct Debit
Loan Capital Source	80/20 FCM/Thunder Bay	80/20 FCM/Thunder Bay	100% Credit Union
Start-up & Operating Costs	80/20 FCM/Thunder Bay	80/20 FCM/Thunder Bay	80/20 FCM/Thunder Bay
Speed of Program Implementation	Slowest	Dependent on Utility	Fastest
Interest rates	Source & subsidy dependent	Source & subsidy dependent	Source & subsidy dependent
Loan Duration	Up to 20 years	<10 years typical, up to 20 possible	<10 years typical
Loan Transferable	Possible, affects sales price	Possible, affects sales price	Possible, affects sales price
Max. Loan Amount	Typically <20% Home loan-to-value	Typically <20,000 offered	Unlimited, typically <40,000
Secured / Unsecured	Secured	Secured/Unsecured	Secured/Unsecured
Ability-to-Pay / Income Test	No, unless partnered with CU	No, unless partnered with CU	Yes, partnered with CU
Eligible Upgrades	Efficiency, renewables, water, resiliency	Efficiency, renewables, water, resiliency	All renovations, including amenities
Ontario Regulatory Requirements	Reg. 586/06 and 596/06	Reg. 161/99 160/99	None, teaming agreement only
Typical Level of City Responsibility	Highest level of responsibilities	Outsource loan servicing/collection	Fewest city responsibilities
Minimum Level of City Responsibility	City retains loan servicing role	City retains capital sourcing and funding	Full outsourcing possible
Level of Taxpayer Supported Borrowing	20% of loan capital	20% of loan capital	0% of loan capital possible

Exhibit 10 Comparison of Direct Lending, Utility Bill, and Property Tax Repayment Mechanisms

Notes: All table cell content should be taken as typical rather than comprehensive observations. This table assumes the City of Thunder Bay would seek to maximize available funding and program from FCM. For more fulsome discussion of city roles and program risks see sections 4.2, 4.3 and 5.4.

FCM – Federation of Canadian Municipalities

CU – Credit Union

LIC – Local Improvement Charge

4.0 Evaluation of Financing Models & Cost Considerations

4.1 Homeowner Journey in B2B and B2C Program Delivery Models

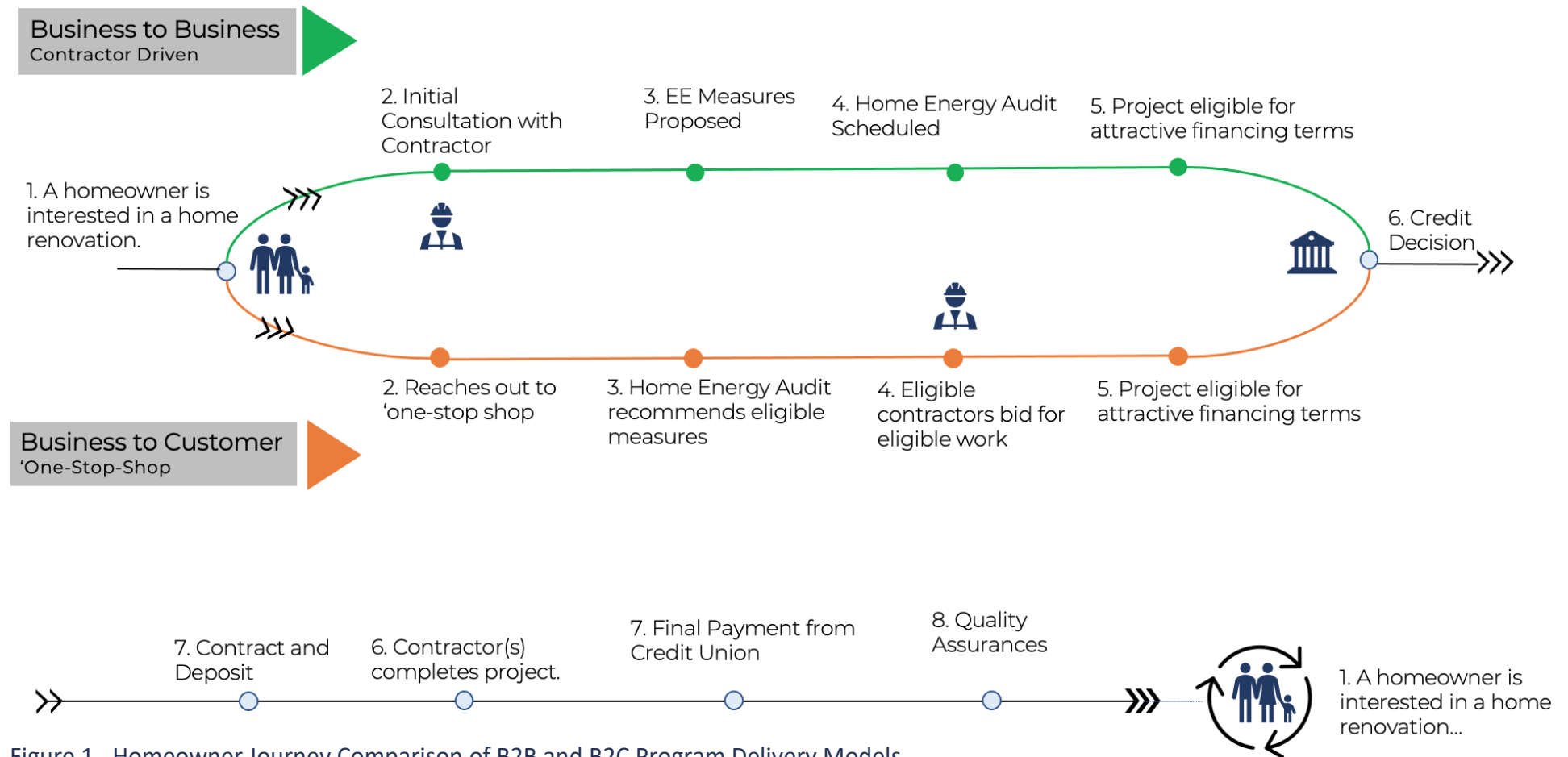


Figure 1. Homeowner Journey Comparison of B2B and B2C Program Delivery Models

B2B – Business-to-Business
 B2C – Business-to-Customer
Participant Recruitment

Figure 1 Homeowner journey in B2B and B2C program delivery models

Financing programs succeed or fail based on homeowner participation. Rarely is it enough for programs to offer attractive financing terms; financing programs must develop strategies for recruiting homeowners. Two commonly employed strategies for reaching homeowners are

Business-to-Business (B2B) and Business-to-Customer (B2C) program delivery models.

As shown in Figure 1, the key difference between B2B and B2C programs is who interacts with homeowners and the timing for when contractors are brought into the project. After a project proceeds to financing, program differences are slight, at least from the homeowners' perspective.

B2C Program Delivery Models

In a B2C program, program administrators attract homeowners to participate by offering energy efficiency advisory services, trusted contractor networks, access to incentives, and advantageous financing. B2C program administrators require resources for marketing, processes to deal with incoming applications, and in some cases have personnel capable of providing renovation advice to homeowners. By offering retrofit guidance and project delivery services, some programs describe themselves as one-stop-shop or energy concierge services.

In a B2C program, program administrators begin by encouraging homeowners to complete an energy audit (if they haven't already). Program administrators work through the results of their energy audit with homeowners to help them prioritize measures and plan their

renovation. Once the homeowner has finalized the renovation plan, they will be directed to qualified contractors to receive bids for the energy upgrades.

B2B Program Delivery Models

Administrators rely on contractor networks in a B2B program to attract program participants. Homeowners engage with contractors when scoping work and assessing project costs. The contractor is ideally situated to assess opportunities for including energy efficiency measures. Energy audits can reinforce (or check) energy efficiency recommendations. Some contractors routinely offer financing and, with training, can provide information on financial incentives.

B2B program administrators ensure smooth processes for participants but may not directly interact with homeowners. B2B program administrators develop marketing materials, energy efficiency training, and facilitate access to incentives. Program administrators provide ongoing account management services to contractors and work with credit unions to provide advantageous financing terms to homeowners.

Layering Incentives

Some financing programs supply additional incentives to boost participation. Programs may offer free energy audits, match federal grants, or work with utilities on marketing campaigns. It is not uncommon to see promotional 0% financing offered to jump start programs. In the short run, additional financial incentives can raise program awareness.

4.2 Roles in a Business-to-Customer (B2C) Financing Model

5 key public-facing roles in financing program

1. Who sources loan capital?
2. Who approves the loans?
3. Who collects and services the loans?
4. Who administers or manages the program?
5. Who generates sales and develops projects?

Legend

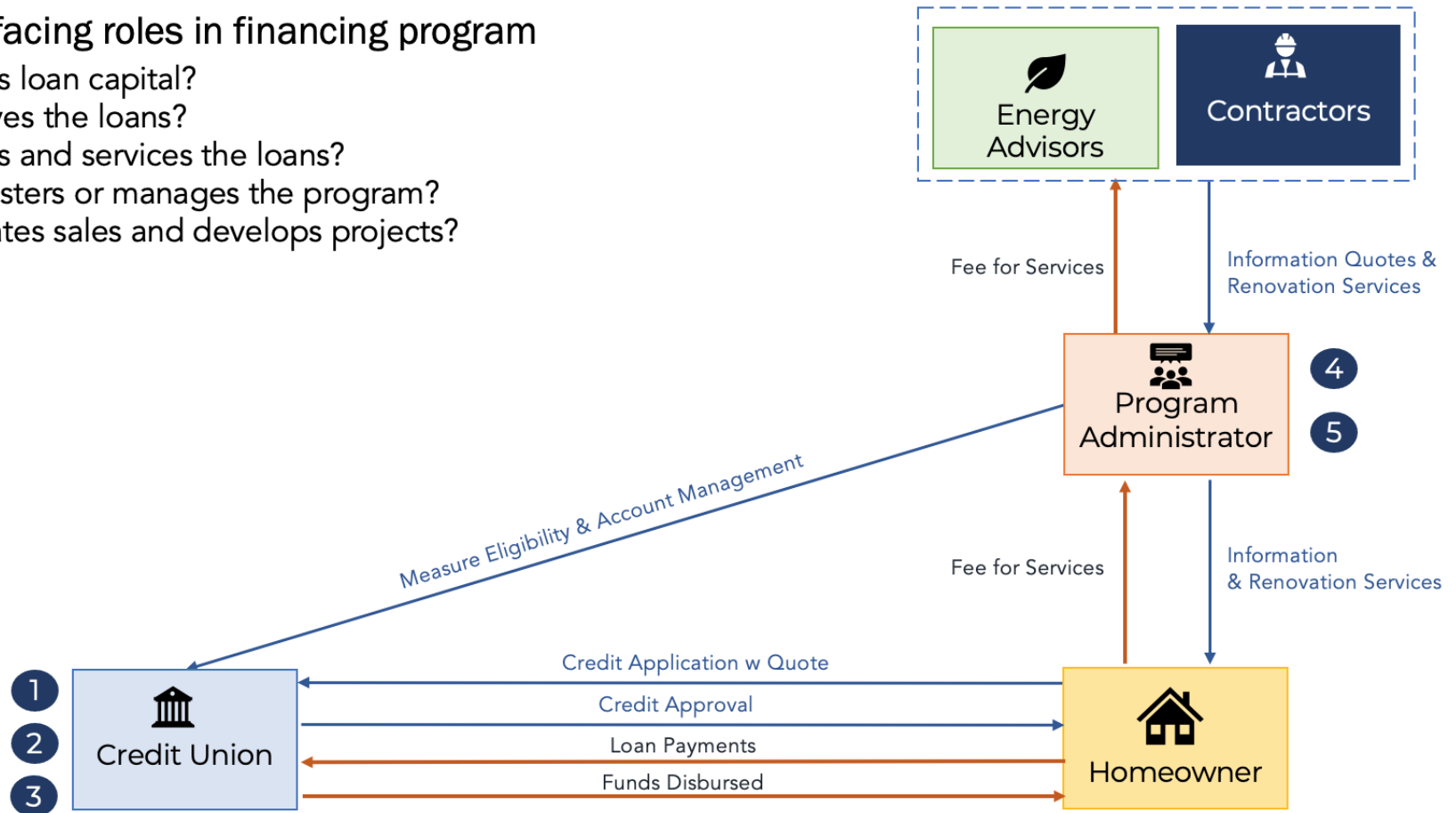


Figure 2 Roles in Business to Customer (B2C) model

There are 5-key public-facing roles in a community efficiency financing program. This financing program design relies on the private sector for at least four of the five roles.

1. Who sources the capital?
2. Who approves the loans?
3. Who collects the loan payments?
4. Who administers or manages the program?
5. Who generates sales leads for home renovations?

The B2C program shown in Figure 2 transfers the first three roles to credit unions. Credit unions have robust processes for credit approvals and billing infrastructures. Credit Unions already provide the most commonly sought-after financing products for home renovations and can advise homeowners on whether it is safe for them to borrow.

The program administration role can be the City of Thunder Bay or a third-party delivery partner. The program administrator determines how the program will operate, who can participate, and under what conditions. It also sets and monitors quality assurance protocols, such as contractor certification and energy audit requirements.

In a B2C program, the program administrator is responsible for developing sales leads and projects. This customer acquisition focus is the defining characteristic of a B2C program. The program administrator provides the 'hand holding' homeowners require when transitioning from thinking about renovations to planning and implementing them. If the homeowner proceeds with energy efficiency measures, they are referred to qualified contractors for quotes and credit unions for advantageous financing. As a result, the program administrator absorbs the cost of project acquisition prior to the involvement of contractors.

Program administrators may also provide 'one-stop-shop' or 'energy concierge' services. The goal is to reduce the complexity associated with planning energy efficiency renovations. Program administrators take on a project manager role developing the institutional knowledge and processes to plan energy efficiency renovations. Below are three notable programs that have pursued, or are developing, one-stop-shop energy efficiency financing programs:

- Durham Greener Homes
- Chicago's Elevate Energy
- Philadelphia's Built to Last Program

One-stop-shop or energy concierge services will increase program start-up and operating costs. The hand-holding stage of persuading homeowners to commit to renovations can be lengthy. Further, personnel with specialized skills are needed if programs are to overcome renovation complexity through industry savoir-faire, supply chain management, and homeowner communications. Specific specialized skills include knowledge of the building code, equipment sizing considerations, sequencing of energy retrofit measures to optimize home energy performance, construction knowledge of wall assemblies and building materials, heat loss calculations, degree of difficulty associated with various measures, construction health and safety, equipment brand differences and feature sets, permitting, contractor management and scheduling, among other renovation aspects. In addition, the B2C model will require staff to have financial literacy and good skills in financing approaches given many customers may self-finance, use existing credit facilities, and program financing or a combination.

4.3 Roles in a Business-to-Business (B2B) Financing Model

5 key public-facing roles in financing program

1. Who sources loan capital?
2. Who approves the loans?
3. Who collects and services the loans?
4. Who administers or manages the program?
5. Who generates sales and develops projects?

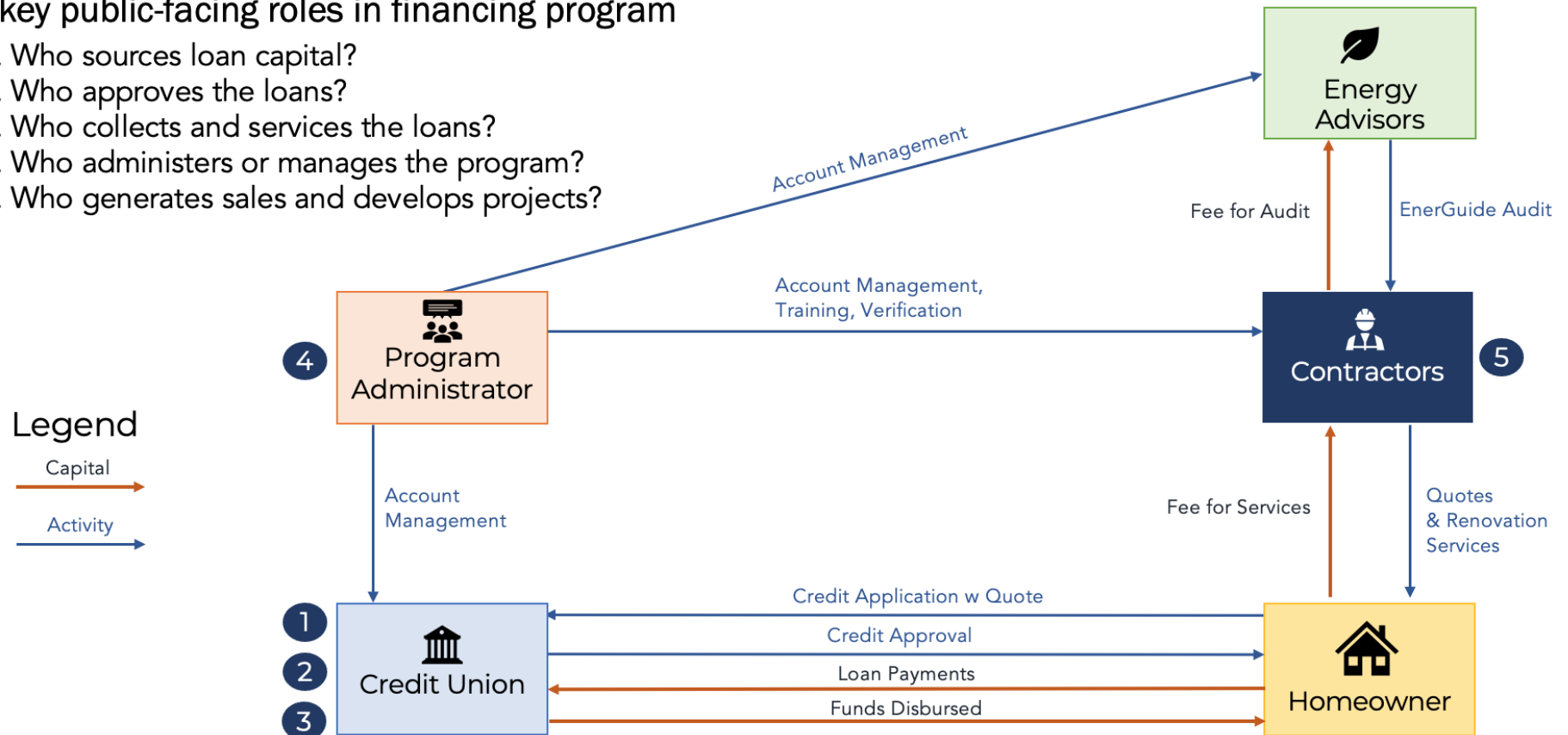


Figure 3 Roles in Business to Business (B2B) model

In a B2B program, the same questions related to fulfilling the 5-public facing roles must still be answered. In the B2C program shown in Figure 3, credit unions are responsible for the three roles related to capital sourcing, underwriting, and servicing. The key departure is in the roles of the program administrator and contractor.

In a B2B program, the program administrator works with industry rather than homeowners. The program administrator recruits contractors to provide targeted energy efficiency improvements eligible for credit union financing. It builds trusted relationships between local contractor networks and credit unions. The role is not unlike an account manager for industry, removing barriers to their participation and streamlining services.

The program administrator can still be the City of Thunder Bay or a third-party deliver agent. In either case, the program must establish program quality assurance protocols, implement guidelines for participants, and report on deliverables. In developing quality assurance protocols, industry best-practice dictates relying on existing certification standards for contractors.

Contractors are the gateway to this program, playing the key role of retrofit project origination. This defining characteristic of B2B programs is why they are also known as contractor-driven programs. Contractors are a trusted partner, providing homeowners with information on project scope, time, budget, and financial support. Contractors are ideally placed to evaluate whether a planned renovation provides opportunities to include energy efficiency measures.

EnerGuide advisors can team up with contractors to reinforce energy efficiency advice. EnerGuide advisors can provide independent advice

on recommended measures. Having an energy advisors confirm a contractor's energy efficiency recommendations may boost conversion rates. EnerGuide advisors also provide access to incentives and assist the program administrator in its quality assurance tasks.

Many financing programs have successfully partnered with contractors to introduce energy efficiency to homeowners. Some contractors routinely provide financing services to homeowners and may be motivated to offer government-supported financing for energy efficiency. For this reason, the first step in many financing programs is to reach out to a qualified contractor. Some successful contractor-driven renovation programs include:

- Connecticut Smart-E Loans
- Atlanta-based GreenSky (Goldman Sachs)
- Pennsylvania Keystone Help (Renew Financial)

Identifying persons with the right skill set is critical to the success of a B2B program. The program must cater to industry's needs; contractors have many options in the private sector for delivering financing, after all. The person in charge of program administration must balance industry needs and program objectives to achieve their goals.

During the Study, a list of contractors in appropriate trades was prepared with a physical market presence in Thunder Bay. From this list 17 were randomly selected for a telephone interview to assess capacity and capability. Unfortunately, only two were available for an interview. Both expressed a desire to participate and stated that a government-supported finance program would support the industry in increasing market uptake of energy retrofits. At a minimum, they suggested that increasing awareness of energy retrofits and options to save energy would help their business.

4.4 B2B and B2C Program Costs

Assumptions & Time Horizon

The Federation of Canadian Municipalities (FCM) allocates funding to support community energy efficiency financing programs. Capital is allocated based on proposal merit, requiring municipalities to apply for each tranche of funding from program feasibility, design, and delivery. Few cities would be able to develop financing programs without financial support from FCM.

The budget in Exhibit 11 shows the estimated cost for B2B and B2C programs is shown with and without FCM support. The program illustrates both start-up and operating costs for three years. Staff time costs are set at \$90,000 annually per full time equivalent, excluding benefits. Positions can be outsourced to third parties, which may increase or decrease staffing costs. Start-up costs and operational costs are combined to estimate costs for period of three years. For B2B, the FTE range is 1.25 to 2.25 primarily to adjust for the range of skills necessary and possible constraints in the local labour market. Similarly, for B2C, the FTE range is 2.5 to 3.5 for the same reasons. FTE estimates for both models is subject to volume forecasts, designing the administrator cost structure based on fixed and variable costs, and the extent that a third-party is used for program delivery.

In both program models, contractor capacity and capability must be further assessed. Matching retrofit demand to retrofit supply capacity is a critical step in effective program design.

B2B Program Costs

In the B2B program, a minimum of 1.5 full-time equivalents are modeled. One full time equivalent remains responsible for program management, with the half-time equivalent located within an industry organization. The start-up costs include program development,

contracting, insurance, industry workshops, quality assurance checks, and marketing. Assuming maximum FCM contributions, the cost of the B2B program to Thunder Bay over three years would be \$151,000.

B2C Program Costs

In the B2C program, a minimum of 3 full-time equivalents are modeled. The additional persons are required for managing customer relations as well as providing industry expertise on the renovation process. Persons able to bring energy concierge or renovation project management experience may further increase costs.

In addition to the start-up costs required in a B2B program, the B2C program must develop customer-facing materials, additional contracts, and expanded marketing budgets. This may also include online application portals and applications for document uploads, including energy audit information. Assuming maximum FCM contributions, the cost of the B2C program to Thunder Bay over three years would be \$362,000.

Program	B2B	B2C
# Full Time Equivalents	1.5	3
3 Year Operations	\$405,000	\$810,000
Program Start-Up	\$350,000	\$1,000,000
3 Year Cost	\$755,000	\$1,810,000
Net FCM Contributions	(\$604,000)	(\$1,448,000)
Cost to Thunder Bay	\$151,000	\$362,000

Exhibit 11 Cost comparison of B2B and B2C financing programs

The program delivery model requires a detailed analysis considering cost structure, recruiting appropriately qualified human resources, expertise in program management, and contractor capabilities.

5.0 Stakeholder Engagement

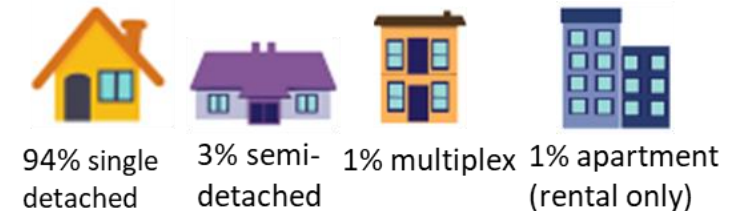
5.1 Stakeholder Engagement Overview

Participation from stakeholders is integral to the success of this Study. Community and stakeholder input and knowledge are important in shaping the development of a homeowner retrofit program.

Stakeholder Group	Engagement Approach	Engagement Period	Engagement Intent
Thunder Bay City Department: Project Advisory Team (PAT)	Workshop sessions through virtual meeting	December 2021 to June 2022	Inform, consult and collaborate.
Thunder Bay homeowners & landlords	Information sessions and online survey	April 2022 to May 2022	
Contractors & Trade Associations	Virtual meetings	May 2022	
Lenders (credit unions)	Virtual meetings	March 2022 to April 2022	
Utilities (electricity, natural gas)	Virtual meetings	January 2022 to May 2022	
Environmental and community groups	Virtual meeting	March 2022 to April 2022	Inform, consult and collaborate.

The key findings from the homeowner survey results are as follow:

1. The age distribution demonstrates reasonably equal distribution within the age groups indicating interest from respondents from all stages of life (household formation, young families, mid-life and saving to education, retirement savers, and retirees)
2. Around 85% of respondents are 25 to 64 years old where no gender bias was observed.
3. 96% of respondents own their house of which 94% live in a single detached house.



4. The most common renovations homeowners have completed by ranking are minor (painting or aesthetics), floor covering, new roofing, landscaping, window replacement, floorcovering, bathroom, kitchen where only 5 respondents chose full renovation. 60% of homeowners have completed some renovation since occupancy.

5. 80% have some intention of completing a home renovation



6. Only 25% of respondents have participated in an energy efficiency program, 77% would consider improving their home’s energy efficiency within the scope of renovation, and 19% did not answer.

7. The main drivers respondents for indicated for an energy retrofit are segmented below:

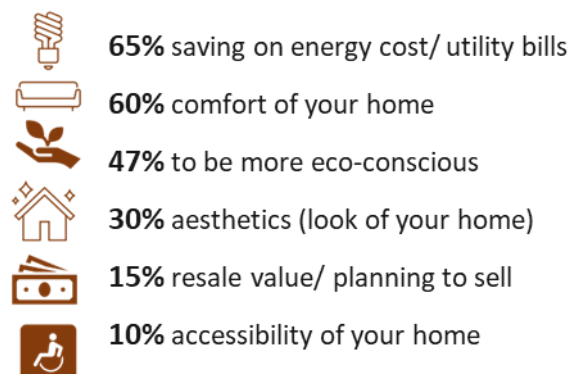


Figure 4 Respondents main considerations for a home renovation

8. In order to undertake a home energy retrofit, 114 respondents have interest in government grants and incentives, 63 respondents in financing, 50 respondents in finding a contractor and 47 respondents in a trusted source of information.

9. 54% of respondents would rather complete home renovations themselves or do-it-yourself

10. 63% do not have interest in hiring an architect or home designer for the renovation to produce design drawings, 19% did not answer, 11% chose don’t know, and only 6% chose to hire an architect or designer. The 6% correlates with the number of respondents considering a full home renovation.

11. In terms of financing, 50% would consider making home energy improvements as part of a City of Thunder Bay sponsored borrowing program with line of credit being the most favourable option followed by existing mortgage provider and existing bank.



24% of respondents said “maybe” and the remaining, 21%, selected “Don’t know”

12. Similarly, if the City of Thunder Bay had a financing program to help pay for home energy improvements, respondents prefer to repay through their property tax bill with 104 responses for low interest rate being the most important financing characteristics.

13. 54% of respondents stated they would rather complete home renovations themselves or do-it-yourself. A do-it-yourself model does not automatically disqualify them from a LIC program as equipment can be financed. They would have to apply directly to

the program without the engagement of a contractor. To address this large market segment, an awareness campaign may be needed. Having said the above, most homeowners will be incapable of installing most of the measures in a deep retrofit or electrification package without a contractor. Even in the light retrofit package, replacement of a furnace and air conditioning unit requires ticketed trades people.

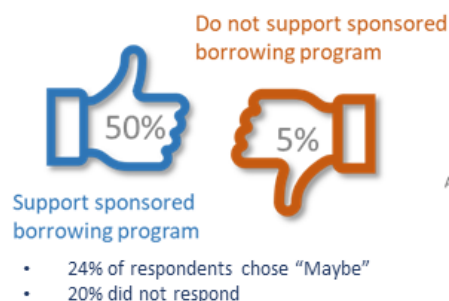
Key findings from the homeowner survey are presented in the following infographic.

HOMEOWNER ENERGY IMPROVEMENT LOAN SURVEY RESULTS

DEMOGRAPHICS & HOUSING TYPE



ENERGY SAVING PROGRAM



77% OF HOMEOWNERS WOULD CONSIDER IMPROVING HOME ENERGY EFFICIENCY WITHIN THE SCOPE OF RENOVATION

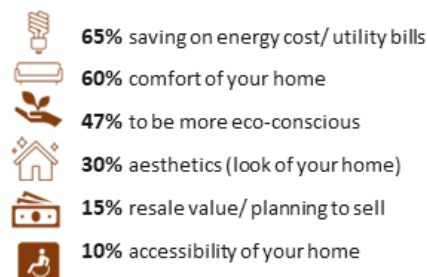
WHAT INFORMATION, SUPPORT AND/OR RESOURCES WOULD YOU NEED?*



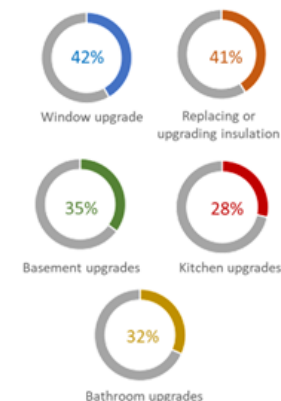
RENOVATION INTENTION

*Respondents allowed multiple responses

WHY ARE YOU CONSIDERING A RENOVATION? *



Top 5 homeowner renovation intention*

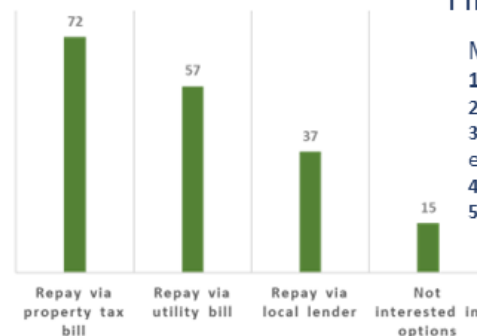


80% OF THE PARTICIPANTS ARE CONSIDERING A HOME RENOVATION

FINANCING

Most important finance characteristics

- 1 Lowest interest rate
- 2 Repayment terms
- 3 Ability to lower monthly payment by extending loan term
- 4 Lowest set-up fees
- 5 Transferability



WHICH OF THE FOLLOWING REPAYMENT OPTIONS WOULD BE OF INTEREST IF THE CITY HAD A FINANCING PROGRAM?*

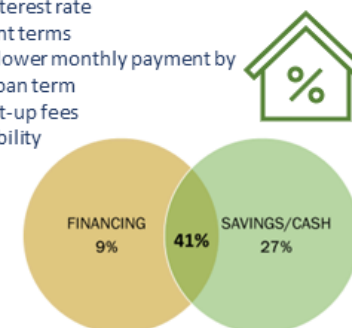


Figure 5 Homeowner energy improvement loan survey results

6.0 Recommendations

6.1 Credit Union Partnership

This Study recommends partnering with credit unions to offer unsecured loans for home renovations, reducing the city's financial burden and a portion of the administrative burden. The partnership is not as a partner in the legal sense. The intent is a strategic collaboration documented as a memorandum of understanding (MOU) approach.

6.2 FCM Design Study Application

Submit an application to FCM to fund a program design study. The additional areas that need to be investigated further include the following:

Targeting Measures: Energy efficiency must fit within a renovations scope and budget for grants or financing to influence homeowner investments. Assess loan amortization periods across targeted measures.

Renovation Triggers: Energy efficiency renovations are rare, homeowners install insulation because of some other structural improvement. Bundling energy efficiency measures into amenity improvements is an important especially given the credit union approach which is not restricted to only energy and water efficiency measures like LIC-based financing.

Contractor Outreach: Contractors do not sell energy efficiency because very few homeowners ask for it. Contractor engagement must focus on dovetailing opportunities and incentives within their project work pipeline for them to benefit.

Renovation roadmaps: Very few homeowners engage in deep renovations. Staged energy efficiency measures must be evaluated.

Community Engagement: Engaging with the community once additional program details are developed to ensure program designs

address market needs. Focus some engagement with landlords as 31% of residential buildings are tenant occupied.

Market Analysis: Program uptake forecasts are critical to finalize staffing and delivery cost structures.

Low Income: Examine additional program design features to potentially support lower income households and energy poverty issues.

6.3 Northern Ontario Regional Approach

Actively collaborate with other jurisdictions in Northern Ontario. Thunder Bay can be the hub for program delivery by demonstrating leadership and expertise in program design and delivery.

Given the number of home retrofit financing programs already in market, the competition for FCM funding has increased given the limited funding budget. A regional approach to aggregate and create scale may differentiate Thunder Bay's application.

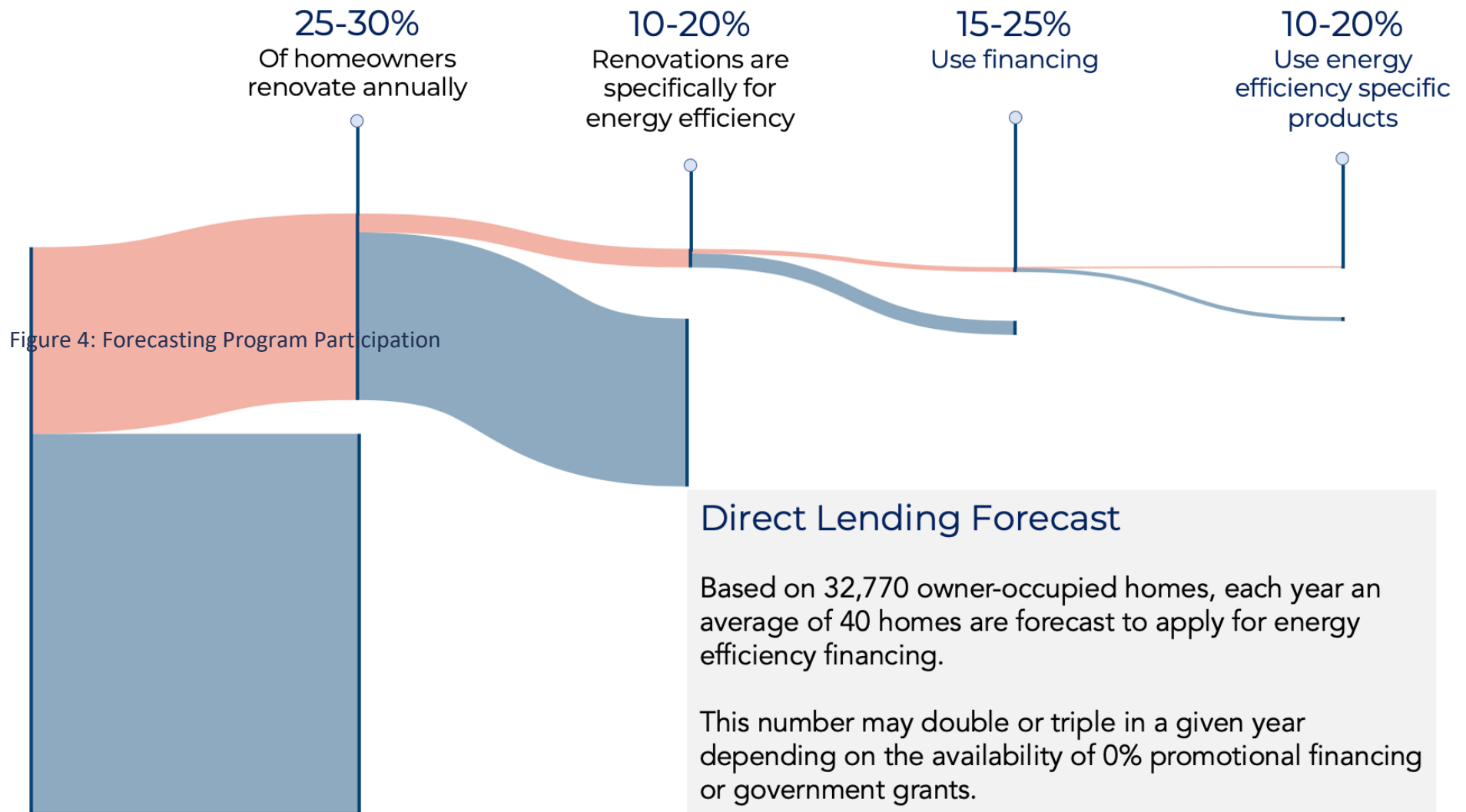
6.4 Operating Model Decision

This study presented two operating models of B2B and B2C. Both models are feasible. However, further comparative analysis is required to inform a potential decision. This is an area where alignment amongst jurisdictions is required if a regional approach is implemented.

6.5 Delivery Administration Decision

Program delivery administration can be carried out by internal staff or through a third-party delivery entity. Various delivery partners can be explored. It is important to establish criteria in assessing the correct partner.

6.6 Forecasting Community Efficiency Financing Program Participation



The City of Thunder Bay		DATE: <u>July 5, 2022</u>
DEPARTMENT: Infrastructure & Operations	REQUEST FOR APPROPRIATION CHANGE	<div style="border: 1px solid black; width: 60px; height: 20px; margin: 0 auto;"></div>
DIVISION: Engineering	REQUEST FOR ADDITIONAL APPROPRIATION	<div style="border: 1px solid black; width: 60px; height: 20px; margin: 0 auto; text-align: center;">X</div>
		<div style="border: 1px solid black; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;">22</div> APPROP NO.

WBS ELEMENT	DESCRIPTION	BUDGET AVAILABLE	INCREASE	DECREASE	ADMIN USE	
					IM Position	Fund Code
IOT-ENV-210001-ST-19-2	Home Energy Program Study		175,000		5.3.1	62
	Federation of Canadian Municipalities -			175,000		62
	Green Municipal Fund					
			175,000	175,000		

EXPLANATIONS/REASONS: Report 113/2022 Community Efficiency Financing Feasibility Study	EFFECT ON LEVEL OF SERVICE: <table style="width: 100%;"> <tr> <td style="width: 33%;">DECREASE</td> <td style="width: 33%;">INCREASE</td> <td style="width: 33%;">MAINTAINED</td> </tr> <tr> <td style="text-align: center;"><div style="border: 1px solid black; width: 60px; height: 20px;"></div></td> <td style="text-align: center;"><div style="border: 1px solid black; width: 60px; height: 20px; text-align: center;">X</div></td> <td style="text-align: center;"><div style="border: 1px solid black; width: 60px; height: 20px;"></div></td> </tr> </table> <div style="text-align: right;">DATE: _____</div> <div style="text-align: right;">RECOMMENDED/APPROVED</div> <div style="text-align: right;"> <u>Linda Evans</u> City Treasurer </div> <div style="text-align: right;"> <u>Norm Gale</u> City Manager </div>	DECREASE	INCREASE	MAINTAINED	<div style="border: 1px solid black; width: 60px; height: 20px;"></div>	<div style="border: 1px solid black; width: 60px; height: 20px; text-align: center;">X</div>	<div style="border: 1px solid black; width: 60px; height: 20px;"></div>
DECREASE	INCREASE	MAINTAINED					
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PREPARED BY: _____ Shari Dykeman REVIEWED BY: <u>Kerri Marshall</u> K.Marshall GENERAL MANAGER Infrastructure & Operations	VERIFIED BY FINANCE: <u>Moira Gallagher</u> Moira Gallagher, CPA, CMA Budget & Planning Accountant Corporate Services & Long Term Care Department	COMMITTEE OF THE WHOLE <table style="width: 100%;"> <tr> <td style="width: 50%;">APPROVED</td> <td style="width: 50%;">NOT APPROVED</td> </tr> <tr> <td style="text-align: center;"><div style="border: 1px solid black; width: 60px; height: 20px;"></div></td> <td style="text-align: center;"><div style="border: 1px solid black; width: 60px; height: 20px;"></div></td> </tr> <tr> <td colspan="2">DATE: _____</td> </tr> </table>	APPROVED	NOT APPROVED	<div style="border: 1px solid black; width: 60px; height: 20px;"></div>	<div style="border: 1px solid black; width: 60px; height: 20px;"></div>	DATE: _____	
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DATE: _____								

MEMORANDUM

TO: Dana Earle, Deputy City Clerk

FROM: Summer Stevenson, Sustainability Coordinator

DATE: June 29, 2022

RE: *Community Efficiency Financing Feasibility Study Results – R 113/2022
Request to Present Information – July 18, 2022, COW Meeting*

We respectfully request an opportunity to provide a presentation relative to Corporate Report 113/2022, Community Efficiency Financing Feasibility Study Results, at the Committee of the Whole meeting on Monday, July 18, 2022.

Summer Stevenson, Sustainability Coordinator, will introduce the presentation.

Parminder Sandhu, Executive Chair – Enerva Energy Solutions Inc., will provide a PowerPoint presentation highlighting the results from the Community Efficiency Financing Feasibility Study.

Sincerely,



Summer Stevenson
Sustainability Coordinator
EarthCare Thunder Bay

cc: K. Marshall – General Manager – Infrastructure & Operations

Corporate Report

DEPARTMENT/ DIVISION	Infrastructure & Operations - Engineering & Operations	REPORT NO.	R 116/2022
DATE PREPARED	6/21/2022	FILE NO.	
MEETING DATE	7/18/2022 (mm/dd/yyyy)		
SUBJECT	Contract 1, 2022 Extension		

RECOMMENDATION

WITH RESPECT to Report R 116/2022 (Infrastructure & Operations – Engineering & Operations), we recommend that the negotiation method as set forth in section 4.09 of Procurement By-Law No. 113-2011 be adopted and that the total contract price for Contract 1, 2022 for Asphalt Resurfacing be increased by \$713,272.95 to \$4,817,880.43 (inclusive of HST) for completion of additional works as listed in this report;

AND THAT the General Manager of Infrastructure and Operations report significant variations in the Contract quantities to City Council;

AND THAT the Mayor and Clerk be authorized to sign all documentation related to this matter;

AND THAT any necessary By-laws be presented to City Council for ratification.

LINK TO STRATEGIC PLAN

This report directly supports ‘Our Priorities’ of the 2019-2022 Corporate Strategic Plan, through renewal of City infrastructure. This project includes the rehabilitation of the pavement surface on several City streets based on Engineering’s asset management plan.

EXECUTIVE SUMMARY

This report recommends Contract No. 1, 2022 for Asphalt Resurfacing awarded to Bruno’s Contracting be increased by \$713,272.95 to \$4,817,880.43 (inclusive of HST) for additional miscellaneous asphalt pavement repairs on arterial and collector streets. The 2022 General Capital Reserve Fund will be used to fund this work, as directed by Council.

DISCUSSION

Contract 1, 2022 for asphalt resurfacing of various streets within the City of Thunder Bay, was awarded to Bruno's Contracting Limited. Bruno's Contracting submitted the lowest tender for this contract and has previously completed similar resurfacing work for the City.

At the May 2, 2022 Council meeting, Council provided direction to use \$1.8M from the General Capital Reserve, available from the 2021 year end positive variance, to fund the Hot-In-Place contract which had been deferred due to high capital contract materials costs, as well as \$1M in crack sealing and miscellaneous patching. The extent of the miscellaneous patching has been reduced to allow the full scope of the Hot-In-Place Contract 10, 2022 to be completed which will see the renewal of four collector/arterial streets.

Bruno's Contracting has agreed to complete the additional work as an extension to Contract 1, 2022 in accordance with the terms and unit prices of the contract. Through negotiations with Bruno's Contracting, Administration has agreed that the unit prices tendered for similar work are acceptable with an adjustment to the hot mix asphalt item to account for significant increases to the asphalt cement pricing.

Section 4.09 of the Procurement By-law 113-2011 provides City Council authorization to award an extension of the contract without the necessity of calling for bids.

FINANCIAL IMPLICATION

The 2022 General Capital Reserve includes sufficient funding for the additional miscellaneous patching work. It is recommended that all work proceed.

The following financial breakdown is provided:

Contract Tendered Price:	\$4,104,607.48
Additional Misc Patching	<u>\$713,272.95</u>
Less HST Rebate:	<u>\$479,229.88</u>
Subtotal:	\$4,338,650.55
Engineering and Other City Costs:	<u>\$290,000.00</u>
TOTAL COST:	\$4,628,650.55

This contract includes a contingency allowance for work that is unforeseen. These funds can only be expended with the approval of the General Manager of Infrastructure and Operations.

CONCLUSION

It is concluded that Contract 1, 2022 awarded Bruno's Contracting be increased by \$713,272.95 (inclusive of HST) to complete additional miscellaneous patching work.

BACKGROUND

The 2022 Capital Budget, Corporate Report 1/2022 (Corporate Services and Long Term Care – Financial Services) Proposed 2022 Operating and Capital Budget, includes tax base funding, Canada Community Building Fund, Ontario Community Infrastructure Fund and EIRP funding for asphalt rehabilitation on various streets within the city.

Memorandum from Director – Engineering Kayla Dixon, dated April 21, 2022 recommended the 2022 Capital Budget be revised to manage the asphalt rehabilitation budget within the approved capital envelopes. Funds from the Hot-in-place project were reallocated to other priority infrastructure renewal projects that were impacted by increased market costs.

Memorandum from Mayor Bill Mauro dated April 26, 2022 recommended Administration complete the work associated with Hot-in-place resurfacing and larger miscellaneous patching of arterials and collectors using the General Capital Reserve to fund the work.

Infrastructure and Operations Department asset management plan incorporates a pavement management system developed in 2000 which is used as a tool to help Administration prioritize roadwork.

REFERENCE MATERIAL ATTACHED:

None.

PREPARED BY: Matthew Miedema, P. Eng., Project Engineer

THIS REPORT SIGNED AND VERIFIED BY: (NAME OF GENERAL MANAGER)	DATE:
Kerri Marshall, General Manager – Infrastructure & Operations	July 6, 2022

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Contract 2, 2022 - Sidewalk & Pedestrian Crossover

SUMMARY

At May 16, 2022 Committee of the Whole meeting the City Clerk advised that this item was withdrawn from the agenda and will be re-presented at a later date.

At June 6, 2022 Committee of the Whole meeting the Deputy City Clerk advised that this item was withdrawn from the agenda and will be re-presented at a later date.

At June 20, 2022 Committee of the Whole meeting the Deputy City Clerk advised that this item was withdrawn from the agenda and will be re-presented at a later date.

Report R 65/2022 (Infrastructure & Operations - Engineering & Operations) containing a recommendation relative to the above noted, re-presented.

RECOMMENDATION

WITH RESPECT to Report R 65/2022 (Infrastructure & Operations - Engineering & Operations), we recommend that Contract 2, 2022 – Sidewalk and Pedestrian Crossover Construction be awarded to Bay City Contractors who submitted the lowest compliant tender in the amount of \$1,230,010.65 [inclusive of HST]; it being noted that the amount shown is based on estimated quantities; final payment for this contract will be based on measured quantities for the completed work;

AND THAT the General Manager of Infrastructure and Operations report any circumstances to City Council should significant variation in the contract quantities occur;

AND THAT the Mayor and City Clerk be authorized to sign all documentation related to these matters;

AND THAT any necessary bylaws be presented to City Council for ratification.

ATTACHMENTS

1. Report R 65/2022 - Contract 2, 2022

Corporate Report

DEPARTMENT/ DIVISION	Infrastructure & Operations - Engineering & Operations	REPORT	R 65/2022
DATE PREPARED	3/31/2022	FILE	
MEETING DATE	5/16/2022 (mm/dd/yyyy)		
SUBJECT	Contract 2, 2022 - Sidewalk & Pedestrian Crossover Construction		

RECOMMENDATION

WITH RESPECT to Report R 65/2022 (Infrastructure & Operations - Engineering & Operations), we recommend that Contract 2, 2022 – Sidewalk and Pedestrian Crossover Construction be awarded to Bay City Contractors who submitted the lowest compliant tender in the amount of \$1,230,010.65 [inclusive of HST]; it being noted that the amount shown is based on estimated quantities; final payment for this contract will be based on measured quantities for the completed work;

AND THAT the General Manager of Infrastructure and Operations report any circumstances to City Council should significant variation in the contract quantities occur;

AND THAT the Mayor and City Clerk be authorized to sign all documentation related to these matters;

AND THAT any necessary bylaws be presented to City Council for ratification.

LINK TO STRATEGIC PLAN

This report directly supports the ‘Renew’ strategy of the 2019-2022 Corporate Strategic Plan: focus on essential infrastructure, revitalize our cores and enhance our Image Routes.

EXECUTIVE SUMMARY

The 2022 capital budget includes funds for new sidewalk, sidewalk replacement, and three additional pedestrian crossover installations at various locations in the City. There were two (2) compliant tenders received for the work, with the lowest being from Bay City Contractors. They have completed previous sidewalk and municipal work for the City on past contracts. Administration recommends them as capable of doing the work. The project as tendered is over the available budget allocation and Administration is recommending the deletion in scope of one of the sidewalk replacement locations in order for the remainder of the contract to proceed.

DISCUSSION

As a result of the call for tenders, two (2) compliant responses as listed below were received for the construction of sidewalks and pedestrian crossover installations.

The tender costs include the applicable HST. An irregularity on bid form submission has resulted in another bidder response being deemed non-compliant by Supply Management and is not shown.

Contractor	Tender Opening Bid
Bay City Contracting	\$1,294,878.38
P.N.I. Contracting Ltd	\$1,445,594.88

The pre-tender estimate for the work on this contract was \$1,031,000.00.

The contract includes sidewalk replacement on sections of the following streets: John Street Road, Red River Road, Brescia Court, Centre Street, Yonge Street, and Hyde Park Avenue.

The Hyde Park Avenue location also includes replacement of street lighting and wiring as well as removal of a one block deteriorated section of non-continuous sidewalk on the east side.

Condition surveys of all City sidewalks provides Administration with information to prioritize sidewalk replacements in the capital program including hollow sidewalk replacement.

The contract also includes a number of segments of new sidewalk links that have been identified in the City's Active Transportation Plan and include improved connections to public transit. This includes new sidewalk segments on sections of John Street, Inchiquin Street and Frederica Street. The work on John Street and Frederica Street is part of a staged program to complete sidewalks on both sides of a transit route street. These new sidewalk links improve access to Transit stops and are eligible for funding under the Investing in Canada Infrastructure Program – Public Transit stream.

Also included in this contract is the necessary underground civil work, concrete sidewalk/trail connections, pavement markings, poles, signage and equipment to install new pedestrian crossover (PXO) signals at three (3) locations.

Locations of crossings are East Avenue at Market Street, William Street at Ford Street and Madeline Street at McVicars Creek. These intersection locations have been reviewed in accordance with the traffic and pedestrian crossover matrix in accordance with the Ontario Traffic Manual. All crossings will also remain consistent with the Level 2 Type B PXO construction standard that the City has adopted for these installations. These pedestrian crossovers are eligible for funding under the Investing in Canada Infrastructure Program – Public Transit stream.

Two of the above crossings involve safety crossing enhancements at locations of active transportation multi-use trails. The William Street crossing includes a realignment of the trail on Confederation College and the College is supportive of this improvement.

The low tenderer on this contract is Bay City Contractors. They completed similar work previously for the City in past years. Administration is recommending this company as the low compliant tenderer and capable of carrying out the work on this contract. Some reduction in original scope is being recommended to align with the available budget.

LINK TO EARTHCARE SUSTAINABILITY PLAN

The work approved under this report supports the Mobility goal of the Earthcare Sustainability Plan. New and rehabilitated sidewalks and new pedestrian crossovers encourage residents to use active transportation especially for short duration trips, improving health of residents and reducing GHG emissions.

FINANCIAL IMPLICATION

The 2022 capital budget includes funds for this work. A number of the new sidewalk projects and pedestrian crossovers are eligible for the Investing in Canada Infrastructure Program (ICIP) Public Transit stream financing that has expanded the extent of work under this year's sidewalk contract.

The work in this contract falls beyond the available budget allocation. Administration is recommending that one of the sidewalk replacement projects on Yonge Street should be removed from the contract to bring it within available budget and all other work proceed. The contractor involved is agreeable to this. Yonge Street sidewalk replacement will be re-budgeted in the Capital Budget submission next year.

Based on the recommendation, the breakdown of pricing is as follows:

Original Contract Tendered Price	\$1,294,878.30
Less Yonge Street scope of work	(\$64,867.65)
Revised Contract Tender price	\$1,230,010.65
HST Rebate	(\$122,347.96)
Subtotal	\$1,107,662.69
Engineering	\$154,000.00
Other City labour & material	\$61,000.00
TOTAL	\$1,322,662.69

This contract includes a contingency allowance for work that is unforeseen and can only be expended with the approval of the General Manager of Infrastructure and Operations.

CONCLUSION

It is concluded that City Council should award Contract 2, 2022 for Sidewalk and Pedestrian Crossover Construction to Bay City Contractors as the lowest compliant tender. It is recommended that sidewalk replacement work on Yonge Street should be deleted in order to allow for sufficient budget availability to complete the remainder of the contract.

BACKGROUND

A condition survey of all City sidewalks provides Administration with information to prioritize sidewalk replacements in the capital program including hollow sidewalk replacement

A number of new sidewalk connections or linkages have been included within the 2022 Capital program as these locations were identified in the City's Active Transportation Plan (ATP) as missing gaps. The majority of these projects are financially supported through the City's participation in the Investing in Canada Program (ICIP) as they improve access to Transit.

Report 59/2016 and Report 110/2016 provide background on the legislation and implementation of Pedestrian Crossovers in the Province and in the City. New locations for pedestrian crossovers (PXO) are reviewed annually by City Administration in accordance with guidelines established by the Ontario Traffic Manual involving criteria for road type, traffic volumes and pedestrian counts. Locations on Pedestrian Priority corridors identified in the ATP are prioritized. Three (3) new locations are included this year as part of this contract and with financial support from the ICIP Federal funding program as they link to improved accessibility for Transit.

REFERENCE MATERIAL ATTACHED: None

PREPARED BY: *Rick Harms, P. Eng., Project Engineer*

THIS REPORT SIGNED AND VERIFIED BY: (NAME OF GENERAL MANAGER)	DATE:
Kerri Marshall, General Manager – Infrastructure & Operations	May 11, 2022



MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Contract 4, 2022 - Sewer and Watermain II - Additional Tender Award

SUMMARY

Report R 131/2022 (Infrastructure & Operations - Engineering & Operations) relative to the above noted. **(Distributed separately)**

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Contract 7, 2022 - Balmoral Street Reconstruction Phase III- Additional
Tender Award

SUMMARY

Report R 132/2022 (Infrastructure & Operations - Engineering & Operations) relative to the
above noted. **(Distributed separately)**

Corporate Report

DEPARTMENT/ DIVISION	Infrastructure & Operations - Environment	REPORT NO.	R 120/2022
DATE PREPARED	6/21/2022	FILE NO.	
MEETING DATE	7/18/2022 (mm/dd/yyyy)		
SUBJECT	Blue Box Transition - Municipal Involvement Decision		

RECOMMENDATION

WITH RESPECT to Report R 120/2022 (Infrastructure & Operations – Environment), we recommend that the City opt out of providing residential recycling services during the transition period from July 1, 2024 to December 31, 2025 (inclusive) on behalf of Producers;

AND THAT the necessary steps are taken to negotiate the termination of the current service provider contract with GFL Environmental Inc. for the City's residential recycling program effective July 1, 2024;

AND THAT Administration explore options on how best to support the Industrial, Commercial and Institutional sector with Blue Box (blue bag) recycling services and report back to Council on or before December 4, 2023;

AND THAT the costs associated with transition of services in the amount of \$120,000 be added to the 2023 Solid Waste and Recycling Services Operating Budget for Council's consideration;

AND THAT the Mayor and Clerk are authorized to execute any necessary documentation related to opting out of residential recycling services during the transition period in the form satisfactory to the City Solicitor;

AND THAT any necessary by-laws are presented to City Council for ratification.

LINK TO STRATEGIC PLAN

This report supports the fifth goal under the 'Lead' pillar of the Plan to 'Further our commitments to sustainability and climate adaptation.'

EXECUTIVE SUMMARY

The City of Thunder Bay will be transitioning to the new Provincial Blue Box (blue bag) regulatory framework on July 1, 2024 to comply with the Blue Box Regulation *O.Reg. 291/21*

A decision must be made on whether to opt in or out of providing recycling service during the transition period from July 1, 2024 to December 31, 2025 on behalf of Producers.

It is recommended that the City opt out of providing recycling service during the transition period to realize financial savings.

DISCUSSION

On June 3, 2021 the Province approved the Blue Box Regulation *O. Reg. 391/21*. The regulation removes the responsibility to operate Blue Box (blue bag) recycling programs from municipalities and instead makes the Producers of blue box materials directly responsible for the operation and financing of the programs and outcomes established in the regulation. The responsibility for the promotion, education, collection and processing for blue box materials now falls to Producers. Producer Responsibility Organizations (PROs) have been contracted by Producers to manage the program on their behalf.

Communities will start transitioning their Blue Box (blue bag) programs between 2023-2025. The City of Thunder Bay has a transition date of July 1, 2024. Current service levels are to remain the same during the transition period and program funding to municipalities is to remain unchanged up until the transition date. At the conclusion of the transition period, starting in 2026, Producers will have the ability to implement changes to the Blue Box (blue bag) program to improve efficiency and drive up diversion.

The new regulation will enact several changes to the Blue Box (blue bag) program, including:

1. establishing a common collection system across Ontario;
2. expanding the type of materials which are accepted in the program;
3. offering blue box collection services to additional sources, such as multi-unit residential buildings, schools, not-for-profit retirement and long-term care homes and some public spaces (i.e. parks, playgrounds, and transit stops);
4. implementing a consistent, province wide promotion and education program; and
5. establishing weight-based recovery targets based on the quantity of material supplied into Ontario that Producers will be required to meet.

Producers will be required to collect all designated materials and expand servicing to additional eligible sources by 2026. The regulation also allows Producers the ability to change how servicing is provided. As an example, this could result in a change to the type of recycling container/receptacle being utilized curbside (i.e. potential switch to carts or bins from bags).

Municipalities do not have 'First Right of Refusal' to provide Blue Box (blue bag) services to Producers. Decisions on contracting are to be made by Producers. However, this does not preclude Producers from negotiating commercial agreements with municipalities to continue to provide services on their behalf.

Program Transition Update

On April 14, 2022, the Province released amendments to the Blue Box Regulation. These amendments are significant and have escalated the need for decision-making by municipalities. Circular Materials Ontario (CMO), the largest PRO, has requested that municipalities respond by July 15, 2022 whether they intend to provide recycling collection service (not processing) on CMO's behalf after their transition date until December 31, 2025. This is a tight turnaround for a decision as details continued to be received as late as early July. CMO is expected to be the administrator of the new Provincial collection system. Administration will be notifying CMO of the City's recommended decision to City Council by the July 15, 2022 deadline.

If a municipality chooses not to continue involvement, then CMO plans to approach the contracted service provider in the municipality (i.e. GFL Environmental Inc.) to determine if they would continue providing the service. If neither party wants to remain involved, CMO will then need to put out a Request for Proposal (RFP) for a new service provider.

If a municipality wants to remain involved, they would have to sign a contract with CMO and revise the contract with their current service provider based on the requirements outlined in the new contract. CMO has contractual agreement offers in place for municipalities for curbside collection, depot collection, public space collection and delivering promotion and education. It is the preference of CMO that municipalities continue providing service during the transition period.

Key Considerations

Administration has considered both the regulation and the following items in relation to the recommendations in this report:

1. Current GFL Environmental Recycling Contract
2. Recycling Depot Operations
3. Financial Implications
4. Change Management Measures (i.e. internal / external communications) to allow for a smooth transition of services

Service Level Implications

GFL Environmental Contract

The current municipal recycling program collection, processing and marketing contract with GFL Environmental (GFL) includes an early termination clause with set dollar amounts to terminate for each year of the contract. Whether the City decides to opt in or out of providing service during the transition period, the current contract with GFL will need to be terminated.

Depot Operations

Producers are not required to provide depot collection services to municipalities who also provide curbside collection service after December 31, 2025. If the City opts in to provide service during the transition period, the City's current three (3) recycling depots would continue to operate as is during transition. If the City opts out, the requirement of CMO would be to maintain three (3) recycling depots in the City, but not necessarily the same locations. CMO have indicated they would approach the private sector first.

Change Management

Once the City is no longer in control of providing the service, this will represent a significant change for the community. As an example, if someone is unsatisfied with their service, it will not be the City they contact, but a new service provider. Opting out, means this change will happen effective July 1, 2024. In 2024, the City will be planning, implementing, and launching the new Green Bin and auto-cart program, which means resourcing to facilitate this change to the community will be extremely challenging. It will be necessary to assign temporary transition resources starting in 2023, including a transition lead. Dedicated promotion and education dollars will also be required to support this change whether the City opts out of providing service in 2024, or waits until 2026.

Industrial, Commercial and Institutional Sector Recycling

The City will still need to maintain its municipal building recycling collection program at full operational control and cost, as the Industrial, Commercial and Institutional (ICI) sector is excluded from these regulatory changes. This portion of the current GFL recycling contract will need to remain intact or be re-negotiated whether the City opts in or out during transition and beyond.

Providing recycling services to the broader ICI sector is not a service the City currently provides. Recognizing this is a service many small businesses have inquired about over time, it is recommended that options be explored on how best this sector may be supported with Blue Box (blue bag) recycling in the future.

LINK TO EARTHCARE SUSTAINABILITY PLAN

The following action is identified within the Waste section of the EarthCare Sustainability Plan.

The EarthCare Objective A, Corporate Action B "Recover the costs of waste from those creating the waste. (Follow the Extended Producer Responsibility model for managing waste as per provincial guidelines)".

The EarthCare Objective B, Corporate Action B "Increase accessibility of diversion programs for the ICI sector with an emphasis on small business".

FINANCIAL IMPLICATION

The current provincial Blue Box (blue bag) program funds approximately 50% of municipal costs. The 50/50 cost sharing between municipalities and producers remains in place until transition is complete, which for the City is July 1, 2024.

If the City continues to provide service to Producers during the transition period from July 1, 2024 to December 31, 2025, it would cost an additional estimated \$181,000 in 2024 and result in a budget savings of an estimated \$1,700,000 in 2025.

If the City were to opt out of providing service to Producers during the transition period from July 1, 2024 to December 31, 2025, it would result in an estimated \$900,000 in budget savings in 2024 and an estimated \$3,000,000 savings in 2025. A cost of \$120,000 is required in the 2023 budget for resources to support transition of services to realize the greatest financial savings.

These figures are our best estimates at this time.

CONCLUSION

The service delivery of the Blue Box (blue bag) program in the province of Ontario is changing. Continuing to provide service during the transition period does maintain a certain level of control for the City, however it comes at a greater financial commitment than simply opting out of providing the service altogether. It is for this reason, that it is concluded that the City should opt out of providing service for all components of the municipal residential recycling program effective on its transition date of July 1, 2024.

BACKGROUND

At the May 7, 2018 Committee of the Whole Meeting, Report R 62/2018 - update on the Solid Waste Management Strategy was provided for information.

At the June 3, 2019 Committee of the Whole Meeting, Report R 27/2019 - update on the Solid Waste Management Strategy was provided for information.

At the August 12, 2019 Committee of the Whole Meeting, memo was provided on Provincial Solid Waste regulatory changes for information.

At the September 14, 2020 Committee of the Whole Meeting, Report R 108/2020 - update on the Solid Waste Management Strategy was provided for information.

At the May 3, 2021 Committee of the Whole Meeting, Report R 54/2021– update on the Solid Waste Management Strategy was provided for information.

At the September 22, 2021 Committee of the Whole Meeting, memo on regulatory updates to the Provincial Blue Box Program was provided for information.

At the April 4, 2022 Committee of the Whole Meeting, Report R 48/2022 - update on the Solid Waste Management Strategy was provided for information.

REFERENCE MATERIAL ATTACHED:

None.

PREPARED BY: JASON SHERBAND, MANAGER – SOLID WASTE AND RECYCLING SERVICES

THIS REPORT SIGNED AND VERIFIED BY: (NAME OF GENERAL MANAGER)	DATE:
Kerri Marshall, General Manager – Infrastructure & Operations	July 7, 2022

Corporate Report

DEPARTMENT/ DIVISION	Infrastructure & Operations - Engineering & Operations	REPORT NO.	R 112/2022
DATE PREPARED	6/15/2022	FILE NO.	
MEETING DATE	7/18/2022 (mm/dd/yyyy)		
SUBJECT	Neebing River - Outstanding Item 2021-112-INO		

RECOMMENDATION

WITH RESPECT to Report R 112/2022 (Infrastructure & Operations - Engineering & Operations), we recommend that 2021-112-INO Neebing River – Request for Report be removed from the Outstanding List;

AND THAT any necessary by-laws be presented to Council for ratification.

LINK TO STRATEGIC PLAN

This Report directly supports two pillars of the City's Strategic Plan.

Strategic Pillar: Grow – Focus on city building and social infrastructure to strengthen our economy, lifestyle and well-being. Item #3 Develop key City infrastructure that builds capacity.

Strategic Pillar: Renew - Focus on essential infrastructure, revitalize our cores and enhance our Image Routes. Item #5 Promote, both inside and outside Thunder Bay, our many attractions, parks, facilities, services and innovative product development to encourage use.

EXECUTIVE SUMMARY

At the December 6, 2021 Committee of the Whole meeting Council requested Administration to report back with information relating to the ownership and maintenance activities on the Neebing River, and how the river may be used for watercraft including safe launch locations.

Administration examined land ownership along the Neebing River from Highway 61 east to Lake Superior.

The Neebing River bed itself is considered crown land with the right of public access in the waterway but not the shore. Many sections of the river bed are under the control and ownership of the Lakehead Region Conservation Authority (LRCA). Adjacent to the river there is a mix of private lands, City owned and park lands, and those owned by the LRCA.

In general, the landowner adjacent to the river is responsible for the maintenance of the lands including trees that may fall into the river. The Neebing River falls under the *Navigable Waters Act* and as such, no structures can be built to impede the use of the river without following an approvals and permitting process.

Administration has reviewed potential suitable locations for safe watercraft launching and identified 5 preferred potential sites all on LRCA lands. A local dock building contractor has been consulted to determine an approximate cost to develop non-motorized boat docks at a value of \$10,000 - 15,000 each. Due to ice action and fluctuating water levels on the Neebing River these docks would be required to be removed and installed seasonally at an approximate cost of \$5,000 per dock.

This report is provided for information purposes. Administration is not recommending the implementation of watercraft facilities on the Neebing River.

DISCUSSION

Geographical Extents

Initially, Administration had identified the Neebing River from Simpson Street in the east to Edward Street in the west (approximately 3.5km) as the geographical area for review. In investigating opportunities for this report, Administration is of the opinion that a more suitable extent for this report would be Highway 61 in the west (approximately 2km additional) to Lake Superior to the east (approximately 1.75km additional) to take advantage of possible existing opportunities within those extents.

Land Ownership

Attachment A identifies land ownership along the Neebing River. Approximately 50% is LRCA owned, 30% City of Thunder Bay owned and 20% privately owned. Of the City owned land approximately 40% is Road right-of-way, 50% is Parkland and 10% City Open Space.

Ownership adjacent to the Neebing River can be summarized as:

1. Lake Superior to Neebing River along the Floodway - the LRCA owns all of the lands directly adjacent to the floodway lands, as well as the floodway bed.
2. Floodway to Brunswick Street N. - the majority of the lands adjacent to the river are private lands with the city owning the crossing road right-of-way's (R.O.W.'s) at Minnesota St., Prince Arthur Blvd., May St., Syndicate Ave. N., McKellar Street N., Vickers Street N., River Road, Cameron Street, Franklin Street N., Balmoral/Wellington Streets, Waterloo Street N. and Brunswick Street N. This section also includes small pockets of City owned lands and Park lands often adjacent to road right-of-way. The river bed is under the control of Public Works & Government Services Canada.

3. Brunswick Street N. to Leland Avenue N. - the majority of each side of bank, as well as the river bed from Brunswick Street to Ford Street is owned by the LRCA with the remainder being City lands with the river bed under the control of Public Works & Government Services Canada.
4. Leland Avenue N. to Highway 61 – City Park lands are on both sides of the bank, with the exception of the highway ROW and the riverbed is under the control of the Public Works & Government Services Canada.

Jurisdictional Authority

The Neebing River is considered a navigable waterway. As such, the river bed of the water body is considered public, and the public has a right to travel along the river unimpeded. This right does not extend to the river bank or shoreline and thus ownership of those is the adjacent landowners. Due to the bank and shoreline being considered the adjacent landowner's, the maintenance of those lands also falls on the adjacent land owner.

The above information is not always known by members of the public. The City routinely receives calls of fallen trees along the Neebing River, especially where adjacent to private lands, where many adjacent homeowner do not know, or do not feel it is their responsibility to clear fallen or hazard trees in the river if they have fallen from their property. While it may technically be the adjacent land owner's responsibility to remove trees that may have fallen in the river, there is no requirement to do so as this is a natural process that occurs along river banks. As such, if the City wishes to encourage watercraft access along the river without potential obstructions, it would fall upon the City, at its cost, to remove the trees. Due to limited access in areas of private property, such work would most likely only be able to be done in winter for access along the frozen river. In addition, to reduce the likelihood of obstructions, it would require being undertaken proactively each year in the winter before the summer use season and not reactively as the obstructions occur due to difficulty of access.

Under the *Navigable Water Act*: "Except in accordance with this Act, it is prohibited to construct, place, alter, rebuild, remove or decommission a work in, on, over, under, through or across any navigable water." Thus any work such as a watercraft landing/ dock in the river would require to go through a permitting process to receive approval prior to the construction of any such facility.

The Neebing McIntyre Floodway and the Neebing River from Brunswick Street N. to Ford Street N. is under the ownership and control of the LRCA with flood protection being their main mandate. The installation of any boat launch on LRCA owned property will require Board of Director approval and will need to take into consideration future maintenance (i.e. dredging) on the Floodway. The ability of the Floodway to operate as a flood control structure is the priority (as noted in the Floodway Agreement between the City and LRCA). The entire Floodway has a no motorized boat regulation on this waterway.

Maintenance Activities along the Neebing River

Currently the City of Thunder Bay Parks & Open Spaces Section Forestry and Horticulture Unit do not have a regularly scheduled program of clearing fallen trees over the Neebing River where adjacent to public or private lands. It is currently strictly reactive for those trees that are on adjacent City owned and Park lands. However, in 2018, 2019 and 2020, due to frequent public requests and complaints the City did contract Rutter Urban Forestry over a 3-winter period to clear, canopy raise and prune trees along the Neebing River from Simpson Street to Dease Street. This work is generally only possible in the winter when the river is frozen to enable access and clean up. This was done at a cost of approximately \$25,000/ year.

As discussed in Jurisdictional Authority above should the City wish to encourage use of the Neebing River it would be anticipated that this would require additional operating funds in the Parks & Open Spaces Section budget to undertake yearly proactive tree removal along the River in some of the areas along the river.

Potential Obstacles and Barriers along the Neebing River

There are some potential obstacles and barriers to watercraft using the Neebing River for recreation. They include:

1. Fallen trees and overhanging limbs from private lands.
2. Areas of dense vegetation adjacent to shore and bank.
3. Low bridge height clearances.
4. Useable channel width varies making it difficult for two kayakers to pass by each other in some areas.
5. Limited access/egress points on public land.
6. Areas of steep banks and low bank stability.
7. Adjacent private land owner perception of loss of privacy.
8. The weir to the west of Edward Street and the Floodway diversion east of Ford St. both pose a significant barrier to navigation and require portages around them.

Potential Locations for Watercraft Launching

For the purposes of this report only public lands, including LRCA lands, have been considered. Lands under control of the LRCA would require permission and use agreements.

1. Lake Superior to Simpson Street – high potential at two locations.
 - i. Island Drive Floodway Crossing - shallow banks with existing parking and is already being used as an informal launching area
 - ii. LRCA Simpson triangle - low banks, open space, opportunity to partner with LRCA to develop parking and trail and access to both the Neebing River and the Floodway.

2. Simpson Street to Brunswick Street N. – generally low suitability as the majority of adjacent lands are private lands, the banks are steep with existing tree and vegetation cover that helps to stabilize the banks. Possible sites on road R.O.W crossings include:
 - i. Prince Arthur Boulevard, some suitability as there is trail access, physical space and on-street parking on Southern Avenue.
 - ii. May Street/ Northern Triangle, not suitable, there is open space, however no facilities or parking and adjacent to busy roads.
 - iii. Syndicate Avenue N., some suitability as there is trail access, physical space and on-street parking on Southern Avenue and Syndicate Avenue N.
 - iv. McKellar Street N., low suitability as there is limited space available
 - v. Vickers Street N., some suitability with physical space off the road R.O.W
 - vi. River Road/Harold Street N, low suitability has a long river frontage, however not much useable space due to encroachment on the ROW.
 - vii. Franklin Street N. and adjacent Park Lands may be the most suitable area in this zone as there is open space and street parking and the adjacent parkland is already being utilized for a community garden.
 - viii. Wellington Street, low suitability as there is limited space available.
 - ix. Waterloo Street N. and adjacent City owned lands, some suitability as there is future trail access with a planned LID, physical space and on-street parking on Cameron Street.
3. Brunswick Street N. to Ford Street N. – generally high suitability – more gradual banks with less woody vegetative growth and parking on Tarbutt Street N. and Legion Track Drive. Lands are under LRCA control requiring permissions, but there is extensive parkland adjacent in Chapples Park.
4. Ford Street N. to Edward Street N. – generally low suitability – steep eroding banks and generally narrow strip of lands between road/ trail and bank.
5. Edward Street N. to Leland Avenue N. – generally high opportunity – generally less steep banks with limited woody plant material on bank, parking at both schools and on adjacent streets, trail and existing access from multi-use trail to top of bank. This area would require two facilities one above and one below weir, or just rely on a portage.
6. Leland Avenue N. to James Street N. - generally some suitability - on street parking on Parkway Drive W., trail access close to water and mixed vegetation on bank.
7. James Street N. to Highway 61 – low suitability – steep and/ or highly woody vegetated banks and access would only be possible by a new trail.

Infrastructure Requirements & Costing

Capital

The following Capital Improvement items are envisioned to be utilized to enhance non-motorized watercraft use along the Neebing River:

1. Signage – to comply with the City of Thunder Bay Wayfinding Standard
 - i. Launch Identification/ rules/ safety = \$500 each
 - ii. Hazard Identification such as low bridge and weirs = \$250 each
 - iii. Street/ Bridge Crossing Name = \$200 each
 - iv. Km markers = \$100 each
2. Floating Dock – 1200mm wide X 3000mm long, with access ramp = \$8-10,000 each
3. Dock access shore site work = \$3-5,000 each

Annual Operational

1. Seasonal dock installation = \$2,500/ year/ dock
2. Seasonal Dock removal = \$2,500/ year/ dock
3. Overhanging tree and branch yearly maintenance for public and private trees = \$10,000 - 20,000/ year

Possible Phasing

The following possible initial three phases are envisioned to implement enhancement of non-motorized watercraft using the Neebing River:

1. Phase One - Lower Neebing River and Lower Neebing McIntyre Floodway from Lake Superior to Legion Track Drive (4.6km of river and 2km of floodway) at an estimated cost of \$45,000 – \$60,000:
 1. Removal/pruning of hazard trees along river
 2. Design, approvals and permitting
 3. Enhancement of the existing launch area at Island Drive
 4. Creation of a launch area at the Simpson Triangle on LRCA lands
 5. Creation of a launch area near Legion Track Drive
 6. Installation of signage
2. Phase Two – Neebing River from Legion Track Drive to the weir east of Leland Avenue N.(1.5km) at an estimated cost of \$20,000 – \$25,000:
 1. Removal/pruning of hazard trees along river
 2. Design, approvals and permitting
 3. Creation of portage facilities around the diversion and weir structures.
 4. Creation of a launch area between Edward Street N and the weir
 5. Installation of signage
1. Phase Three – the weir east of Leland Avenue N. to Highway 61 (1.5km) at an estimated cost of \$15,000 – \$20,000

1. Removal/pruning of hazard trees along river
2. Design, approvals and permitting
3. Creation of a launch area between the weir and Leland Avenue N.
4. Installation of signage

LINK TO EARTHCARE SUSTAINABILITY PLAN

This Report supports the following items:

Item 1.0 Sustainable Development: Energy, Item A, Actions for Community h) Promote other measures that reduce kilometres travelled by vehicles such as land-use planning, public transport, and active transport.

Item 3.0 Sustainable Development: Land Use Planning, Item A, Actions for Community a) Continue to inventory and protect natural heritage assets and resources, such as floodplains and other hazard lands, parks, significant wetlands and lands managed by the Conservation Authority b) Encourage community awareness of such natural heritage features and their value to the community, via production of online maps and related documentation.

FINANCIAL IMPLICATION

As this Report is for information only there are no financial implications.

Currently providing and maintaining non-motorized watercraft launching facilities along the Neebing River is not included in the LRCA or Park & Open Spaces Section budgets.

CONCLUSION

As this Report is for Information only, no recommendations from administration have been included.

BACKGROUND

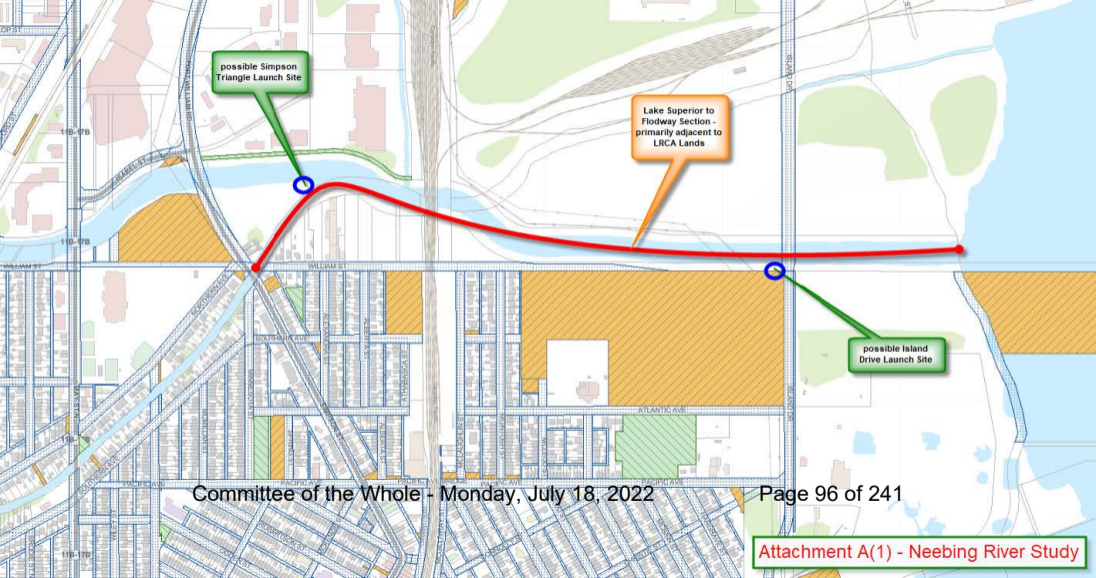
At the December 6, 2021 Committee of the Whole meeting Council requested Administration report back with information on the Neebing River. Reference Number 2021-112-INO.

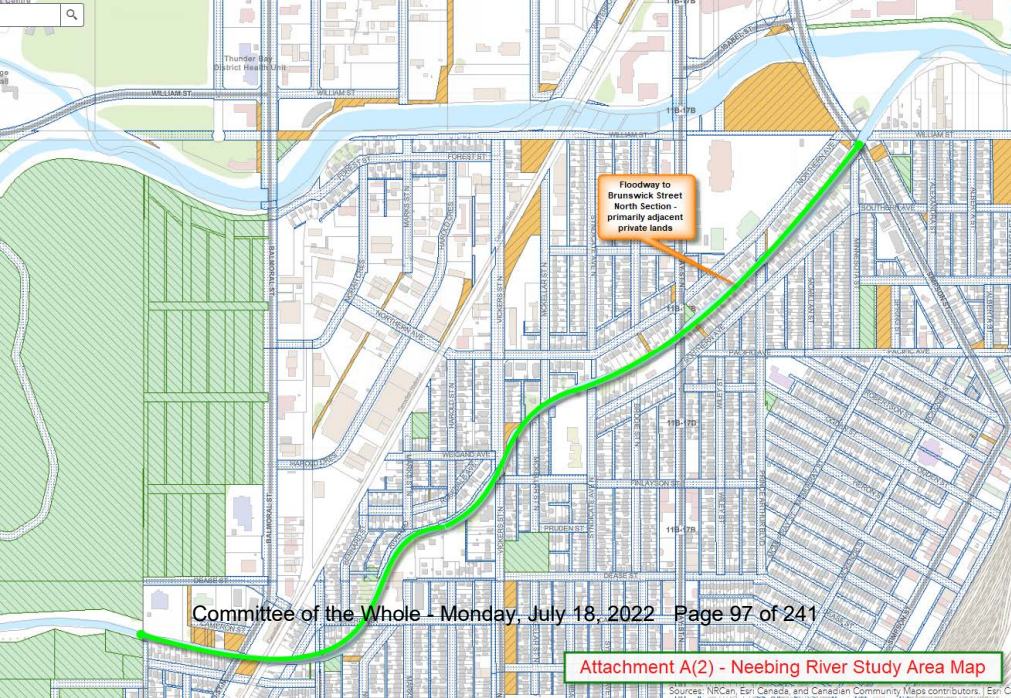
REFERENCE MATERIAL ATTACHED:

Neebing River Watercraft Launch Map Attachment A1
Neebing River Watercraft Launch Map Attachment A2
Neebing River Watercraft Launch Map Attachment A3
Neebing River Watercraft Launch Map Attachment A4

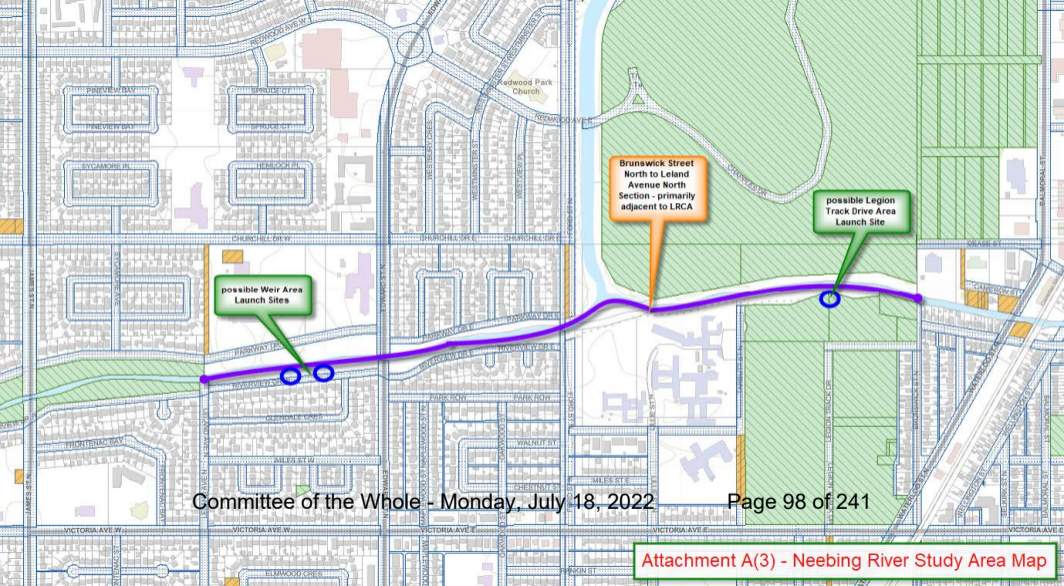
PREPARED BY: Werner Schwar (OALA) - Supervisor Parks & Open Space Planning

THIS REPORT SIGNED AND VERIFIED BY: (NAME OF GENERAL MANAGER)	DATE:
Kerri Marshall, General Manager – Infrastructure & Operations	July 8, 2022





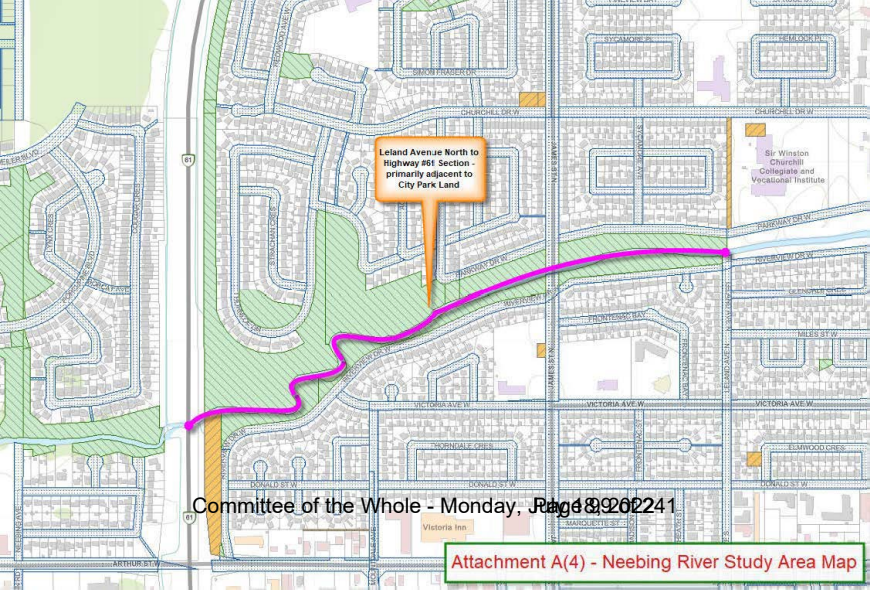
Floodway to
Brunswick Street
North Section -
primarily adjacent
private lands



Brunswick Street
North to Leland
Avenue North
Section - primarily
adjacent to LRCA

possible Legion
Track Drive Area
Launch Site

possible Weir Area
Launch Sites



Leland Avenue North to Highway #61 Section - primarily adjacent to City Park Land

Sir Winston Churchill Collegiate and Vocational Institute

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Product Care Association of Canada – Amending Agreement

SUMMARY

Memorandum from Manager - Solid Waste & Recycling Services Jason Sherband, dated June 23, 2022 containing a recommendation relative to the above noted.

RECOMMENDATION

WITH RESPECT to the Memorandum from Jason Sherband, Manager – Solid Waste and Recycling Services, dated June 23, 2022, relative to the Hazardous and Special Products Program, we recommend that the City of Thunder Bay enter into an Amending Agreement with Product Care Association of Canada;

AND THAT the Mayor and Clerk are authorized to execute this Agreement and any other necessary documentation related to the agreement;

AND THAT any necessary by-laws are presented to City Council for ratification.

ATTACHMENTS

1. Memorandum - Jason Sherband - Product Care Association of Canada Amending Agreement

MEMORANDUM

TO: Krista Power, City Clerk

FROM: Jason Sherband, Manager - Solid Waste and Recycling Services

DATE: June 23, 2022

RE: Product Care Association of Canada– Amending Agreement
Committee of the Whole – July 18, 2022

The purpose of this memorandum is to provide an update on the Provincial Municipal Hazardous or Special Waste (MHSW) Program and seek City Council approval to enter into an Amending Municipal Industry Materials Service Agreement with Product Care Association of Canada (PCA).

On April 12, 2018, the Minister of the Environment, Conservation and Parks directed Stewardship Ontario (SO) to wind up the MHSW Program to enable the transition of hazardous or special materials to the individual producer responsibility (IPR) regulatory framework.

The IPR framework makes producers accountable for their products and packaging once consumers are finished with them, sets mandatory and enforceable requirements for resource recovery, and gives producers choices for resource recovery services in a competitive market.

The operation of the MHSW Program for all designated materials ceased on September 30, 2021, and on October 1, 2021, the Hazardous and Special Products (HSP) Regulation came into effect.

The HSP Regulation designates automotive materials (i.e. oil filters, oil containers and antifreeze), solvents, paints and coatings, pesticides, fertilizers, mercury-containing devices (i.e. barometers, thermometers and thermostats) and pressurized containers (i.e. non-refillable pressurized containers, refillable pressurized containers, refillable propane containers), under Ontario's IPR regulatory framework.

The City of Thunder Bay (City) operates one full-time Household Hazardous Waste (HHW) Depot located at the Thunder Bay Solid Waste and Recycling Facility. In order to continue to receive financial compensation for the collection of HSP designated material at the HHW Depot, the City must enter into a formal agreement(s) with a Producer Responsibility Organization (PRO). The City, up until the new HSP Regulation came into effect, was entered into a Municipal Industry Materials Service Agreement with PCA for the management of a select number of HSP materials at its HHW Depot, such as paints and coatings, solvents, fertilizers and pesticides.

Administration recommends entering into an Amending Agreement with PCA for the management of paints and coatings, solvents, pesticides and pressurized containers. The Amending Agreement accommodates the new HSP Regulation and HSP Products. Product Care Association is an established PRO, and the organization was one of the main administrators under the previous program, which will allow for a seamless transition for the City.

The financial compensation the City will receive because of the new agreement with PCA is anticipated to be approximately \$77,000 annually.

Based on the above, the following recommendation is provided for Council's consideration:

WITH RESPECT to the Memorandum from Jason Sherband, Manager – Solid Waste and Recycling Services, dated June 23, 2022, relative to the Hazardous and Special Products Program, we recommend that the City of Thunder Bay enter into an Amending Agreement with Product Care Association of Canada;

AND THAT the Mayor and Clerk are authorized to execute this Agreement and any other necessary documentation related to the agreement;

AND THAT any necessary by-laws are presented to City Council for ratification.

Yours truly,

Jason Sherband

pc Norm Gale, City Manager
 Kerri Marshall, GM – Infrastructure and Operations
 Michelle Warywoda, Director – Environment

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Outstanding List for Operations as of July 5, 2022

SUMMARY

Memorandum from City Clerk Krista Power, dated July 5, 2022 providing the Operations Outstanding Items List, for information.

ATTACHMENTS

1. Memorandum - K. Power - Outstanding List - Operations - July 18

Memorandum

Office of the City Clerk
Fax: 623-5468
Telephone: 625-2230

TO: Mayor & Council

FROM: Krista Power, City Clerk

DATE: July 5, 2022

SUBJECT: Outstanding List for Operations as of July 5, 2022
 Committee of the Whole – July 18, 2022

The following items are on the outstanding list for July 18, 2022:

Reference Number (yyyy-nnn-MTG)	Department/Division	Outstanding Item Subject	Resolution Report Back Date - (on or before date)	Revised Report Back Date - (on or before date) (Memos presented at COW updating or delaying Item)
2009-015-INO	Infrastructure & Operations	Temporary Street Closures for Special Events	No date included in original resolution	Aug-08-2022
2014-002-INO	Infrastructure & Operations / Engineering & Operations	Residential Wattage Reduction Report	No date included in original resolution	May-05-2025
2020-047-INO	Infrastructure & Operations / Engineering & Operations	Electric Scooter Pilot Participation	Dec-01-2026	Feb-01-2027
2020-048-INO	Infrastructure & Operations / Engineering & Operations	Automated Speed Enforcement (Photo Radar) - Request for Report	Nov-30-2021	Dec-12-2022

2021-105-INO	Infrastructure & Operations / Engineering & Operations	Boulevard Dam Electrical Power Production	Mar-07-2022	May-31-2023
2021-108-INO	Infrastructure & Operations/Engineering & Operations	Tactile Walking Indicators	Jan-15-2024	Mar-4-2024
2021-111-INO	Infrastructure & Operations	School Bus Stop Arm Cameras	Sept-12-2022	Dec-12-2022
2021-112-INO	Infrastructure & Operations	Neebing River - Request for Report	May-2-2022	Jul-18-2022
2022-101-INO	Infrastructure & Operations/Parks	Injured Workers Monument & Policy Development	Sep-12-2022	
2022-102-INO	Infrastructure & Operations/Engineering & Operations	Safety Improvements for Dawson Road - Request for Information	Aug-09-2022	
2022-103-INO	Engineering & Operations- Parks & Open Spaces	Tree Production at Conservatory	Dec-20-2021	Sep-01-2023

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Accessibility Advisory Committee Minutes

SUMMARY

Minutes of Meeting 02-2022 of the Accessibility Advisory Committee held on April 14, 2022, for information.

ATTACHMENTS

1. Accessibility Advisory Committee Minutes - April 14, 2022

ACCESSIBILITY ADVISORY COMMITTEE

Meeting 02-2022

Date: Thursday, April 14, 2022

Time: 1:00 P.M.

Virtual Location: MS Teams

Chair: Anne Antenucci

MEMBERS

Anne Antenucci
John Gobeil
Councillor Rebecca Johnson
Todd Kennedy
Tara Lennox
Brian Spare
Randy Sponchia
J.R. Wheeler

SECTOR REPRESENTATIVE

Parent to a Child with a Disability
Citizen Representative
Council Representative
Service Agency Representative
Learning Disability Representative
Hard of Hearing/Late Deafened Representative
Developmental Disability Representative
Brain Injury Representative

OFFICIALS

Krista Power
Dana Earle
Scott Garner
Flo-Ann Track

City Clerk
Deputy City Clerk
Municipal Accessibility Specialist
Council & Committee Clerk

RESOURCES

Jessy Bogacki

Program Supervisor, Adult Fitness, Wellness & Inclusion
Services

GUESTS

Leanne Lavoie

Election Coordinator

1. APPOINTMENT OF CHAIR & VICE CHAIR

At the February 10, 2022 meeting of the Accessibility Advisory Committee the following individuals were nominated for the position of Chair and agreed to let their name stand: Anne Antenucci, Kai Crites and Tara Lennox; and the following individuals were nominated for the position of Vice Chair and agreed to let their name stand: Anne Antenucci, Kai Crites and Tara Lennox.

A resolution was passed directing Administration to administer the secret electronic ballots and present the results for approval at the next meeting of the Accessibility Advisory Committee.

MOVER: Tara Lennox
SECONDER: Anne Antenucci

WITH RESPECT to the Chair and Vice Chair positions for the Accessibility Advisory Committee, we recommend that Anne Antenucci be appointed Chair and that Tara Lennox be appointed Vice Chair of the Committee for the remainder of the 2022 calendar year, and until such time a replacement has been appointed, as required annually.

AND THAT the secret electronic ballots for the positions of Chair and Vice Chair for the Accessibility Advisory Committee be destroyed following the meeting held on April 14, 2022.

CARRIED

The newly-appointed Chair, Anne Antenucci, assumed the position of Chair for the duration of the meeting.

2. WELCOME AND INTRODUCTIONS

The Chair called the meeting to order and a roundtable of introductions followed.

3. COMMUNICATION PROCESS

Council & Committee Clerk Flo-Ann Track explained the communication process.

4. AGENDA APPROVAL

MOVER: Tara Lennox
SECONDER: Todd Kennedy

WITH RESPECT to the April 14, 2022 meeting of the Accessibility Advisory Committee, we recommend that the Agenda as printed, including any additional information and new business, be confirmed.

CARRIED

5. MINUTES OF PREVIOUS MEETING

The Minutes of Meeting No. 01-2022 Accessibility Advisory Committee, held on February 10 2022, to be confirmed was distributed on Thursday, April 7, 2022.

MOVER: Rob Wheeler
SECONDER: Tara Lennox

THAT the Minutes of Meeting No. 01-2022 of the Accessibility Advisory Committee, held on February 10, 2022, be confirmed.

CARRIED

6. AVAILABILITY OF HYBRID MEETINGS FOR COUNCIL ADVISORY COMMITTEES

Purpose: Consultation

Memorandum from City Clerk Krista Power dated March 24, 2022 relative to the above noted was distributed on Thursday, April 7, 2022.

City Clerk Krista Power provided an overview relative to the above noted and responded to questions.

MOVER: Todd Kennedy
SECONDER: Brian Spare

WITH RESPECT to the Memorandum from City Clerk Krista Power dated March 24, 2022 relative to the Availability of Hybrid Meetings for Council Advisory Committees we recommend that the Accessibility Advisory Committee continues to meet virtually utilizing MS Teams for the remainder of the 2022 calendar year;

AND THAT meeting participation options for the 2023 Accessibility Advisory Committee Meeting schedule be represented at the January 2023 Accessibility Advisory Committee meeting.

CARRIED

7. ANNUAL OPEN HOUSE

Purpose: Consultation

Municipal Accessibility Specialist Scott Garner provided an overview relative to the City of Thunder Bay's Accessibility Advisory Committee 2022 Annual Open House and responded to questions.

Discussion was held relative to the above noted. Some of the items discussed were as follows:

- Event to take place on June 1, 2022 from 11:30 am – 1:30 pm, in conjunction with National Access Ability Week - May 29 – June 4, 2022 at City Hall's McGillivray Square.
- Flag raising ceremony and the reading of the proclamation is scheduled for the day of the event. Mayor to be invited to raise the flag and read the proclamation.
- AAC Chair and Vice Chair to provide opening remarks.
- Food trucks have been invited to provide food services for purchase.
- A program should be created to provide event and stakeholder information.
- Media release and public service announcements are being developed.
- Members to confirm availability to attend/host.
- Name tags will be provided, and Members are asked to wear AAC Vests if able to.
- Transportation to and from the event will be arranged for AAC Members.
- Councillor Johnson and Randy Sponchia agreed to host the AAC table from 11:30 am – 1:30 pm.
- Copies of the City of Thunder Bay 2019-2024 Multi-Year Accessibility Plan will be available for distribution.
- Everyone is welcome.
- Swag bags will be provided for door prizes.
- Stakeholder groups will be invited to attend, set up tables and provide information relating to services available, and asked to promote the event to respective user groups.
- Members were asked to provide a list of stakeholder groups/organizations to be invited. Some of the groups/organizations provided were:
 - Transit Services - demonstrating the new Quantum Securement Devices
 - CNIB
 - Age Friendly - Senior Organizations/residences
 - Inclusion Services
 - Healthcare providers/Service agencies/working groups, for example
 - Thunder Bay 55+ Centre
 - George Jeffries
 - Thunder Bay Regional Health Sciences
 - Chiropractors
 - Northwest Community Health Centre

Administration to provide an update relating to the event at the June 9, 2022 AAC.

8. 2022 MUNICIPAL ELECTION ACCESSIBILITY PLAN

Purpose: Consultation

In an effort to ensure that the 2022 Municipal Election is consistent with the core principles of the City of Thunder Bay's Multi Year Accessibility Plan and the *Accessibility for Ontarians with Disabilities Act, 2005*, City of Thunder Bay Accessibility Plan 2022 Municipal Election planning document was developed in advance of the election in order to identify measures to be taken and reported to Council following the election.

The plan is intended to highlight measures that the City of Thunder Bay will be implementing to ensure equal opportunity for all electors and candidates.

2022 Municipal Election Accessibility Plan was distributed on Thursday, April 7, 2022.

Municipal Election Coordinator Leanne Lavoie provided an overview relative to the above noted and responded to questions.

Discussion was held relative to the above noted. Some of the items discussed were as follows:

- Election Day is October 24, 2022.
- The following advance voting options will be available:
 - Online voting will be accessible and available from 10:00 am on Tuesday, October 5, 2022 through to Election Day at 8:00 pm when the polls close. Any major internet browser can be used to cast votes.
 - 2 Advance voting locations are available for all qualified voters:
 - October 5 & 6, 2022 – West Thunder Community Centre - Thunder Bay South
 - October 12 & 13, 2022 – 55+ Centre – Thunder Bay North
 - New - A drive through voting location will also be available, location to be determined.
 - The automatic ballot marker will be available at advance polling locations and on voting day, located at West Thunder Community Centre and Thunder Bay 55+ Centre. The automatic ballot marker is similar to the AutoMark System used for the 2018 Municipal Election. Feedback received after 2018 Municipal Election noted that the AutoMark ballot marker required additional time to cast votes. Similarly, additional time will be required to cast votes using the automatic ballot marker at the upcoming Municipal Election. Election Staff will be available for ease of operation for individuals requiring the automatic ballot marker.
 - Telephone voting will not be utilized for the 2022 Municipal Election, this was determined based on the feedback provided by telephone voters after the 2018 Municipal Election.
- Transit passes will be provided to qualified voters, printed on the voter information cards and mailed.

- There will be thirteen voting locations. Each location will be assessed to determine:
 - the location is accessible
 - adequate accessible parking is available
 - level and slip resistant entrances
 - adequate lighting
 - accessible doorways for voters utilizing mobility devices
 - room for seating
 - the Canadian Lakehead Exhibition will not be used as a polling location for the 2022 Municipal Election, it is currently used as Covid 19 Vaccination site
- Election Staff will be on hand at voting locations to assist voters and:
 - ensure entrances are clearly marked
 - signage marking the route from the building entrance to the voting area is in place
 - monitor the polling station for inappropriate campaign behaviour

The Chair thanked Municipal Election Coordinator Leanne Lavoie for appearing before the AAC.

At 2:18 pm the meeting recessed.

At 2:30 pm the meeting reconvened.

9. TRANSIT DRIVER'S APPRECIATION DAY

Purpose: Information

Correspondence from President – Amalgamated Transit Union (ATU) Local 966 Fred Caputo dated April 1, 2022, relative to the above noted, was distributed on Thursday, April 7, 2022, for information.

10. ROUNDTABLE OF ACCESSIBILITY ISSUES

Committee members reported on the following accessibility issues encountered or identified in the community.

10.1 Thunder Bay Community Auditorium (TBCA)

A Member noted that the TBCA is still not accepting cash as a payment option for event ticket purchases.

Discussion was held relative to the above noted.

Municipal Accessibility Specialist Scott Garner to draft a letter to the Community Auditoriums Acting Director to advise that under the AODA the TBCA Payment Policy is creating a barrier to accessibility.

10.2 Volunteer Pool & Canada Games Complex

A Member noted that signage at the Volunteer Pool and the Canada Games Complex should be updated to include language that addresses children accompanying their caregiver in the change rooms for accessibility.

Discussion was held relative to the above noted.

Program Supervisor, Adult Fitness, Wellness & Inclusion Services Jessy Bogacki to report back at a future meeting, date to be determined.

11. WORKING GROUP UPDATES

Members provided the following updates relative to the above noted.

11.1 Walkability Committee

Brian Spare provided an update relative to the above noted and advised that he is stepping down as the AAC Representative to the Walkability Committee.

Municipal Accessibility Specialist Scott Garner to attend future meetings of the Walkability Committee as the AAC Representative.

12. NEW BUSINESS

13. 2022 MEETING SCHEDULE

Meetings of the Accessibility Advisory Committee will be scheduled from 1 p.m. to 4 p.m. on the following dates:

Thursday, May 12, 2022

Thursday, June 9, 2022

Committees of Council will not meet from July - December due to the 2022 Municipal Election. A meeting may be scheduled if Administration needs to review projects or provide information.

14. ADJOURNMENT

The meeting adjourned at 3:24 pm

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT The District of Thunder Bay Social Services Administration Board
Minutes

SUMMARY

Minutes of Meetings 08/2022 and 09/2022 (Closed) of The District of Thunder Bay Social Services Administration Board held on May 19, 2022, for information.

ATTACHMENTS

1. Minutes - TBDSSAB - May 19, 2022
2. Minutes - TBDSSAB (Closed) - May 19, 2022



**MINUTES OF BOARD (REGULAR SESSION) MEETING NO. 08/2022
OF
THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD**

DATE OF MEETING: May 19, 2022

TIME OF MEETING: 10:00 a.m.

LOCATION OF MEETING: Microsoft Teams &
3rd Floor Boardroom
TBDSSAB Headquarters
231 May Street South
Thunder Bay, ON

CHAIR: Lucy Kloosterhuis

PRESENT:

Albert Aiello
Kim Brown
Jody Davis
Andrew Foulds
James Foulds
Brian Hamilton
Kevin Holland
Rebecca Johnson
Lucy Kloosterhuis
Ray Lake
Elaine Mannisto
Aldo Ruberto
Wendy Wright

OFFICIALS:

William (Bill) Bradica, Chief Administrative
Georgina Daniels, Director, Corporate Services Division
Ken Ranta, Director, Integrated Social Services Division
Glenda Flank, Recording Secretary

GUESTS:

Crystal Simeoni, Manager, Housing Program
Shari Mackenzie, Acting Manager, Human Resources
Keri Greaves, Manager, Finance
Carole Lem, Communications & Engagement Officer
Aaron Park, Supervisor, Research and Social Policy
Louise Piercey, Manager, Child Care & Early Years Programs
Marty Farough, Technical Services Officer
Larissa Jones, Communications Assistant

REGRETS:

Note: For the purposes of the Minutes references to TBDSSAB or the Board refers to The District of Thunder Bay Social Services Administration Board of Directors as relevant to specific agenda items; references to TBDHC or the Board refers to the Directors of Thunder Bay District Housing Corporation as relevant to specific agenda items. References to CAO refer jointly to the Chief Administrative Officer of TBDSSAB and Senior Administrator of TBDHC.

BOARD MEETING

DISCLOSURES OF INTEREST

None.

NEW BUSINESS

None.

CONFIRMATION OF BOARD MEETING AGENDA

Resolution No. 22/43

Moved by: Elaine Mannisto
Seconded by: Andrew Foulds

THAT with respect to the agendas for the Board Regular and Closed Session meeting of The District of Thunder Bay Social Services Administration Board for May 19, 2022, we approve the agendas as presented;

AND THAT we approve any additional information and new business.

CARRIED

MINUTES OF PREVIOUS MEETINGS

Board Meetings

Minutes of Board Meeting No. 06/2022 and Meeting No. 07/2022 (Regular and Closed Session) of The District of Thunder Bay Social Services Administration Board, held on April 21, 2022, were presented for confirmation.

Resolution No. 22/44

Moved by: Kim Brown
Seconded by: Jody Davis

THAT the Minutes of Meeting No. 06/2022 and Meeting No. 07/2022 (Regular and Closed Session) of The District of Thunder Bay Social Services Administration Board, held on April 21, 2022, respectively, be confirmed.

CARRIED

Annual General Meeting

Draft Minutes of the Nineteenth Annual General Meeting (Regular Session) of The District of Thunder Bay Social Services Administration Board held on April 21, 2022, were presented for information only.

Bill Bradica, CAO advised the Board that the Minutes were for information only and would be confirmed at the next Annual General Meeting being held in 2023.

CLOSED SESSION

Administration presented their recommendation that the Board adjourn to a closed meeting relative to receipt of information with respect to personal matters about an identifiable individual, including members of the Administration relative to the CAO performance evaluation

Resolution No. 22/45

Moved by: Kevin Holland
Seconded by: Albert Aiello

THAT the Board adjourns to Closed Session relative to receipt of information with respect to personal matters about an identifiable individual, including members of the Administration relative to the CAO performance evaluation.

CARRIED

REPORTS OF ADMINISTRATION

At 10:10 a.m. the meeting reconvened in Regular Session and Crystal Simeoni, Manager, Housing Programs joined the meeting.

REPORTS OF OFFICERS

Canada-Ontario Community Housing
Initiative, Ontario Priorities Housing
Initiative and Canada-Ontario Housing
Benefit Amendment 2022-23

Report No. 2022-26 (Integrated Social Services Division) was presented to the Board providing information related to the continuation of the Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative and requesting approval for Administration's proposed Investment Plan for 2022-23.

Bill Bradica, CAO responded to questions and provided clarification.

Ken Ranta, Director, Integrated Social Services provided further information and responded to questions.

Following a discussion regarding advocacy for an increased share of funding for Ontario a new resolution was recommended for consideration.

Resolution No. 22/46A

Moved by: Elaine Mannisto
Seconded by: Andrew Foulds

THAT we, The District of Thunder Bay Social Services Administration Board, call upon the Federal government to increase the fair share of the Federal funding for housing programs to Ontario;

AND THAT a letter be sent by the Board Chair to the Federal Minister for Housing, the Ontario Minister of Municipal Affairs and Housing and the Premier of Ontario;

AND THAT a copy of the letter be sent to all member municipalities, the Association of Municipalities of Ontario, the Rural Ontario Municipal Association and the Northwestern Ontario Municipal Association.

CARRIED

Resolution No. 22/46

Moved by: Brian Hamilton
Seconded by: Elaine Mannisto

THAT with respect to Report No. 2022-26 (Integrated Social Services Division) we, The District of Thunder Bay Social Services Administration Board, authorize the Chair and the Chief Administrative Officer, to execute the Transfer Payment Amending Agreement for the Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative;

AND THAT we approve the 2022-23 Investment Plan for the Canada-Ontario Community Housing Initiative and the Ontario Priorities Housing Initiative programs and authorize the Chief Administrative Officer to execute the plan and submit to the Ministry of Municipal Affairs and Housing (MMAH);

AND THAT any necessary By-law be presented to the Board, for consideration

CARRIED

Projects In Difficulty - Update

Report No. 2022-27 (Integrated Social Services Division) was presented to the Board to provide information on the status of the Not-for Profit Community Housing Provider Project in Difficulty and those of concern.

Ken Ranta, Director, Integrated Social Services responded to questions and provided further information.

Bill Bradica, CAO provided clarification and responded to questions.

A discussion was held regarding indemnity insurance for Board Members. Bill Bradica, CAO advised the Board that a follow-up memorandum will be provided to the Board advising of the insurance coverage.

Housing Services Act 2011 – Regulatory Amendments

Report No. 2022-28 (Integrated Social Services Division) was presented to the Board to provide information on the regulatory changes to the Housing Services Act, 2011 as announced by the province of Ontario.

10 Year Housing and Homelessness Plan Annual Progress Report

Report No. 2022-29 (Integrated Social Services Division) was presented to the Board to provide the TBDSSAB 10 Year Housing and Homelessness Plan Annual Progress Report which included information on accessible units and support services provided.

Ken Ranta, Director, Integrated Social Services provided further information and responded to questions.

Crystal Simeoni, Manager, Housing Programs responded to questions.

Bill Bradica, CAO provided further information and responded to questions.

Resolution No. 22/47

Moved by: Brian Hamilton
Seconded by: James Foulds

THAT with respect to Report No. 2022-29 (Integrated Social Services Division), we The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board), approve the TBDSSAB 10 Year Housing and Homelessness Plan Annual Progress Report as presented;

AND THAT the Board authorizes Administration to submit the 10 Year Housing and Homelessness Annual Progress Report to the Ministry of Municipal Affairs and Housing as required.

CARRIED

At 10:41 a.m. Aaron Park, Supervisor, Research and Social Policy joined the meeting.

Social Services Relief Fund Update

Report No. 2022-30 (Integrated Social Service Division) was presented to provide the Board with an update regarding the TBDSSAB's spending under the Social Services Relief Fund.

Ken Ranta, Director, Integrated Social Services confirmed that a zero should be added to the final total to correct the chart.

Bill Bradica, CAO responded to questions.

At 11:00 a.m. Louise Piercey, Manager, Child Care and Early Years Programs joined the meeting.

TBDSSAB Quarterly Operational Report

Report No. 2022-31 (Integrated Social Service Division) was presented to the Board providing the trends within TBDSSAB programs and services.

Ken Ranta, Director, Integrated Social Services responded to questions.

Following a question regarding the number of people exiting to employment Administration advised that the actual number will be added to the charts in future reports.

Aaron Park, Supervisor, Research and Social Policy responded to questions.

Bill Bradica, CAO provided clarification.

At 11:10 a.m. Crystal Simeoni, Manager Housing Programs and Aaron Park, Supervisor, Research and Social Policy left the meeting.

Canada Wide Early Learning Child Care

Report No. 2022-32 (Integrated Social Services Division) was presented to the Board providing an overview of the Canada Wide Early Learning Child Care (CWELCC) system and the requirements under the revised Ministry of Education, Addendum to Ontario Child Care and EarlyON Child and Family Centres Service Management and Funding Guidelines.

Ken Ranta, Director, Integrated Social Services responded to questions.

Louise Piercey, Manager, Child Care and Early Years Programs provided a brief overview of the CWELCC system and responded to questions.

Bill Bradica, CAO provided clarification.

At 11:22 a.m. Louise Piercey, Manager, Child Care and Early Years Programs left the meeting and Keri Greaves, Manager, Finance joined the meeting.

CHPI Initiated Agreement Template Update – Homelessness Prevention Program

Report No. 2022-33 (Corporate Services Division) was presented to the Board providing the updated Homelessness Prevention Program Initiated Agreement template and providing background information on the programs combined within the program.

Bill Bradica, CAO provided a brief description of the programs combined under the new Homelessness Prevention Program.

Resolution 22/48

Moved by: Kevin Holland
Seconded by: Jody Davis

THAT with respect to Report No. 2022-33 (Corporate Services Division), we, The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board), approve the updated TBDSSAB Initiated Agreement template for the Homelessness Prevention Program;

AND THAT we authorize the Chief Administrative Officer to make amendments to this Initiated Agreement template with respect to housekeeping items, as may be required from time to time;

AND THAT the necessary By-law be presented to the Board for consideration.

CARRIED

2022 First Quarter Financial Report

Report No. 2022-34 (Corporate Services Division) was presented to the Board providing the 2022 First Quarter Financial Report and projection to year-end.

Georgina Daniels, Director, Corporate Services responded to questions.

At 11:25 a.m. Keri Greaves, Manager, Finance left the meeting and Marty Farough, Technical Services Officer joined the meeting.

FIRST REPORT – Net Zero Strategy

Report No. 2022-35 (Corporate Services Division) was presented providing the Board with information on the research and options for the development of a Net Zero Strategy for the Board.

Georgina Daniels, Director, Corporate Services responded to questions.

Bill Bradica, CAO responded to questions.

A discussion was held regarding the options for development of the process and option provided in the report and the additional staff and consultant that would be required.

Resolution 22/49

Moved by: Andrew Foulds
Seconded by: Brian Hamilton

THAT with respect to Report No. 2022-35 (Corporate Services Division), we, The District of Thunder Bay Social Services Administration Board, approve the receipt of the First Report – Net Zero Strategy.

CARRIED

Community Partners Survey Results

Memorandum from Georgina Daniels, Director, Corporate Services Division dated May 5, 2022 was presented to the Board providing a follow up to the Community Partners Survey Results report presented at the February 2022 Board Meeting.

2023 Strategic Plan – 2022 First Quarter Update

Report No. 2022-36 (Chief Administrative Officer Division) was presented to the Board providing the quarterly update on the Strategic Plan 2023.

William Bradica, CAO responded to questions.

Resolution 22/50

Moved by: Elaine Mannisto
Seconded by: Kim Brown

THAT with respect to Report No. 2022-36 (Corporate Services Division), we, The District of Thunder Bay Social Services Administration Board, approve the receipt of the First Report – Net Zero Strategy.

CARRIED

Territory Without Municipal Organization Election Method

Memorandum from William (Bill) Bradica, CAO dated May 4, 2022 was presented to the Board to provide information and Administration's recommendation to use the mail in ballot method and appointment of Returning Officer for the TWOMO election.

Bill Bradica, CAO responded to questions.

Resolution No. 22/51

Moved by: James Foulds
Seconded by: Elaine Mannisto

THAT with respect to the Memorandum from William (Bill) Bradica, Chief Administrative Officer, we, The District of Thunder Bay Social Services Administration Board (the Board), approve the mail-in voting method for the 2022 election of the representative for the Territory Without Municipal Organization (TWOMO);

AND THAT we appoint the Chief Administrative Officer as the Returning Officer for the 2022 TWOMO election;

AND THAT a by-law be presented to the Board for approval.

CARRIED

Northern Ontario Service Deliverers'
Association Annual General Meeting

Memorandum from William (Bill) Bradica, CAO dated May 5, 2022 relative to providing the Board with a recommendation for voting members to attend the 2022 NODSA AGM.

Resolution No. 22/52

Moved by: Albert Aiello
Seconded by: Jody Davis

THAT with respect to the Northern Ontario Service Deliverers Association 2021 Annual General Meeting, to be held virtually, the following Members of the Board are selected to attend as voting delegates:

1. Lucy Kloosterhuis 2. Kevin Holland

AND THAT if any of the above Board Members are unable to attend, the following Members will be contacted to attend as voting delegates in their place:

1. Elaine Mannisto 2. Wendy Wright

CARRIED

CORRESPONDENCE

Urban and Rural Indigenous Housing Strategy

Letter from the Township of Conmee enclosing Resolution No. 2022-061 relative to providing support to The District of Thunder Bay Social Services Administration Board Homeless Enumeration Report.

BY-LAWS

First and Final Reading

Resolution No. 22/51

Moved by: Elaine Mannisto
Seconded by: Andrew Foulds

THAT the following By-law be introduced and now be given First and Final Reading, engrossed, signed by the Chair and Chief Administrative Officer, sealed and numbered:

A By-law to authorize the use of voting by mail for the Election for the Territory Without Municipal Organization.

Explanation: A By-law to authorize the method of voting for the TWOMO election.

Authorization: Board Meeting 2022May19

BY-LAW NUMBER 01 – 2022

CARRIED

NEXT MEETING

The next meeting of The District of Thunder Bay Social Services Administration Board will be held on Thursday, June 16, 2022, at 10:00 a.m. via Microsoft Teams and in the 3rd Floor Boardroom, TBDSSAB Headquarters, 231 May Street South, Thunder Bay, Ontario.

ADJOURNMENT

Resolution No. 22/52

Moved by: Andrew Foulds
Seconded by: Rebecca Johnson

THAT Board Meeting No. 08/2022 of The District of Thunder Bay Social Services Administration Board, held on May 19, 2022, be adjourned at 11:55 a.m.

CARRIED



Chair



Chief Administrative Officer



**MINUTES OF BOARD (CLOSED SESSION) MEETING NO. 09/2022
OF**

THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD

DATE OF MEETING: May 19, 2022

TIME OF MEETING: 10:03 a.m.

LOCATION OF MEETING: Microsoft Teams &
3rd Floor Boardroom
TBDSSAB Headquarters
231 May Street South
Thunder Bay, ON

CHAIR: Lucy Kloosterhuis

PRESENT: **OFFICIALS:**

Albert Aiello
Kim Brown
Jody Davis
Andrew Foulds
James Foulds
Brian Hamilton
Kevin Holland
Rebecca Johnson
Lucy Kloosterhuis
Ray Lake
Elaine Mannisto
Aldo Ruberto
Wendy Wright

GUESTS:

Shari Mackenzie, Acting Manager, Human Resources

REGRETS:

Note: For the purposes of the Minutes references to TBDSSAB or the Board refers to The District of Thunder Bay Social Services Administration Board of Directors as relevant to specific agenda item; references to TBDHC or the Board refers to the Directors of Thunder Bay District Housing Corporation as relevant to specific agenda item. References to CAO refer jointly to the Chief Administrative Officer of TBDSSAB and Senior Administrator of TBDHC.

BOARD MEETING

DISCLOSURES OF INTEREST

At 10:03 a.m. all members of Administration left the meeting with the exception of Shari Mackenzie, Acting Manager, Human Resources.

REPORTS OF ADMINISTRATION

Chief Administrative Officer Performance Evaluation

Lucy Kloosterhuis, Board Chair provided a verbal update to the Board regarding the status of the CAO performance evaluation. The CAO Performance Evaluation Summary was provided separately.

A discussion was held and on consensus, the Board Chair to proceed as directed.

ADJOURNMENT

Resolution No. 22/CS04

Moved by: James Foulds
Seconded by: Kevin Holland

THAT the Board (Closed Session) Meeting No. 09/2022 of The District of Thunder Bay Social Services Administration Board, held on May 19, 2022, be adjourned at 10:10 a.m., to reconvene in Open Session to consider the remaining agenda items.

CARRIED



Chair



Chief Administrative Officer



MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Sister Cities Advisory Committee Minutes

SUMMARY

Minutes of Meeting 02-2022 of the Sister Cities Advisory Committee held on March 2, 2022, for information.

ATTACHMENTS

1. SCAC Minutes - March 2, 2022

DATE: WEDNESDAY, MARCH 2, 2022 **MEETING NO. 02-2022**
TIME: 5:35 P.M.
PLACE: VIRTUAL MEETING – VIA MS TEAMS
CHAIR: MATTHEW VILLELLA

**PRESENT (ELECTRONIC
PARTICIPATION) :**

Councillor Peng You
Hiroko Bekki-Moller
Chris Krumpholz
Stephen Margarit
Carol Pollard
Matthew Villella
Piero Pucci, CEDC
Toby Goodfellow, Lakehead University
Miriam Wall, Confederation College

**OFFICIALS (ELECTRONIC
PARTICIPATION):**

Tracie Smith, Director – Strategic Initiatives &
Engagement
Tina Larocque, Coordinator – Boards, Committees
and Special Projects

AGENDA

1.0 DISCLOSURES OF INTEREST

There were no disclosures announced at this time.

2.0 AGENDA APPROVAL

MOVED BY: Stephen Margarit
SECONDED BY: Chris Krumpholz

With respect to the March 2, 2022 Sister Cities Advisory Committee meeting, we recommend that the agenda as printed, including any additional information and new business, be confirmed.

CARRIED

3.0 MINUTES OF PREVIOUS MEETING

Minutes of Meeting No. 01-2022 of the Sister Cities Advisory Committee, held on January 5, 2022, to be confirmed.

MOVED BY: Chris Krumpholz
SECONDED BY: Stephen Margarit

THAT the Minutes of Meeting No. 01-2022 held on January 5 2022, be confirmed.

CARRIED

SISTER CITIES EVALUATION

The Chair provided an overview of the Sister Cities Evaluation to date.

The Sub Committee provided a document entitled “Sister Cities comparison” and provided an overview of potential new sister cities relationships.

It was consensus of the Committee that potential sister cities will be discussed further at the next meeting as the Sub Committee will be providing additional information at that time.

The Committee discussed the current Sister Cities relationships.

MOVED BY: Stephen Margarit
SECONDED BY: Chris Krumpholz

THAT the Sister Cities Advisory Committee requests the Office of the City Clerk to pursue a Friendship Agreement with Little Canada.

CARRIED

4.0 MEETING WITH OUR SISTER CITY IN DULUTH

The Chair provided an overview of the informal meeting with our Sister City in Duluth.

Some of the topics that were discussed are the following:

- Duluth Lake Stories – High school students, pairing with other high school students in another sister city and are crafting short videos on the concept of What the Great Lakes mean to them. This project was funded by a grant and engages youth and the community.
- The Duluth Film and TV Industry was discussed.
- In Duluth, a North x North Festival is being held in the last week of April, brings cultural and economic impacts on their community. There are Thunder Bay Film makers that are travelling to Duluth to participate.

- Climate Refuge – With people being affected by wildfires, floods, water shortages, etc. many of these people are seeking a safer place to relocate to, such as Duluth. The idea of creating a Climate Refuge Think Tank between the two cities was discussed.
- Discussion regarding Health Care in our communities, challenges ahead, isolation, suicides and the current Opioid crises in our communities. The evolution of medicine and healing based programs, with the idea brought forward of a Forum on Health Care Delivery was discussed.
- Discussion of Synergies between cities relative to the Viking cruise line this summer from Thunder Bay to Milwaukee, via Duluth.
- Discussion of potential of another Chef Exchange, as the previous exchange was very successful. The Chair will be reaching out to new restaurants to inquire.
- Discussed the Sister City Park in Duluth, with Thunder Bay, the only Sister City without a statue at the park. A discussion followed regarding the Arts Commission and Art Exchange.

The Committee discussed the vacant area in the Sister City Park for a Thunder Bay Statue and the Chair responded to questions. Discussions were held relative to grants for indigenous artists and grant applications. Tracie Smith advised that she would reach out to the Elders Council for ideas on potential funding options.

The Chair provided an overview of a possible Trivia Night event with our Sister Cities that he would be interested in coordinating. The Chair responded to questions relative to the details of the event.

MOVED BY: Chris Krumpholz
SECONDED BY: Miriam Wall

THAT the Sister Cities Advisory Committee authorize the Chair, Matthew Villella to move forward with coordinating a Trivia Night with our Sister Cities;

AND THAT the Chair report back to the Committee when more details of the event have been confirmed;

AND THAT should there be any expenses for the event, the Chair will bring a motion forward to the Committee for consideration.

CARRIED

5.0 COMMITTEE WORKPLAN - UPDATE

The Chair to provide an update relative to the above noted.

6.0 COMMITTEE FINANCE - UPDATE

Carol Pollard provided an update relative to the above noted. She advised that the last remaining Invoice was received from Maverick and provided an update on the final expenses for 2021.

7.0 NEXT MEETING

The next meeting is scheduled for April 5, 2021, 5:30 p.m. via MS TEAMS.

8.0 ADJOURNMENT

The meeting adjourned at 6:45 p.m.

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Thunder Bay District Health Unit - Board of Health Minutes

SUMMARY

Minutes of Thunder Bay District Health Unit - Board of Health Meeting held on April 20, 2022 and May 18, 2022 respectively, for information.

ATTACHMENTS

1. Thunder Bay District Health Unit - Board of Health Minutes - April 20, 2022
2. Thunder Bay District Health Unit - Board of Health Minutes - May 18, 2022



BOARD OF HEALTH MEETING

MINUTES OF THE MEETING: April 20, 2022

TIME OF MEETING: 1:00 P.M.

PLACE OF MEETING: VIDEOCONFERENCE

CHAIR: MR. JAMES MCPHERSON

BOARD MEMBERS PRESENT:

Mr. Norm Gale
Ms. Deborah Harris Shallow
Ms. Rebecca Johnson
Mr. John MacEachern
Mr. James McPherson
Mr. Kevin Mullins
Mr. Rick Potter
Mr. Don Smith
Ms. Sonja Stephenson
Mr. Greg Vallance
Mr. Jim Vezina
Ms. Michelle Warywoda

REGRETS:

Ms. Karen O’Gorman

ADMINISTRATION PRESENT:

Dr. Janet DeMille, Medical Officer of Health and
Chief Executive Officer
Mr. Lance Dyll, Director – Corporate Services
Ms. Shannon Robinson, Director – Health
Promotion
Ms. Diana Gowanlock, Director – Health
Protection
Mr. Dan Hrychuk, Manager of Finance
Mr. Phil Avella, Manager of Information Systems
and Property
Ms. Joanna Carastathis, Manager of Healthy
Living Programs
Ms. Sarah Stevens, Executive Assistant and
Secretary to the Board of Health
Ms. Naseem Kent, Administrative Assistant –
Corporate Services

1. CALL TO ORDER

The Chair called the meeting to order at 1:00 PM.

2. ATTENDANCE AND ANNOUNCEMENTS

The Chair presented regrets from Ms. O’Gorman.

The Chair introduced Mr. Rick Potter, the new member for Oliver Paipoonge.

Dr. J. DeMille, Medical Officer of Health and Chief Executive Officer, introduced
Ms. Diana Gowanlock, the new acting Director of Health Protection.

3. DECLARATIONS OF CONFLICT OF INTEREST

There were no declarations of conflict of interest.

4. AGENDA APPROVAL

Resolution No. 44-2022

Moved By: D. Smith
Seconded By: R. Johnson

THAT the Agenda for the Regular Board of Health Meeting
to be held on April 20, 2022, be approved.

CARRIED

5. INFORMATION SESSION

5.1 Chronic Disease Prevention and COVID-19

Ms. J. Carastathis, Manager of Healthy Living Programs, presented initial data on the effects of the COVID-19 pandemic on healthy behaviours and chronic disease prevention and responded to questions from the Board.

6. MINUTES OF THE PREVIOUS MEETINGS

6.1 Thunder Bay District Board of Health

The Minutes of the Thunder Bay District Board of Health (Regular and Closed Session) Meeting held on March 16, 2022, for approval.

Resolution No. 45-2022

Moved By: D. Harris Shallow
Seconded By: D. Smith

THAT the Minutes of the Thunder Bay District Board of
Health (Regular and Closed Session) Meeting held on March
16, 2022, be approved

CARRIED

6. MINUTES OF THE PREVIOUS MEETINGS (Continued)

6.2 Board of Health - Executive Committee

The Minutes of the Thunder Bay District Board of Health Executive Committee meeting held on February 16, 2022, were presented for information.

The Minutes of the Thunder Bay District Board of Health Executive Committee meeting held on February 24, 2022, were presented for information.

7. MATTERS ARISING FROM THE MINUTES

There were no matters arising from the previous minutes.

8. BOARD OF HEALTH (CLOSED SESSION) MEETING

Resolution No. 46a-2022

Moved By: R. Johnson

Seconded By: D. Smith

THAT the Board of Health move into Closed Session to receive information relative to identifiable individuals.

CARRIED

At 1:29 PM, the Board of Health moved in to Closed Session. The following individuals left the meeting:

- Mr. Dan Hrychuk, Manager of Finance
- Mr. Phil Avella, Manager of Information Systems and Property
- Ms. Joanna Carastathis, Manager of Healthy Living Programs
- Ms. Sarah Stevens, Executive Assistant
- Ms. Naseem Kent, Administrative Assistant – Corporate Services

At 1:40 PM, the Board of Health moved out of Closed Session to resume regular business. The following individuals returned to the meeting:

- Mr. Dan Hrychuk, Manager of Finance
- Mr. Phil Avella, Manager of Information Systems and Property
- Ms. Sarah Stevens, Executive Assistant
- Ms. Naseem Kent, Administrative Assistant – Corporate Services

8. BOARD OF HEALTH (CLOSED SESSION) MEETING (Continued)

8.1 Closed Session Report

The Chair reported that discussion relative to identifiable individuals took place in the closed session and the Board of Health provided direction to Administration with respect to the matter.

9. DECISIONS OF THE BOARD

9.1 2021 Financial Statements

Report Number 16-2022 (Finance) relative to providing the Board of Health with the Draft 2021 Financial Statements was presented. Mr. L. Dyll, Director of Corporate Services, provided a presentation with additional information on the year-end statements, and responded to questions from the Board.

Resolution No. 47-2022

Moved By: N. Gale

Seconded By: R. Johnson

THAT with respect to Report No. 16-2022 (Finance), we recommend that the Financial Statements of the Thunder Bay District Health Unit for the year ending December 31, 2021, be approved as recommended by the Executive Committee.

CARRIED

9.2 Building Envelope Repairs

Report Number 19-2022 (Information Systems and Property) relative to recommendations for a contract award for repairs to the building exterior and window replacement was presented. Mr. L. Dyll, Director of Corporate Services, provided a presentation with additional information on the recommendations.

Resolution No. 48-2022

Moved By: D. Smith

Seconded By: N. Gale

THAT with respect to Report No. 19-2022 (Information Systems and Property), we recommend that the tender for Building Envelope Repairs and Window Replacement be

9. DECISIONS OF THE BOARD (Continued)

9.2 Building Envelope Repairs (Continued)

awarded to Finn Way General Contractor Inc. for a total contract cost of \$1,394,000 (taxes extra);

AND THAT the Director of Corporate Services and Manager of Finance be authorized to complete any administrative requirements of contract, as required.

CARRIED

10. COMMUNICATIONS FOR INFORMATION

10.1 Procurement Practices Report

Report Number 18-2022 (Finance) relative to providing the Board of Health with an update on the procurement policy and practices of the Thunder Bay District Health Unit was presented, for information.

10.2 2021 Legal Expenditures

Report Number 15-2022 (Finance) relative to providing the Board of Health with the review of legal fees incurred in 2021 was presented, for information.

10.3 2021 Board of Health Expenses

A memorandum from Dr. J. DeMille, Medical Officer of Health and Chief Executive Officer, dated April 20, 2022, relative to providing the Board of Health with information on any expenses that were incurred for Board of Health Meetings was presented for information.

10.4 Pandemic Update

Dr. J. DeMille, Medical Officer of Health and Chief Executive Officer provided an update to the Board of Health on COVID-19 Response and Recovery and responded to questions from the Board.

11. NEXT MEETING

The next meeting is scheduled for Wednesday, May 18, 2022.

12. ADJOURNMENT

Resolution No. 49-2022

Moved By: S. Stephenson

Seconded By: R. Johnson

THAT the Board of Health meeting held on April 20, 2022,
be adjourned at 2:46 PM.

CARRIED



BOARD OF HEALTH MEETING

MINUTES OF THE MEETING: May 18, 2022

TIME OF MEETING: 1:00 P.M.

PLACE OF MEETING: VIDEOCONFERENCE

CHAIR: MR. JAMES MCPHERSON

BOARD MEMBERS PRESENT:

Ms. Deborah Harris Shallow
Ms. Rebecca Johnson
Mr. John MacEachern
Mr. James McPherson
Mr. Kevin Mullins
Ms. Karen O’Gorman
Mr. Rick Potter
Mr. Don Smith
Ms. Sonja Stephenson
Mr. Jim Vezina
Ms. Michelle Warywoda

REGRETS:

Mr. Norm Gale
Mr. Greg Vallance

ADMINISTRATION PRESENT:

Dr. Janet DeMille, Medical Officer of Health and
Chief Executive Officer
Mr. Lance Dyll, Director – Corporate Services
Ms. Shannon Robinson, Director – Health
Promotion
Ms. Diana Gowanlock, Director – Health Protection
Mr. Dan Hrychuk, Manager of Finance
Ms. Kandace Belanger, Manager of Healthy Living
Programs
Ms. Alyssa Parsons, Public Health Nurse
Ms. Sarah Stevens, Executive Assistant and
Secretary to the Board of Health
Ms. Tammy Lee Royer, Administrative Assistant –
Health Protection Division

1. CALL TO ORDER

The Chair called the meeting to order at 1:02 PM.

2. ATTENDANCE AND ANNOUNCEMENTS

The Chair presented regrets from Mr. Gale and Mr. Vallance.

The Chair thanked Ms. Stephenson for her contribution to the Board of Health.

3. DECLARATIONS OF CONFLICT OF INTEREST

There were no declarations of conflict of interest.

4. AGENDA APPROVAL

Resolution No. 50-2022

Moved By: R. Johnson

Seconded By: D. Smith

THAT the Agenda for the Regular Board of Health Meeting to be held on May 18, 2022, be approved as amended.

CARRIED

5. INFORMATION SESSION

5.1 Street Outreach Program

Ms. Kandace Belanger, Manager of Sexual Health, Harm Reduction and Outreach Programs, and Ms. Alyssa Parsons, Public Health Nurse, presented an overview of the Street Outreach program, and information on the work that has been done throughout the COVID-19 pandemic and ongoing, and responded to questions from the Board.

6. MINUTES OF THE PREVIOUS MEETINGS

6.1 Thunder Bay District Board of Health

The Minutes of the Thunder Bay Board of Health (Regular and Closed Session) Meeting held on April 20, 2022, for approval.

Resolution No. 51-2022

Moved By: S. Stephenson

Seconded By: R. Johnson

THAT the Minutes of the Thunder Bay District Board of Health (Regular and Closed Session) Meeting held on April 20, 2022, be approved.

CARRIED

7. MATTERS ARISING FROM THE MINUTES

There were no matters arising from the previous minutes.

8. BOARD OF HEALTH (CLOSED SESSION) MEETING

Resolution No. 51b-2022

Moved By: D. Harris Shallow

Seconded By: J. Vezina

THAT the Board of Health move into closed session to receive information relative to identifiable individuals.

CARRIED

At 1:35 PM, the Board of Health moved into a closed session. The following individuals left the meeting:

- Ms. Shannon Robinson, Director – Health Promotion
- Ms. Diana Gowanlock, Director – Health Protection
- Mr. Dan Hrychuk, Manager of Finance
- Ms. Kandace Belanger, Manager of Healthy Living Programs
- Ms. Alyssa Parsons, Public Health Nurse
- Ms. Tammy Lee Royer, Administrative Assistant – Health Protection Division

At 1:44 PM, the Board of Health moved out of closed session to resume regular business. The following individuals returned to the meeting:

- Ms. Shannon Robinson, Director – Health Promotion
- Ms. Diana Gowanlock, Director – Health Protection
- Mr. Dan Hrychuk, Manager of Finance
- Ms. Tammy Lee Royer, Administrative Assistant – Health Protection Division

8.1 Closed Session Report

The Board Chair reported that a discussion relative to identifiable individuals had taken place in-camera, and that the Board of Health provided direction to Administration with respect to the matter.

8. BOARD OF HEALTH (CLOSED SESSION) MEETING (Continued)

8.2 Resolutions from the Closed Session

Resolution No. 51d-2022

Moved By: S. Stephenson
Seconded By: K. Mullins

THAT with respect to Medical Officer of Health coverage, we recommend that Administration proceed as directed.

CARRIED

9. DECISIONS OF THE BOARD

9.1 Program Based Grants - 2022 Public Health Funding and Accountability Agreement

Report No. 20-2022 (Finance) relative to the current funding agreement with the Ministry of Health was presented. Mr. L. Dyll, Director of Corporate Services, provided a presentation with additional information and responded to questions from the Board.

Resolution No. 52-2022

Moved By: K. O'Gorman
Seconded By: D. Smith

THAT with respect to Report No. 20–2022 (Finance) we recommend that effective January 1, 2022, the New Schedules to the Public Health Funding and Accountability Agreement with the Ministry of Health be approved, accepting up to \$12,821,200 in base funding and up to \$6,332,200 in one-time funding for the 2022-23 funding year to support the provision of mandatory and related public health programs and services in the District of Thunder Bay;

AND THAT the Director of Corporate Services and Manager of Finance be authorized to complete any administrative requirements of the submission and implementation process, as required.

CARRIED

9. DECISIONS OF THE BOARD (Continued)

9.2 alPHa AGM & Conference

A memorandum from Dr. DeMille, MOH/CEO relative to attendance at the Annual General Meeting and Conference of the Association of Local Public Health Agencies was presented.

Resolution No. 53-2022

Moved By: D. Smith
Seconded By: J. MacEachern

THAT the following members of the Board be authorized to attend the alPHa 2022 Annual Conference to be held virtually on June 14, 2022:

1. Mr. D. Smith
2. Mr. McPherson
3. two other members, if available

AND THAT the members attending the Annual Conference may also attend the pre-conference workshop to be held on June 13, 2022;

AND THAT all expenses be paid in accordance to Policy No. BH-02-04 – Remuneration and Expenses.

CARRIED

10. COMMUNICATIONS FOR INFORMATION

10.1 First Quarter Interim Financial Statements

Report No. 21-2022 (Finance) relative to providing the Board of Health with the interim financial statements for the quarter ended March 31, 2022, was presented for information.

10.2 Pandemic Response and Recovery Update

Dr. J. DeMille, Medical Officer of Health and Chief Executive Officer, provided an update to the Board of Health on the COVID-19 pandemic response and recovery of programs and services, for information.

11. NEXT MEETING

The next regularly scheduled meeting will be held on June 15, 2022.

12. ADJOURNMENT

Resolution No. 54-2022

Moved By: S. Stephenson

Seconded By: K. O'Gorman

THAT the Board of Health meeting held on May 18, 2022, be
adjourned at 2:26 PM.

CARRIED

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Waterfront Development Committee Minutes

SUMMARY

Minutes of meeting 02-2022 of the Waterfront Development Committee held on March 16, 2022, for information

ATTACHMENTS

1. Waterfront Development Committee Minutes - March 16, 2022

Minutes

WATERFRONT DEVELOPMENT COMMITTEE

MEETING NO.: 02-2022

TIME: 5:01 P.M.

DATE: Wednesday, March 16, 2022

PLACE: MS Teams

CHAIR: Councillor Aldo Ruberto

ELECTRONIC PARTICIPATION

Roderick Bosch
Brad DesRochers
Timothy Hardie
Mayor Bill Mauro
Councillor Brian McKinnon
Warren Philp
Councillor Aldo Ruberto
Sean Spenrath

ELECTRONIC PARTICIPATION - OFFICIALS

Norm Gale, City Manager
Kerri Marshall, General Manager –
Infrastructure & Operations
Kayla Dixon, Director – Engineering
Cory Halvorsen, Manager – Parks & Open
Spaces
Werner Schwar, Supervisor – Parks & Open
Spaces
Guy Walter, Landscape Architect
Flo-Ann Track, Council & Committee Clerk

GUESTS – ELECTRONIC PARTICIPATION

Charlie Brown, President – Lakehead
Transportation Museum Society

1. DISCLOSURES OF INTEREST

2. CONFIRMATION OF AGENDA

MOVED BY: Mayor Bill Mauro
SECONDED BY: Sean Spenrath

WITH RESPECT to the March 16, 2022 Waterfront Development Committee meeting, we recommend that the agenda as printed, including any additional information and new business, be confirmed.

CARRIED

3. MINUTES OF PREVIOUS MEETING

MOVED BY: Councillor Brian McKinnon
SECONDED BY: Warren Philp

THAT the Minutes of Meeting 01-2022 of the Waterfront Development Committee, held on January 12, 2022, be confirmed.

CARRIED

4. PRESENTATIONS

4.1. Lakehead Transportation Museum

Correspondence from Charlie Brown, President – Lakehead Transportation Museum Society requesting an opportunity to appear before the Waterfront Development Committee to provide an update relative to the above noted.

Document entitled Lakehead Transportation Museum Society Strategic Plan 2022 – 2026 was distributed separately on Tuesday, March 15, 2022.

Charlie Brown, President – Lakehead Transportation Museum appeared before Committee electronically via MS Teams, provided a PowerPoint Presentation relative to the above noted and responded to questions.

MOVED BY: Mayor Bill Mauro
SECONDED BY: Councillor Brian McKinnon

WITH RESPECT to the presentation by Charlie Brown, President – Lakehead Transportation Museum Society at the March 16, 2022 Waterfront Development Committee meeting we recommend that the presentation be referred back to Administration to provide a report to Council;

AND THAT Administration report back to Council prior to the May 2022 Waterfront Development Committee meeting.

CARRIED

5. DISCUSSION ITEMS

5.1. Waterfront Trail Update

Supervisor – Parks & Open Spaces Planning Werner Schwar and Landscape Architect Guy Walter appeared before Committee electronically via MS Teams, provided a PowerPoint Presentation relative to the above noted and responded to questions.

6. NEW BUSINESS

7. NEXT MEETING

It was the consensus of the Committee that the next WDC meeting be scheduled on Tuesday, April 26, 2022 at 12:00 pm.

8. ADJOURNMENT

The meeting adjourned at 6:35 pm.

Corporate Report

DEPARTMENT/ DIVISION	Community Services - Recreation & Culture	REPORT NO.	R 28/2022
DATE PREPARED	02/15/2022	FILE NO.	
MEETING DATE	07/18/2022 (mm/dd/yyyy)		
SUBJECT	Affordable Access Pilot Program – Transit and Recreation & Culture		

RECOMMENDATION

WITH RESPECT to Report R 28/2022 (Community Services - Recreation & Culture), we recommend that the Affordable Bus Pass Pilot Program and the and the Affordable Access to Recreation & Culture Pilot Program presented in this report, be approved;

AND THAT the Pilot Programs' anticipated participant subsidy and administration costs of \$115,750 for six (6) months representing a \$66,000 increase to the Transit Services and \$49,750 increase in the Recreation and Culture budgets be included in the 2023 Operating Budget submission for Council's consideration;

AND THAT Administration will report back on the findings of the pilot program annually beginning Q4 2024;

AND THAT Administration be authorized to negotiate and enter into an agreement with Lakehead Social Planning Council (LSPC) relative to this project in such form and content satisfactory to the General Manager – Community Services, Treasurer, and City Solicitor;

AND THAT the General Manager – Community Services be authorized to execute all associated documents;

AND THAT any necessary by-laws be presented to City Council for ratification.

LINK TO STRATEGIC PLAN

2019-2022 Corporate Strategic Plan Implementation Plan.

LEAD – Provide civic leadership to advance mutual respect, equal opportunity and hope. Collaborate with other institutions and partners in our city to articulate a shared vision.

SERVE – Advance service excellence through a citizen focus and best use of technology.

Review points of contact with customers to identify better ways of serving the public that are inclusive and easy to use.

GROW – Focus on city building and social infrastructure to strengthen our economy.

EXECUTIVE SUMMARY

This Report recommends establishing an Affordable Access Pilot Program for Transit and Recreation & Culture as a collaboration between the Recreation and Culture Division and the Transit Services Division, beginning July 1, 2023 for a 3-year pilot period.

These recommendations consider the objectives of the Provincial Policy Framework on Affordable Access to Recreation for Ontarians: Everyone Plays, and address recommendations of the Recreation & Facilities Master Plan and Program & Services Review related to fee setting, subsidization and revenue generation.

The recommendations also align with the Transit Fare Strategy 2022-2026, which recognizes that residents living in low-income households have specific financial challenges that may reduce their access to public transit. The Affordable Access Pilot Program would minimize these barriers by offering eligible program participants the option of purchasing monthly adult transit passes at a discounted rate.

DISCUSSION

In 2021, Council approved the Transit Fare Strategy 2022-2026 (R163/2021), along with the new User Fee Continuum Model recommended in the Recreation and Culture Division's User Fee Review Project (R164/2021). In an effort to align with Council's desire to provide affordable access for those who have income based barriers, a related affordable access program was suggested in these reports. Administration was directed to report back with further recommendations and implications for introducing an Affordable Access to Transit and Recreation and Culture program.

The Affordable Access Pilot Program is a collaboration between the Transit and the Recreation and Culture Divisions. Both programs will operate separately and have varying criteria for eligibility; however, they will share one application form and intake process. Administration does not have existing capacity to oversee the application intake and administration process for each program. Therefore, having one common application stream administered by a contracted third party is the recommended option. A contracted program application and administration model with an administrative partner would include the receiving, processing and approval of applications along with data tracking and provision of statistics for both programs. The administrative partnership would ensure more effective and efficient administrative program control and negate the need to expand CTB resources to create new capacity. The anticipated annual cost for the administration fee for this service is approximately \$24,000.

Administration has conducted exploratory discussions with The Lakehead Social Planning Council (LSPC) and The District of Thunder Bay Social Services Administration Board (TBDSSAB) regarding contracted administrative partnership parameters. These discussions have indicated that LSPC has interest in taking on the Administrative Partner role and sees this as a fit with their existing services. Subject to the approval of the recommendations in this report, Administration will finalize discussions to establish an Administrative Partner agreement that would allow for a pilot program to commence in July 2023.

Starting in 2024, Administration would provide Council with an annual program update in Q4 of each year during the 3-year pilot period.

Affordable Bus Pass Pilot Program/Affordable Access to Recreation & Culture Pilot Program – 2023

Residents living in low-income households have specific financial challenges that can reduce their access to public transit and recreation program participation. The Affordable Bus Pass (ABP) and Affordable Access to Recreation & Culture (AARC) Pilot Programs are designed to minimize these barriers by offering eligible program participants the option of purchasing monthly bus passes at a discounted rate and/or allowing for increased participation in recreation and culture programs through a yearly fixed credit.

Key program goals include:

- Making the cost of transit and recreation and culture programs more affordable for low-income individuals.
- Assisting residents living in low income households by enabling them to spend less on transportation and recreation program costs and therefore being able to allocate more of their budget towards basic needs such as food, clothing, child care and accommodations.
- Improving program participant's wellbeing through increased opportunities to participate in and contribute to their communities in ways such as: accessing educational, recreational, sporting and cultural opportunities; accessing medical care; reliable transportation so getting to work is not a barrier; and maintaining connections to family and friends.

The ABP and AARC Program will be a pilot that is anticipated to run for up to 3 years beginning in July 2023. Applications will be made available to the public on both the Administrative Partner's and City's websites. Details of options to fill out and return applications to the Administrative Partner remain in development and will be communicated in the program launch. The participant application cycle will run from July 1 to December 31, 2023 and then annually from January 1 through December 31 thereafter on a first come first serve basis and subject to remaining budget availability.

All ABP and AARC statistics and financial amounts will be subject to annual review and will be provided to Council as part of an annual program update.

Affordable Bus Pass Program Overview

The Affordable Bus Pass (ABP) Program will allow Thunder Bay residents aged 25-59 to purchase an adult monthly bus pass at a 50% discounted rate. The adult monthly pass can be used for both conventional and specialized services. Residents who do not already receive discounted bus fare through Ontario Disability Support Program or Ontario Works and whose household size and total income qualify will be able to participate.

Transit Administration anticipates an annual subsidized amount of \$120,000 will be required in each of the three years of the pilot program in order to offset lost revenues from the sale of the discounted ABP vs regular monthly adult passes. It is anticipated that this amount will allow approximately 250+ people per year access to the ABP Program. The anticipated \$24,000 per year partner administration fee will be shared evenly between the Transit Services Division and the Recreation and Culture Division. For 2023, because the Pilot will only run 6 months, the amounts required would be \$60,000 and \$6,000 respectively, serving approximately 125+ people.

Affordable Access to Recreation & Culture Program Overview

The Affordable Access to Recreation & Culture (AARC) Program will allow Thunder Bay residents ages 18+ who qualify for the program to access a credit that can be used for any Recreation and Culture program or service. Some eligibility exceptions will apply, such as individuals and services that can receive subsidy through existing programs such as PRO Kids.

Approved customer credits must be used by January 31 of the following year from when they were issued. After this date, any remaining credits will be cleared from each account. Applicants may re-apply for the credit annually during the pilot program.

Recreation and Culture recommends an annual subsidy amount of \$87,500, plus the Division's share of the anticipated \$24,000 administration partner fee. This amount would support 250 people with an annual credit of \$350 for use in any Recreation and Culture program or service. For 2023, because the Pilot will only run for 6 months, the amounts required would be \$43,750 and \$6,000 respectively, serving approximately 125+ people.

FINANCIAL IMPLICATION

There are no immediate financial implications associated with this report.

It is recommended that the overall anticipated participant subsidy and administration partner amount of \$115,750 for the proposed Affordable Access Transit and Recreation & Culture Pilot Program be included in the respective 2023 Operating Budget submissions of the Transit Services Division and Recreation and Culture Division and presented to Council's for consideration and approval as part of the 2023 budget process.

The anticipated financial implication for full year operation in 2024 and 2025 would be \$231,500 per year, with \$115,750 required again in 2026 to finish the 3 year pilot. These values are subject to annual review and recommendations via the program updates. The final recommended annual amounts would be included in the respective operating budget submissions for Council's consideration.

CONCLUSION

It is concluded that establishing an Affordable Bus Pass Pilot Program and Affordable Access to Recreation & Culture Pilot Program will address Council direction related to affordable access to transit services and recreation and culture programs and services, and provides assistance with potential income-based barriers to access and participation, and should therefore be approved as a 3-year Pilot Project, subject to Council review on an annual basis.

BACKGROUND

At the March 8, 2021 Committee of the Whole meeting, Council passed a resolution to endorse the Affordable Access to Recreation Policy Framework and requested that Administration review the cost recovery model and present a report to Committee of the Whole on the effectiveness of the model as it relates to affordable access and the "Everyone Plays" Policy. A motion was also passed which recommended that as part of the 2021 Transit Fare Strategy Review, Administration include options for alternative user fee options and to consult with TBDSSAB, LSPC and Poverty Free Thunder Bay (PFTB) stakeholders.

At the July 19, 2021 Committee of the Whole meeting, Council received a memorandum entitled *Transit Fare Strategy Update* which provided that work had commenced, initial stakeholder consultation had taken place and that this update report would be provided before September 30, 2021 with a Final Fare Strategy presented on or before December 31, 2021.

On September 13, 2021 Council received R 116/2021 - User Fee Review Project (Community Services – Recreation & Culture) for information. This report provided the draft Cost Recovery & Benefit Continuum and identified the need to consider subsidization and fee assistance in association with changes to user fees and cost recovery objectives. Council also received Report R 115/2021 Transit Fare Strategy Update (Community Services – Transit) for information. This report provided information on fare strategy options under consideration in order to update and establish attractive user fee options that may encourage more ridership and achieve appropriate cost recovery from revenues while balancing the needs of those who may encounter income-based barriers to accessing service regularly.

At the December 6, 2021 Committee of the Whole meeting, Council approved the Recreation and Culture User Fee Model (R164/2021) and asked Administration to report back with recommendations and implications for a proposed Affordable Access to Recreation & Culture Pilot by Q4 2022. Council also approved Report R 163/2021 (Transit Fare Strategy 2022-2026) and asked that Administration report back with recommendations and implications for a proposed Affordable Monthly Buss Pass program by Q4 2022.

REFERENCE MATERIAL ATTACHED:

None.

PREPARED BY:

LEAH PRENTICE, DIRECTOR – RECREATION AND CULTURE

BRAD LOROFF – MANAGER, TRANSIT SERVICES

LISA GALON, COORDINATOR - PLANNING, PROJECTS & DEVELOPMENT

MATTHEW FURIOSO - SUPERVISOR - CUSTOMER CARE & ADMIN SERVICES, TRANSIT SERVICES

THIS REPORT SIGNED AND VERIFIED BY: (NAME OF GENERAL MANAGER)	DATE:
Kelly Robertson, General Manager, Community Services	July 8, 2022

Corporate Report

DEPARTMENT/ DIVISION	Community Services - Central Support Services	REPORT NO.	R 124/2022
DATE PREPARED	06/23/2022	FILE NO.	
MEETING DATE	07/18/2022 (mm/dd/yyyy)		
SUBJECT	Canada-wide Early Learning and Child Care Agreement		

RECOMMENDATION

WITH RESPECT to Report R 124/2022 (Community Services - Central Support Services), we recommend Administration submit an application to enroll in the Canada-wide Early Learning and Child Care (CWELCC) System by the September 1, 2022 deadline;

AND THAT the City Manager, in concert with the City Treasurer & General Manager of Corporate Services and Long Term Care, be authorized to execute any agreement(s) to support the City's participation in the CWELCC program and/or execute an option to 'opt out' pending a fuller understanding of the implications of the City's enrollment in the program;

AND THAT any necessary by-laws be presented to City Council for ratification.

EXECUTIVE SUMMARY

This report provides Council with information regarding the Canada-wide Early Learning and Child Care (CWELCC) Agreement signed between Canada and Ontario and known details at this time of the potential implications for the municipal child care program.

DISCUSSION

Canada-wide Early Learning and Child Care System

On March 27, 2022, the Government of Ontario entered into a \$13.2 billion Canada-Wide Early Learning and Child Care (CWELCC) agreement with the Government of Canada for a term of six years commencing in 2021-2022 designed to:

- offer financial relief to families of children under 5 years old age (as well as children who turn 6 years prior to June 30th of the calendar year) in licensed child care
- be sustainable and not burden future generations

- preserve parental rights to choose the right child care option for their child(ren)
- provide optimal flexibility to ensure long term sustainability.

Funding under the CWELCC will be used to build and leverage the success of Ontario's existing early learning and child care system by increasing quality, accessibility, affordability and inclusivity in early learning and child care, towards achieving the objectives of:

- providing a 25% fee reduction retroactive to April 1, 2022 building to a 50% reduction in average parent costs (based on 2020 levels) for licensed early learning and child care by the end of calendar year 2022 and reaching an average parent fee of \$10 a day by September 2025 for licensed child care spaces;
- creating 86,000 new high-quality, affordable licensed child care spaces (relative to 2019 levels), predominantly through not-for-profit licensed child care;
- addressing barriers to provide inclusive child care; and
- valuing the early childhood workforce and providing them with training and development opportunities.

Applications to enroll in the CWELCC system must be submitted by licensed child care operators by September 1, 2022, as opposed to individual parents/guardians. If a family's licensed child care operator decides not to enroll in the new system, parents/guardians will not be eligible to receive a child care fee reduction. In addition, camps or recreation programs, and unlicensed child care programs are not eligible.

Current Status

On March 28, 2022 licensed child care operators received correspondence from Minister Lecce for distribution to parents/guardians regarding the CWELCC Agreement. Licensed child care operators were also advised enrollment in the CWELCC would be contingent on fees being frozen as of March 27/22 unless previously communicated to clients. In the City's case, Council approved fee increases contemplated as part of the 2022 budget and approved through the City's User Fee By-law were communicated to families prior to March 27, 2022.

It will require some time to implement the CWELCC program and the first step involves identifying operators who wish to enroll. The District of Thunder Bay Social Services Administration Board (TBDSSAB) as our local service system manager is Administration's key contact in respect of our potential application to enroll in the CWELCC by the September 1, 2022 deadline.

At the current time, Administration is reviewing and completing the formal application form to 'opt in' subject to Council approval and TBDSSAB is in the process of confirming interest by licensed child care operators to 'opt in', confirming various costing/funding formulas, Ministry reporting requirements, and developing tools/agreements to support implementation of the CWELCC system.

The TBDSSAB has advised Administration that a draft service level agreement governing the City's participation in CWELCC may not be available until post the September 1 deadline for 'opting in' for 2022. However, should irreconcilable concerns be raised as a result of the City's review of the draft agreement, there is an option for the City to 'opt out' for 2022 and 'opt in' for 2023, if desired.

The key implication for the City as a result of participation in CWELCC in 2022 is the calculation of a 25% fee reduction retroactive to April 1, 2022 for eligible parents/guardians. Administration understands that the execution of the legal agreement is a pre-requisite to issuing any retroactive fee reductions to parents and there will be prescribed timelines for issuing reimbursements to parents.

This program is intended to change how child care operators are funded overall and in addition to the fee rebates the next portion that TBDSSAB will work on with providers who 'opt in' is the determination of 'Base Funding' in order to ensure financial viability of each program. At this time negative financial implications are not anticipated for licensed child care operators who decide to 'opt in' although there will be changes to how programs are evaluated and funded and additional reporting requirements will be required. However, the TBDSSAB is working within a fixed Ministry funding allocation and confirmation of specific funding formulas are in progress. For example, Ministry guidelines speak to 'maintaining existing municipal contributions' and clarity is being sought regarding the interpretation of these provisions.

The CWELCC funding formula also includes provision for a wage floor for registered early childhood educators in 2022 of a minimum of \$18 per hour in 2022. This will not apply to City funding as our current wages for registered early child care education workers exceed the wage floor.

Risks & Mitigation

Legislative Requirement

There is no legislative requirement for the municipality or any licensed child care operator to 'opt in' to the CWELCC. However, the TBDSSAB and Administration expect significant interest by municipal child care clients for the City to participate in the program.

Time Sensitivity to 'Opt In'

Given that the CWELCC system:

- is a new program
- participation in the program is not legislatively mandated
- there is client interest in the City's participation in the program

Council direction is being sought to submit an application to 'opt in' from the City of Thunder Bay municipal child care program, including licensed private home child care for the period

April 1 – August 31/22. The implications of the CWELCC in 2023 and potentially future years will be addressed as part of the 2023 draft operating budget deliberations.

Financial Risk to the City

The full financial implications to the City are uncertain at this time as Administration seeks clarification through the TBDSSAB and the Ministry of the funding formula. Negative financial impacts to the City are not anticipated based upon current information related to this program. The City has the option to ‘opt out’ post September 1, 2022 deadline for 2022 if financial risk to the City is seen to be significant. And, if the City opts out for 2022, the TBDSSAB has confirmed that the City could choose to opt in at a later date for 2023.

Financial Value to Eligible Parents/Guardians

The current daily fee for full fee paying parents of a child 0 – 5 years participating in licensed full-time municipal child care ranges from \$49.00 - \$55.17 plus HST. The proposed 25% fee reduction retroactive to April 1, 2022 would translate into a \$12.25 - \$13.79 savings (pre-HST) per day of care or approximately \$2,340 of savings per an eligible child in care for 2022. Should the City choose to ‘opt out’ of the CWELCC in 2022, families would not be eligible for this rebate.

FINANCIAL IMPLICATION

Full details of the financial implications to the City of Thunder Bay through participation in the CWELCC in 2022 are not known at this time. The key implication to the City if our application to enroll in the CWELCC is accepted will be the requirement to rebate parents/guardians of eligible children in care a 25% reduction of the base fees they paid for care in 2022 between April 1 – December 31, 2022 according to prescribed timelines. Administration is expecting to be reimbursed for this amount through the CWELCC funding formula and an executed agreement with the TBDSSAB. Should it be determined later this fall that the City’s participation in CWELCC presents significant financial risk to the City in 2022, the City would have an option to ‘opt out’ of the program for 2022 and seek direction from the appropriate authority (City Manager and the City Treasurer & General Manager of Corporate Services and Long Term Care OR City Council) depending on the deadline for submitting an application to enroll in the program in 2023.

CONCLUSION

Administration recommends that Council approve the submission of an application for the City of Thunder Bay to ‘opt in’ to the CWELCC system by September 1, 2022.

BACKGROUND

On March 28, 2022, Administration received correspondence from the Government of Ontario regarding the Canada-Wide Early Learning and Child Care (CWELCC) agreement with the Government of Canada for a term of six years commencing in 2021-2022. This agreement speaks to investments designed to increase access to, inclusiveness and the affordability of licensed child care for families of children under 5 years of age as well as children who turn 6 years prior to June 30th of the calendar year.

City Administration continues to work with the TBDSSAB, our local service system manager, to acquire more detailed info on the requirements and implications to the City and clients as a result of participation in the program.

REFERENCE MATERIAL ATTACHED:

None.

PREPARED BY: KELLY ROBERTSON, GENERAL MANAGER – COMMUNITY SERVICES

THIS REPORT SIGNED AND VERIFIED BY: (NAME OF GENERAL MANAGER)	DATE:
Kelly Robertson, General Manager, Community Services	July 5/22

Corporate Report

DEPARTMENT/ DIVISION	Corporate Services & Long Term Care - Financial Services	REPORT NO.	R 117/2022
DATE PREPARED	06/21/2022	FILE NO.	
MEETING DATE	07/18/2022 (mm/dd/yyyy)		
SUBJECT	2021 Audit Committee Annual Report		

RECOMMENDATION

WITH RESPECT to Report R 117/2022 (Corporate Services & Long Term Care – Financial Services), we recommend that the Consolidated Financial Statements and the Trust Funds Statements for the year ending December 31, 2021 be approved, as recommended by the Audit Committee;

AND THAT the amended Terms of Reference for the Audit Committee, as appended as Attachment A, be approved;

AND THAT any necessary by-laws be presented to Council for consideration.

EXECUTIVE SUMMARY

One of the main functions of the Audit Committee is to provide an annual report to City Council on its activities, including a review of its terms of reference, and a summary of how the Committee has fulfilled its role and mandate. The aim of this Report is also to keep the lines of communication among the external auditors, administration, and the public open and transparent in keeping with the high standards of accountability that the City of Thunder Bay has established.

The Audit Committee, which oversees the City's financial reporting process on behalf of City Council is recommending approval of the Treasurer's Report for the year ended December 31, 2021.

DISCUSSION

Terms of Reference & Governance

The Audit Committee is governed by Terms of Reference which sets out the key objectives and the scope of work for the Audit Committee. The Committee is currently comprised of five members which includes 3 members of City Council and 2 citizen appointees. The 2021 Audit

Committee was comprised of John Friday (Chair), Councillor Cody Fraser (Vice Chair), Councillor Shelby Ch'ng, Councillor Mark Bentz and Doug Heath. The Committee reviews the Terms of Reference annually. Based on City Council direction (Report 100/2021), for the new term of Council the Audit Committee will be comprised of two (2) members of City Council and three (3) citizen appointees, as reflected in the attached Terms of Reference – Audit Committee, Attachment A.

Internal Audit Summary

The Internal Audit & Corporate Projects Division conducts internal audits to improve internal controls and minimize risk to the Corporation. Results of audit assignments were presented to the Audit Committee throughout 2021.

The Internal Audit & Corporate Projects Division conducts its role in accordance with the Internal Audit Charter (Attachment B, as approved by the Audit Committee). The Internal Audit Charter outlines: Scope; Authority; Independence; Responsibilities; Audit Planning; Reporting; and Professional Standards.

As outlined in the Charter, the 3-year work plan is based on a Risk Assessment framework and is approved by the Audit Committee. At the conclusion of each audit, the Manager - Internal Audit & Corporate Projects prepares and presents a written report to the Audit Committee. The report identifies risks, outlines recommendations for improvements, and includes management response. Internal Audit is guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA).

The Internal Audit & Corporate Projects Division provides an update on the status of past recommendations to the Audit Committee. In 2021, the Internal Audit & Corporate Projects Division also continued with two large corporate initiatives: Enterprise Risk Management (ERM) - a corporate-wide process to review risks to the Corporation of the City of Thunder Bay, and Payment Card Industry Data Security Standards (PCI DSS) - a corporate-wide initiative to ensure compliance with standards. Results from both initiatives were presented to the Audit Committee in 2021. Since 2012, 238 recommendations have been made by the Audit Committee through 46 internal audit reports and 91% of past recommendations have either been implemented or are in progress. The status of each recommendation is categorized as implemented, in progress, or outstanding. Once a recommendation has been implemented, Internal Audit conducts a verification process.

Presentation of Financial Statements

The Audit Committee oversees the City's financial reporting process on behalf of City Council. Administration has the primary responsibility for preparing the City's financial statements, for maintaining effective internal control over financial reporting, and for assessing the effectiveness of internal control over financial reporting. In fulfilling its oversight responsibilities, the Committee reviewed and discussed the audited consolidated financial statements for the year ended December 31, 2021 with Administration.

The Committee also reviewed and discussed the audited consolidated financial statements with the independent public accounting firm, BDO Canada LLP (“BDO”), which is responsible for expressing an opinion on the conformity of those audited consolidated financial statements with Canadian public sector accounting standards. In addition, the Committee has discussed with BDO the firm’s independence from City Administration and from The Corporation of the City of Thunder Bay.

The Committee also reviewed and discussed together with Administration and BDO the results of Administration’s assessment of the effectiveness of the City’s internal control over financial reporting, and BDO’s audit of internal control over financial reporting.

The Committee discussed with the City’s Internal Auditor and with BDO the overall scope and plans for their respective audits. The Committee meets with the Internal Auditor and with BDO to discuss the results of their examinations, their evaluations of the City’s internal controls (including internal control over financial reporting), and the overall quality of the City’s financial reporting.

In order to meet its mandate under the Terms of Reference, the Committee held the following meetings:

1. December 10, 2021
2. May 18, 2022
3. June 29, 2022

At the June 29, 2022 meeting of the Audit Committee, the following resolution was carried:

“THAT the Treasurer’s Report, Year Ended December 31, 2021, that includes The Corporation of the City of Thunder Bay: Consolidated Financial Statements, Year Ended December 31, 2021, and the Corporation of the City of Thunder Bay: Trust Fund Financial Statements, Year Ended December 31, 2021, as presented at the June 29, 2022 meeting of the Audit Committee, be accepted for presentation to Committee of the Whole;

AND THAT the Audit Committee recommends to City Council, approval of the Consolidated Financial Statements and the Trust Funds Statements for the year ended December 31, 2021.”

FINANCIAL IMPLICATION

There are no financial implications associated with the recommendations in this Report.

CONCLUSION

It is concluded that the Audit Committee’s 2021 Annual Report should be received.

It is further concluded that the Treasurer's Report for the year ended December 31, 2021 (Attachment C) should be approved.

BACKGROUND

On January 14, 2002 City Council passed a resolution establishing in principle an Administrative Sub-Committee (of the Committee of the Whole) identified as an Audit Committee. The Audit Committee was formally established and commenced its work once the original terms of reference were approved on June 4, 2002.

REFERENCE MATERIAL ATTACHED:

Attachment A - Terms of Reference – Audit Committee
Attachment B - Internal Audit Charter – City of Thunder Bay
Attachment C - Treasurer's Report

***PREPARED BY: EMMA WESTOVER, DIRECTOR – FINANCIAL SERVICES & DON CRUPI,
MANAGER - INTERNAL AUDIT AND CORPORATE PROJECTS***

THIS REPORT SIGNED AND VERIFIED BY:	DATE:
Linda Evans, GM Corporate Services & Long Term Care, City Treasurer	July 7, 2022

INTRODUCTION

The Internal Audit charter serves as a guide to the Internal Audit & Corporate Projects Division (Internal Audit) in the performance of its duties. The Charter provides a basis for management and the Audit Committee to use in evaluating the operations of the Internal Audit function.

As defined by the Institute of Internal Auditors (IIA), "Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes".

SCOPE

The scope of the Internal Audit role encompasses the following:

- Utilize a risk assessment framework to develop work plan.
- Review and test the adequacy of the internal control systems.
- Review and test the level of compliance with legislation, policies, procedures and internal controls.
- Review program performance regarding the efficiency, effectiveness and economy in the use of resources.
- Reviewing the adequacy of the management responses to external audit concerns, having regard to the risks and the costs involved.
- Provide recommendations to improve internal control systems; efficiency and effectiveness; policies, procedures and processes.

AUTHORITY

The Manager - Internal Audit & Corporate Projects (and/or designate) is authorized to:

- Have unrestricted access to all functions, records, property, and personnel (in order to conduct the audit work plan).
- Have full and free access to the Audit Committee.
- Allocate resources, set frequencies, select subjects, determine scope of work and apply the techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel in the organization where they perform audits, as well as other specialized services from within or outside the organization.

INDEPENDENCE STANDARD

Independence is an essential component to building public trust and preserving objectivity and integrity associated with the audit function. All internal audit activities shall remain free of influence by any element in the organization, including matters of audit selection, scope, procedures, frequency, timing or report content to permit maintenance of an independent and objective attitude necessary in rendering reports.

Internal Auditors shall have no direct operational responsibility or authority over any of the activities they review. Accordingly, they shall not develop nor install systems, policies, procedures, prepare records or engage in any other activity which would normally be audited.

With respect to independence and objectivity, The Institute of Internal Auditors (IIA) standards states:

The internal audit activity must be independent, and internal auditors must be objective in performing their work.

The chief audit executive must report to a level within the organization that allows the internal audit activity to fulfill its responsibilities. The chief audit executive must confirm to the board, at least annually, the organizational independence of the internal audit activity.

*The ideal reporting situation is for the CAE (Chief Audit Executive) to report **administratively** to the Chief Executive Officer of the organization and **functionally** to the audit committee, board of directors, or some other appropriate governing authority. The accounting department, chief accountant, or finance director would not normally be an appropriate level to report to.*

RESPONSIBILITIES

The Manager-Internal Audit & Corporate Projects has the responsibility to:

- Develop a flexible annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Audit Committee for review and approval as well as periodic updates.
- Implement the annual audit plan, as approved, including any special audit projects requested by the Audit Committee.
- Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter.
- Issue periodic reports to the audit committee and management summarizing results of audit activities.
- Provide a list of significant measurement goals and results to the audit committee.
- Assist in the investigation of significant suspected fraudulent activities within the organization and notify management and the Audit Committee of the results.

AUDIT PLANNING

Each year, the Manager-Internal Audit & Corporate Projects shall prepare/update a 3 year work plan, setting out the proposed schedule of audits and other undertakings proposed. The 3 year work plan is presented to the Audit Committee for approval. In order to generate this plan, the following sources are considered:

- Risk-based assessment.
- Requests from the Audit Committee and the Executive Management Team.
- Any audits planned for the past year but delayed or not completed.
- Follow up of past audit engagements.

- Any conditions or concerns discovered or communicated throughout the past year.

REPORTING

A written audit report is prepared and issued by the Manager-Internal Audit & Corporate Projects following the conclusion of each audit. The report will include management's responses and the corrective action plans for specific findings and recommendations. Management's response will include a statement of general agreement or disagreement with the stated findings and recommendations as well as a timeframe for anticipated completion of action to be taken and an explanation for any recommendation not addressed. Internal Audit is responsible for appropriate follow up on audit findings and recommendations. All audit reports / follow up reports are presented to the Audit Committee.

PROFESSIONAL STANDARDS

Internal Audit will be guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA).

NAME OF COMMITTEE:

City of Thunder Bay Audit Committee

ROLE:

The role of the Audit Committee is to provide oversight responsibilities for City Council and the ratepayers of the City of Thunder Bay relating to:

- The financial reporting process;
- The system of internal control;
- The external audit process;
- The internal audit process;
- The City's process for monitoring compliance with laws and regulations.

RESOURCES AND FINANCES:

Members of the Audit Committee are not paid for their participation. Provided these expenditures are made in compliance with the City's established policies, out-of-pocket expenses by members for Committee business will be reimbursed.

COMPOSITION:

The Audit Committee shall be comprised of two members of Council and three citizen appointees.

1. Term

Audit Committee members shall be appointed by City Council, based on the term of office for council (four years), or until their successors are appointed. Where a member ceases to be a member before the expiration of their term, Council will appoint another eligible person for the remainder of the term. At its first meeting of each term of office, the Audit Committee shall elect a Chairperson from among its members. Three members constitute a quorum.

2. Leave of Absence

In the event that a Committee member requests a leave of absence, the committee can decide to either:

- Adjust the total number of members of the committee for quorum during the leave of absence to allow business to continue, thus leaving the position vacant during the approved leave, or
- Replace the member replacing a leave with a temporary committee member during the leave of absence.

Temporary Committee members replacing a leave of absence will still require appointment to the Committee by City Council. Leave of absence requests by appointed Committee members will be considered by the Committee and, if accepted, will be approved by resolution.

3. Qualifications

Qualifications of external members shall include:

- Appropriate academic qualifications in accounting and/or business management; and/or an equivalent combination of business experience and knowledge.
- At least one member shall have a professional accounting and/or an internal audit designation.
- Independence of judgment from, and no financial self-interest in, the Municipality.
- Must be a resident and/or property owner in the City of Thunder Bay or directly operate a business based in Thunder Bay.

4. Meetings

The Audit Committee shall meet at least three times per year, with additional meetings at the call of the Chair in order to properly discharge its responsibilities as set out in this Terms of Reference.

5. Committee Resource Staff

The following resource staff or their designate shall attend all meetings of the Committee and provide support as required:

- City Manager
- General Manager - Corporate Services & Long Term Care (City Treasurer)
- External Auditor
- Manager - Internal Auditor & Corporate Projects
- Director - Financial Services
- Executive Assistant - Corporate Services & Long Term Care

The attendance of additional staff members at Committee meetings shall be at the discretion of the Audit Committee chair.

AUTHORITY:

The Audit Committee has the authority to:

- Recommend the appointment of the external auditor for the City of Thunder Bay.
- Resolve any disagreements between management and the external auditor regarding financial reporting.
- Review and provide input to the terms of engagement and work plan for the external auditor.
- Retain independent counsel, accountants or others to advise the Committee or assist in the conduct of an investigation.
- Seek any information the Committee requires from Management, employees and/or agents of the Municipality.
- Meet with company officers, external auditors, or outside counsel, as necessary.

RESPONSIBILITIES:

The committee will carry out the following responsibilities:

1. Financial Statements

- Review significant accounting and reporting issues, including complex or unusual transactions, highly judgmental areas, recent professional/regulatory pronouncements, and understand their impact on the financial statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- Recommend to City Council the approval of the annual financial statements.
- Review with management and the external auditors all matters required to be communicated to the committee under Generally Accepted Auditing Standards.

2. External Audit

- Review the external auditor's terms of engagement, fees, proposed audit scope and audit planning.
- Review the performance of the external auditors, and recommend to Council the appointment or discharge of the auditors (subject to Section 296 of the Municipal Act, 2001).
- Review and confirm annually the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the City of Thunder Bay, including non-audit services, and discussing the relationship with the auditors.
- Review and discuss with the external auditor the Management Letter, if appropriate, together with any related recommendations for improvement.
- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately (in the absence of City administration, regarding matters deemed allowable under the Municipal Act 2001, Section 239).

3. Internal Audit

- Review and approve the Internal Audit Charter.
- Approve decisions regarding the appointment and removal of the Manager – Internal Audit & Corporate Projects (Internal Auditor). Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the Manager – Internal Audit & Corporate Projects.
- Review and confirm annually the independence of the internal auditor by obtaining statements from the auditor on relationship between the auditor and administration of the City of Thunder Bay.

- Approve the annual audit plan and all major changes to the plan. Review the internal audit activity's performance relative to its plan.
- Review with the Manager – Internal Audit & Corporate Projects the internal audit budget, resource plan, activities, and organizational structure of the internal audit function.
- Review internal audit reports issued and, where required, recommend the acceptance, amendment or rejection of the report recommendations. Review the adequacy of the management responses to audit recommendations, having regard to the risks and the costs involved.
- Review any requests for special studies and investigations made by Audit Committee members, Council and Administration; review and approve revised audit work plan.
- Meet separately with the internal auditors to discuss any matters that the committee or auditors believe should be discussed privately (in the absence of City administration, regarding matters deemed allowable under the Municipal Act 2001, Section 239).

4. Risk Management & Internal Control Oversight

- Review and discuss with management their responsibility for assessing and managing the City's exposure to risk.
- Review and discuss with management their responsibility for assessing the City's internal control systems and monitoring compliance with laws, regulations and policy.
- Review and discuss with management their responsibility for safeguarding of corporate assets and, as appropriate, verifying the existence of those assets.
- Review the findings of any examinations from the external or internal auditors and management's responses.

5. General

- Review the Audit Committee Terms of Reference annually and recommend modifications to Council, as necessary.
- Provide a summary of all meetings of the Committee to Council.
- Provide an annual report to the Council on the activities of the Audit Committee that identifies how it fulfilled its role and mandate.

CONTACT:

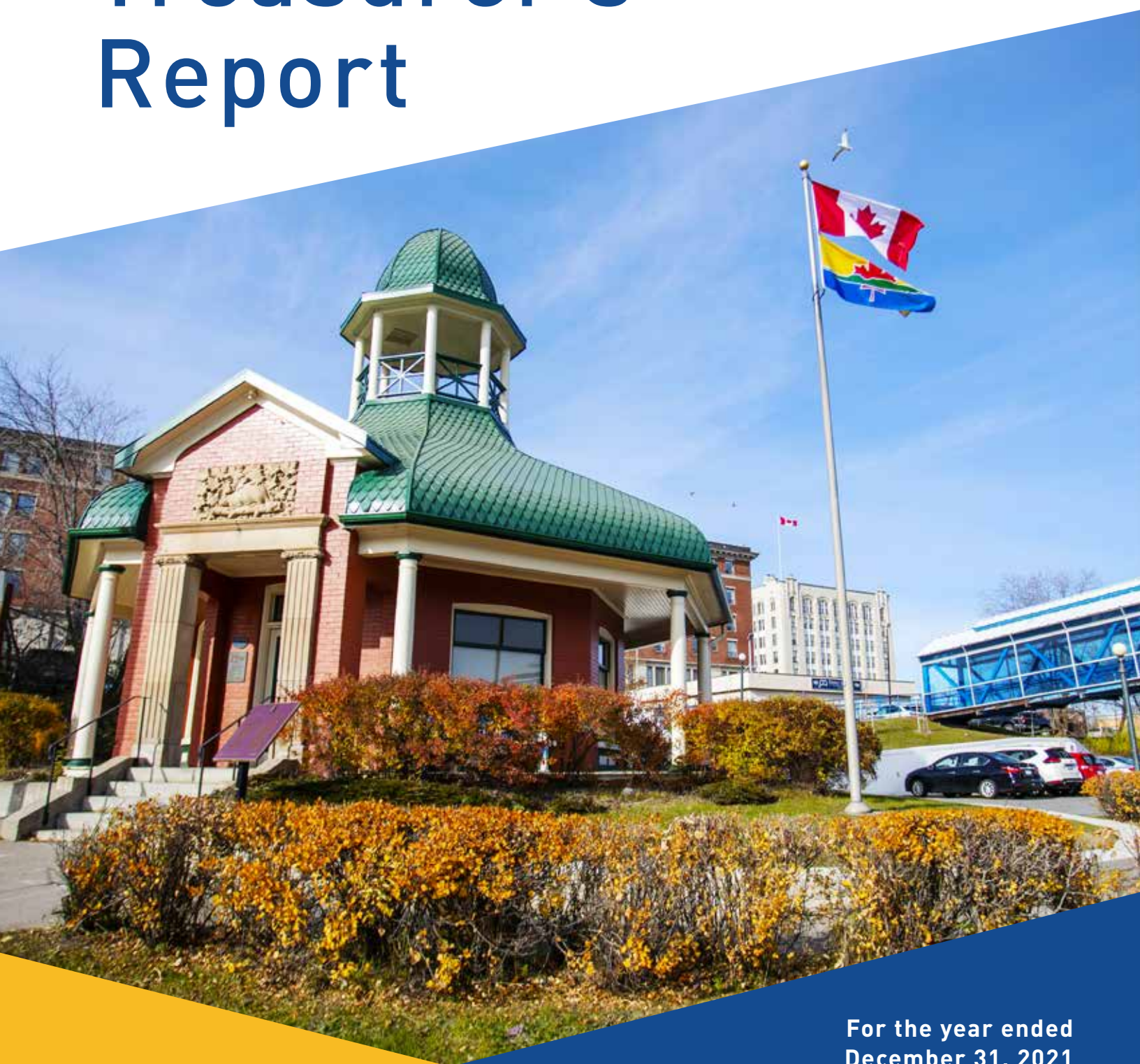
The Administrative Contact for the Audit Committee is the City Clerk. Each Committee member is asked to make sure that his or her contact information is kept current with the City Clerk.

The Office of the City Clerk is reached by:

Telephone at: 625-2230

Facsimile at: 623-5468

Treasurer's Report



For the year ended
December 31, 2021

thunderbay.ca

CITY OF
Thunder Bay
Superior by Nature

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Message from the General Manager, Corporate Services & Long Term Care & City Treasurer



Linda Evans
General Manager,
Corporate Services
& Long Term Care &
City Treasurer

It is my pleasure to present the 2021 Treasurer's Report which highlights key financial information contained in the audited consolidated financial statements for the year ended December 31, 2021 and financial results for the year.

This report identifies key financial policies, the annual budget process and provides a review of financial indicators that evaluate the City's financial outlook and performance through the elements of sustainability, flexibility and vulnerability. Together with the accompanying financial statements, the information provided allows the reader to assess the City of Thunder Bay's financial activities and available resources.

For the sixth consecutive year the City of Thunder Bay has received a AA credit rating with a stable outlook from S&P Global Ratings. This rating will allow the Corporation to continue to secure the best available interest rates for future debt financing requirements. This positive rating

recognizes strong budget performances along with improved capital reserve fund balances which will assist with addressing infrastructure needs.

I would like to thank City Council, City Departments and Outside Board teams for their support and cooperation throughout 2021. Personal thanks goes to the Financial Services Division of the Corporate Services & Long Term Care Department for their resiliency and dedication to achieve our goals. The COVID-19 pandemic continued to provide challenges throughout 2021 with operations being impacted by closures and capacity limits. Financial staff across the Corporation worked together to provide accurate and comprehensive reporting of the impacts of COVID-19 throughout the year in our quarterly variance reports to Council. Together we are committed to providing high standards of fiscal excellence at the City of Thunder Bay and to providing accurate and timely information to City Council, Committees, departments and community stakeholders.

Financial Reporting

Consolidated Financial Statements

Management is responsible for the preparation of the financial statements and for the integrity and objectivity of the financial information contained in those statements. The financial statements contained in this report have been prepared in accordance with generally accepted accounting principles for local governments as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada.

The City Treasurer is responsible for the overall financial management of the City and must ensure that all corporate accounting records and financial reports conform to Council budgetary requirements, by-laws, policies, procedures, accounting principles and financial reporting requirements.

The Consolidated Financial Statements include all organizations that are owned or controlled by the City, which means the financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus of the reporting entity.

Fully consolidated entities include:

- Thunder Bay Public Library Board
- Parking Authority
- Victoria Avenue Business Improvement Area
- Waterfront District Business Improvement Area
- Victoriaville Centre Board of Management
- Tbaytel
- Thunder Bay Community Economic Development Commission Inc. (CEDC)
- Thunder Bay Police Services Board

Interdepartmental and inter-organizational transactions and balances between the City and these organizations are eliminated.

Thunder Bay Hydro Corporation is accounted for on a modified equity basis, consistent with the generally accepted accounting treatment for government business enterprises. Under the modified equity basis, the business enterprise's accounting principles are not adjusted to conform to those of the City's, and inter-organizational transactions and balances are not eliminated.

The budget figures presented in the 2021 audited Consolidated Financial Statements have been reclassified to comply with Public Sector Accounting Standard reporting requirements. The standards require that all interfund transfers, capital expenditures, and debt principal repayments be removed, and amortization, employee future benefits, landfill closure and post closure costs, and consolidated board budgets be included. The budget note in the financial statements reconciles the approved budget with the budget figures as presented in the consolidated financial statements.

External Auditors

The Municipal Act requires the City to engage independent auditors to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the City's financial position and results from operations and cash flows in accordance with public sector accounting standards. The City's independent auditors, BDO Canada LLP, have issued an unqualified Auditor's Report on the financial statements attached to this report.

Audit Committee

The mandate of the City's Audit Committee includes:

- ensuring the external audit function has been effectively carried out and that any matter which the independent auditors have brought to the attention of the Audit Committee has been addressed;
- reviewing and discussing with management their responsibility for assessing the City's internal control systems and monitoring compliance with laws, regulations and policy;
- reviewing the annual financial statements and considering whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles;
- reviewing significant accounting and reporting issues, including complex or unusual transactions, highly judgmental areas, recent professional/regulatory pronouncements, and understanding their impact on the financial statements; and
- recommending to City Council approval of the annual audited financial statements.

The Audit Committee met with Administration and the external Auditors in June 2022 and recommended approval of the audited financial statements.

Performance Measurement and Benchmarking

Benchmarking assists in establishing baselines, defining best practices and identifying improvement opportunities. By comparing the City's own experience and data with that of other municipalities, decision makers are able to monitor selected indicators over time and evaluate and prioritize improvement opportunities.

Since 2000, BMA Management Consulting Inc. has annually completed a municipal comparative study on behalf of participating Ontario municipalities. This report brings together a group of indicators to give an overall snapshot for each municipality. The analysis was completed using the most recent information available as provided by the participating municipalities including:

- 2021 current value assessment
- 2021 tax policies
- 2021 levy by-laws
- 2021 water/sewer rates
- 2020 Financial Information Returns
- 2021 user fees
- Economic development programs

The results of the study are available on the City's website at: thunderbay.ca/en/city-hall/performance-and-credit-rating.aspx

Financial Management and Control

The financial management and control of the City of Thunder Bay is largely governed through by-laws that prescribe budget, purchasing, accounting, investment, risk management and debt policies. City Council has sole authority to allocate funds through the approval of operating and capital budgets.

The City's management maintains a system of internal controls designed to safeguard assets and ensure transactions are properly authorized and recorded in compliance with legislative and regulatory requirements. The integrity of financial management and control is ensured through an annual independent audit. City Council is assured of this integrity through an appointed Audit Committee, as well as mandated financial reporting to the Province through the annual Financial Information Return.

The City has embraced various corporate measurement and benchmarking programs as tools for continuous improvement and quality control. The City of Thunder Bay is committed to continually monitoring its performance in key areas and to comparing Thunder Bay's activities to other municipalities to identify improved and innovative methods of program and service delivery.

The City also participates in various Provincial initiatives, including providing input on the development of financial policy, consultation on property taxation and assessment, and financial reporting.

Long Term Financial Overview

The Long Term Financial Overview is presented to City Council annually prior to budget review. It provides important information about the City's economic and fiscal environment to assist during budget deliberations. Key elements of the financial overview include the economic environment, performance indicators on taxation and affordability, current year proposed budget overview, information about the City's infrastructure, debt and reserve funds, and financial projections.

Key outcomes of the Long Term Financial Overview include demonstrating the City's continued attention to cost control and debt management, identifying gaps in funding from other levels of government, providing the basis for ongoing financial support for infrastructure and reserve funding, and providing the basis for credit rating agencies to give a positive review.

Reserve and Reserve Funds

Reserve funds are an important component of a long term financial plan, providing financial flexibility and the ability to adapt to fiscal challenges and unexpected events, as well as a means of planning for future requirements, both capital and operating. There are two types of reserve funds. Discretionary reserve funds are set by Council for specific purposes and obligatory reserve funds are legally restricted by federal or provincial legislation or agreement and can only be used for its intended purpose. Obligatory reserve funds are included in deferred revenue.

Reserve funds also provide:

- Financing for one time or short term requirements without permanently impacting tax and utility rates;
- A source of financing to leverage funding from other levels of government;
- For ensuring adequate cash flows;
- For avoiding spikes in funding requirements of the capital budget by reducing reliance on long-term debt borrowings.



Asset Management Plan

Keeping up with infrastructure needs continues to be a significant challenge faced by municipalities across the country. It was in response to this challenge that the Province enacted an Asset Management Plan Regulation which requires compliance to specific milestones between 2019 and 2025.

In December 2021 Council approved the City’s Asset Management Plan: Phase One. The plan provides a reference for the construction, maintenance, rehabilitation, disposal, and replacement of the City’s core assets based on sound asset management practices and principles. Core assets include Roads, Bridges, Water systems, Stormwater systems and Wastewater systems.

Phase Two will be presented in 2024 and will be expanded to include non-core assets such as sidewalks, machinery & equipment, buildings, fleet and land improvements such as parks. Phase Three will be completed in 2025 and will included proposed levels of service that will be developed through public engagement and Council direction as well as a financial strategy to achieve the proposed levels of service.

The Executive Management Team has endorsed an Asset Management Steering Committee which will guide the City in meeting the regulated changes and timelines outlined in Ontario Regulation 588/17.

December 2022
Core assets and current service levels

July 2024
Remaining assets and current service levels

July 2025
Council approved proposed service levels, and financial strategy



Credit Rating

From 2017 to 2022, the City received a AA credit rating with a stable outlook from S&P Global Ratings (S&P). A credit rating is intended to represent an evaluation of the credit risk of a debtor, anticipating their ability to repay debt. The AA rating indicates the City has a very strong capacity to pay interest and repay principal.

“The stable outlook reflected S&P’s expectation that over the next two years the City is expected to continue generating positive operating results, maintain a low debt burden and mitigate any lingering effects of the COVID-19 pandemic. These conditions are supported by prudent financial management practices.”

The City’s Long Term Financial Overview, which includes projected capital expenditures and debt issuance, also contributed to the continued positive rating.

Subsequent to the issuance of the annual rating, S&P improved the institutional framework assessment for Canadian municipalities. The change in assessment reflects the ability of the municipal sector to maintain financial resiliency over time, including during a significant stress scenario like the COVID-19 pandemic. As a result, the City’s rating was raised to AA+.

Budget Process

Operating and capital budgets are prepared annually, with the capital budget providing a three year detailed outlook and a ten year forecast.

Budget development begins with the base budget which provides for maintenance of existing services and provincially-mandated programs and contracts, annualized impact of previous Council decisions and commitments, capital driven operating costs, and growth pressures on existing services. Next, service level change decisions are considered that can include one-time items, expansions, reductions, and user fee changes. In 2021 the majority of one-time items were reflective of financial impacts of COVID-19.

Opportunities for engagement and transparency continue to be a focus of the budget process. A public consultation session and an online survey are held each year to receive feedback on how the budget is allocated and what services are important. A citizen satisfaction survey is completed every two years, which results in statistically valid feedback on city services. Once the proposed budget is published, additional opportunities for feedback are provided in the form of public deputation sessions before and after Committee of the Whole has reviewed the budget documents.

The annually approved budget represents how City Council has assigned resources to services to ensure that its goals and objectives are being met. The annual operating budget includes estimated operating expenditures and revenues required to allow the City to deliver services approved by Council.

The City faces significant pressures in some areas such as:

- Low levels of assessment growth
- Financing new infrastructure needs
- Financing the annual infrastructure deficit
- Increasing insurance premiums
- Increasing costs within emergency services

Financial Indicators

BMA Management Consulting Inc. (“BMA”) completed a comparative municipal study with 114 participating Ontario municipalities, including the City of Thunder Bay (the 2021 study reports financial data from 2020 and prior). The study includes financial indicators that help evaluate a municipality’s financial outlook and performance. The three elements of financial indicators include sustainability, flexibility and vulnerability.

Sustainability

Sustainability is the ability to provide and maintain service and infrastructure levels without resorting to unplanned increases in rates or cuts to services.

Financial Position per Capita

The financial position per capita indicator measures the City’s net financial position relative to the population and includes all of the City’s financial assets and liabilities. Negative results indicate that liabilities exceed financial assets and future revenues will be required to pay for past transactions and events.

The following data shows that over the past five years the City’s liabilities have exceeded financial assets whereas, the average municipality’s financial assets exceed liabilities. The City’s net debt is primarily resulting from municipal debenture debt related to tax supported and rate supported capital projects as well as capital projects for Tbaytel.

	2020	2019	2018	2017	2016
Thunder Bay (\$)	(620)	(1,010)	(1,089)	(1,301)	(1,572)
Average (\$)	848	716	554	478	433

Asset Consumption Ratio

The asset consumption ratio provides an estimate of the useful life remaining in the City’s capital assets and shows the value of the tangible capital assets that have been consumed. It is the total accumulated amortization of the tangible capital assets relative to their total gross costs.

The following summary compares the City’s asset consumption ratio to the average in the Study and shows in each of the years the City’s ratio is higher than the average. This ratio seeks to highlight the aged condition of the assets and the potential asset replacement needs. To guide and facilitate the management, renewal, and replacement of municipal infrastructure, the City has approved a Strategic Asset Management Policy and will continue to work on improvements to the Asset Management Plan and keep informed of the age and condition of its capital assets to ensure timely and appropriate investments are made.

	2020	2019	2018	2017	2016
Thunder Bay (\$)	60.1	59.2	58.2	56.6	55.2
Average (\$)	42.1	41.6	41.4	41.2	40.2

Flexibility

Flexibility is the ability to issue debt responsibly without impacting the credit rating as well as the ability to generate required revenues.

Total Debt Outstanding Per Capita

Total debt outstanding per capita measures total debt outstanding divided by the population.

Over the past five years, the City's debt per capita has increased and is significantly higher than average primarily due to long term borrowing by the City on behalf of Tbaytel and high levels of rate supported debt. The City has approved financial plans for its rate supported operations that incorporates both debt reduction and reserve fund growth to sustainable levels.

	2020	2019	2018	2017	2016
Thunder Bay (\$)	1,889	1,888	1,839	1,777	1,786
Average (\$)	685	732	758	731	769

Debt to Reserve Ratio

The debt to reserve ratio measures debt outstanding to discretionary reserves and reserve funds. BMA recommends a debt to reserve ratio of 1.0 so that for every \$1 in debt, there is \$1 in reserves.

The following data indicates in 2020, the City reported a ratio of 1.3 meaning that for every \$1.30 in debt, there is \$1.0 in reserve funds. The City's ratio performance is below the survey average; however, the ratio has been improving since 2016 mainly due to the increase in reserve fund balances as a result of year-end favourable variances.

	2020	2019	2018	2017	2016
Thunder Bay	1.3	1.6	1.7	1.8	2.0
Average	0.7	0.8	0.9	1.0	0.9

Vulnerability

Vulnerability addresses a municipality’s vulnerability to external sources of funding that it cannot control and its exposure to risks.

Rates Coverage Ratio

The rates coverage ratio measures the municipality’s ability to cover its costs through its own source revenues. The Ministry of Municipal Affairs and Housing recommends a target of 90% or greater.

The following data demonstrates that over the last five years, the City’s ratio is very comparable to the average and in 2017, 2018 and 2020 reached the target of greater than 90%.

	2020	2019	2018	2017	2016
Thunder Bay (%)	90.6	87.7	90.7	91.2	85.9
Average (%)	91.8	91.6	91.8	92.1	90.8

Government Transfers as a Percentage of Total Revenue

Government transfers as a percentage of total revenue measures the proportion of revenues that the City receives from federal and provincial levels of government. The percentage shows the City’s degree of dependency on these revenues (note this indicator is not part of the BMA Study).

Over the past five years, the City has maintained consistent levels of government transfers to total revenues; noting that the 2020 and 2021 ratios are higher due to COVID-19 funding. Overall, the City demonstrates some level of vulnerability because it does not have direct control or influence over the availability, timing, and amount of funding from other levels of government.

	2021	2020	2019	2018	2017
Thunder Bay (%)	16	16	11	13	13

Summary

Challenges the City faces include balancing increasing costs of programs and services, a debt to reserve fund ratio that is higher than the industry average, exposure to reduced funding from senior levels of government, low levels of assessment growth, addressing the infrastructure deficit, and prioritizing capital projects. However, the City’s numerous corporate principles, policies, strategies, plans and budget process assist with financial management and control to provide a sustainable and stable long term financial plan.

2021 Financial Results

The Consolidated Financial Statements of the Corporation of the City of Thunder Bay for the year ended December 31, 2021 are included in this Report. The financial statements have been prepared in accordance with generally accepted accounting principles for local governments as established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada (CPAC) and have been audited by external auditors, BDO Canada LLP. The Independent Auditor's Report reflects an unqualified opinion.

Financial Highlights

Financial highlights for 2021 are as follows:

- The Consolidated Statement of Financial Position details a net debt position of \$18.7 million, a decrease of \$50.8 million from 2020;
- The City's accumulated surplus increased from \$1.0 billion in 2020 to \$1.1 billion in 2021. The accumulated surplus is mainly comprised of equity in tangible capital assets, the investment in Thunder Bay Hydro Corporation, reserve and reserve fund balances, offset by municipal debenture debt and unfunded liabilities;
- The Consolidated Statement of Operations and Accumulated Surplus discloses an annual surplus of \$80.5 million in 2021 compared to an annual surplus of \$57.1 million in 2020;
- Revenues of \$622.4 million increased by \$27.2 million over 2020 mainly due to a net increase in Tbaytel fees and service charges of \$9.3 million, increase in other revenue of \$5.3 million, increase in fees and service charges of \$4.7 million, increase in federal and provincial grants of \$3.9 million, and an increase in taxation of \$3.2 million;
- Expenses totaling \$543.7 million increased by \$3.4 million over 2020 primarily due to increases to emergency services of \$7.4 million, increases for parks, recreation and library of \$2.6 million, changes in total unfunded liabilities of \$2.3 million, increase within senior services and child care of \$1.6 million, increase in non-tangible capital asset expenses of \$0.9 million, offset by a decrease in the provision for tax write-offs of \$6.8 million, a decrease in Tbaytel expenses of \$3.3 million, and reduced emergency measures costs (related to COVID-19) of \$2.7 million;
- Reserves and reserve funds increased by \$37.7 million to \$199.6 million, with the most significant items being: increase in capital reserve funds of \$24.9 million; increase in carry forward capital reserves of \$5.1 million, increase in Renew Thunder Bay reserve fund of \$4.2 million, and increase in Winter Roads Maintenance reserve fund of \$2.0 million.

**\$1.08
billion**

Revenues of
**\$622
million**
increased by
\$27 million from
**\$595
million
in 2020**

Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position reports the City's financial and non-financial assets, liabilities and accumulated surplus as at December 31, 2021. This statement is used to evaluate the City's ability to finance its activities and to meet its liabilities and commitments.

Financial Assets

The following chart shows the City's financial assets for 2021 and 2020, which are primarily made up of cash, investments, accounts receivable and investment in Thunder Bay Hydro Corporation. Financial assets total \$398.1 million in 2021, an increase of \$51.9 million (2020 - \$346.2 million), primarily resulting from an increase in cash and investments (\$38.9 million) related to an increase in reserve funds and an increase in accounts receivable (\$14.0 million) mainly related to Tbaytel and CEDC's receivables.

The Thunder Bay Hydro Corporation is wholly owned by the City; the Government Business Enterprise (GBE) is accounted for on a modified equity basis, and the City's investment includes common shares, a promissory note receivable and accumulated earnings of the Corporation. The City's investment in Thunder Bay Hydro Corporation increased \$3.0 million in 2021 to \$109.3 million (2020 - \$106.3 million).

	2021 (000s)	2020 (000s)
Cash	35,825	35,805
Investments	160,477	121,555
Taxes receivable	11,506	12,844
Accounts receivable	61,520	47,473
User charges receivable	13,840	14,003
Other assets	3,928	6,407
Long term receivable	1,775	1,873
Investment in Thunder Bay Hydro Corporation	<u>109,273</u>	<u>106,294</u>
Total	<u>398,144</u>	<u>346,254</u>

Liabilities

The following chart shows the City's liabilities for 2021 and 2020, which are mostly made up of accounts payable and accrued liabilities, deferred revenue, employee future benefits, and debenture debt. Liabilities total \$416.9 million in 2021, an increase of \$1.1 million (2020 - \$415.8 million).

Accounts payable and accrued liabilities of \$69.9 million decreased \$0.6 million in 2021 (2020 - \$70.5 million), reflecting the reduction to the provision for tax write-offs offset by increased other payables due to the timing of payments year over year.

Deferred revenue of \$36.1 million increased \$8.9 million in 2021 (2020 - \$27.2 million) mainly due to increased obligatory reserve fund balances.

Employee future benefits are obligations for post-employment benefits, WSIB, sick leave benefits, and vacation pay. The balance represents a future liability for services provided by employees in the current or prior years. Actuarial valuations were prepared and updated to 2021. Employee future benefits of \$101.6 million in 2021 increased \$4.7 million (2020 - \$96.9 million).

	2021 (000s)	2020 (000s)
Accounts payable and accrued liabilities	69,920	70,479
Tbaytel other payable	-	3,665
Deferred revenue	36,114	27,187
Employee future benefits	101,585	96,855
Municipal debenture debt	203,788	212,183
Landfill closure and post-closure liability	<u>5,487</u>	<u>5,466</u>
Total	<u>416,894</u>	<u>415,835</u>

Municipal Debenture Debt

Total outstanding municipal debenture debt at December 31, 2021 amounted to \$203.8 million, representing a decrease of \$8.4 million over 2020. The decrease was the net result of the issuance of \$16.5 million in new debentures less the retirement of \$24.9 million of outstanding debentures. Included in the new debentures for 2021 were the following:

1. Construction advance for tax supported capital projects in progress in the amount of \$4.3 million;
2. Construction advance for waterworks capital projects in progress in the amount of \$4.6 million;
3. Construction advance for wastewater capital projects in progress in the amount of \$3.9 million;
4. Construction advance for solid waste capital projects in progress in the amount of \$0.8 million;
5. Borrowing for tax supported capital projects in the amount of \$1.9 million;
6. Borrowing for waterworks capital projects in the amount of \$0.1 million;
7. Borrowing for wastewater capital projects in the amount of \$0.8 million;
8. Borrowing for solid waste capital projects in the amount of \$0.1 million.

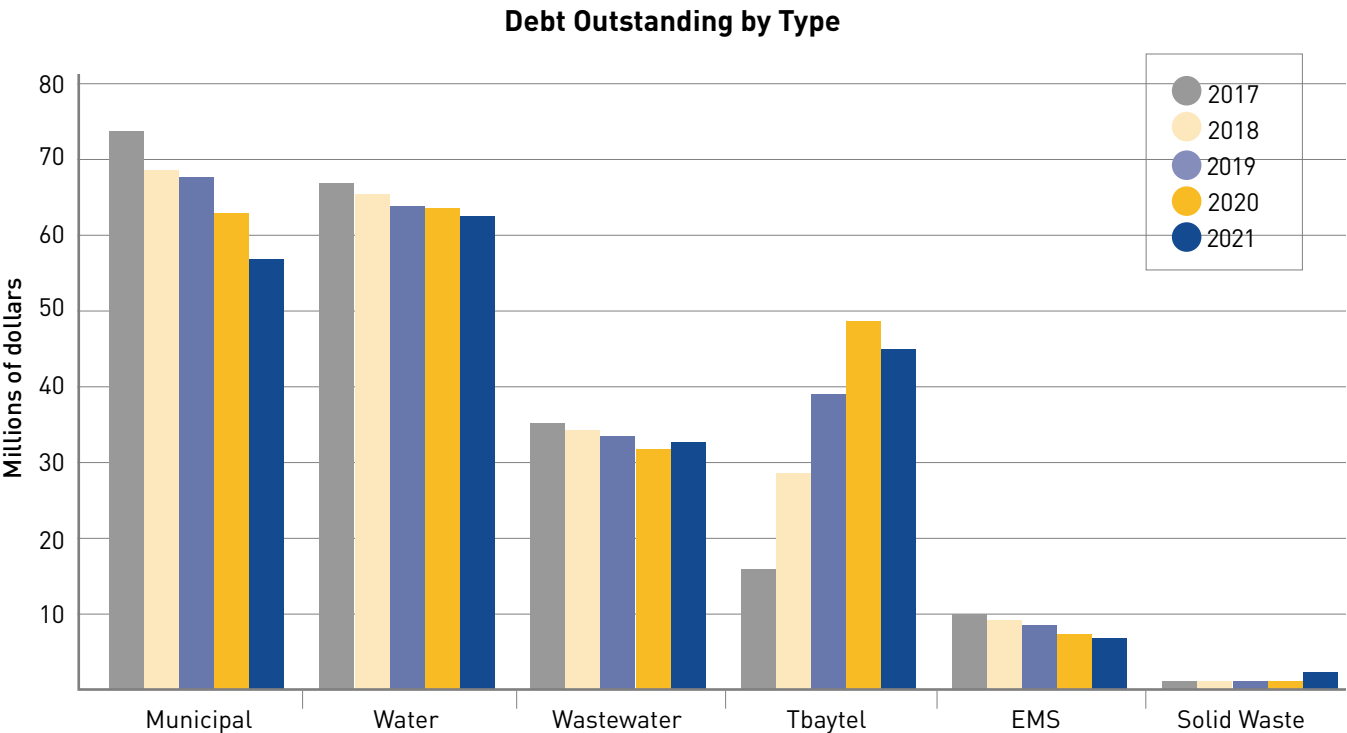
Based on current projections the municipal debenture debt outstanding is expected to increase by \$10.8 million in 2022, primarily due to additional debenture borrowing (notably \$12.5 million for Tbaytel) that will be greater than debt repayments.

Principal and interest payments on municipal debenture debt in 2021 were \$24.9 million (2020 - \$24.0 million) and \$6.2 million (2020 - \$6.7 million) respectively for a total of \$31.1 million (2020 - \$30.7 million). Total principal and interest payments in 2022 to 2031 are projected to be within the range of \$26 million to \$35 million under the approved Debt Management Strategy.

The City’s municipal debenture debt practices are governed by provincial legislation, the City’s Capital Financing and Debt Policy and the Debt Management Strategy. The Ministry of Municipal Affairs and Housing sets an annual repayment limit for municipalities related to debt. The maximum repayment of principal and interest is calculated at 25% of net own source revenues. The City’s Debt Management Strategy established an overall limit such that principal and interest payments are not to exceed 10% of net own source revenues. The principal and interest payments represented approximately 6% of net own source revenues, well within the respective limits set by the Ministry and the City.

The municipal debenture debt outstanding (which relates to the acquisition of municipal capital assets) represented 19% of the net book value of the City’s tangible capital assets as at December 31, 2021 (2020 – 20%).

The following chart shows the components of the outstanding debt as at December 31, 2021, with comparatives for 2017 to 2020:



Non-Financial Assets

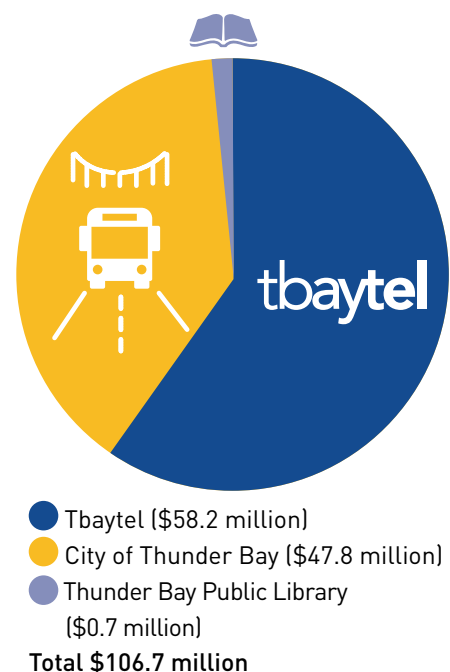
Tangible capital assets make up the majority of the balance of non-financial assets and are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the assets. The cost, less estimated residual value, of the tangible capital assets is amortized on a straight-line basis over the assets' estimated useful lives, ranging from 2 to 80 years. Assets under construction are not amortized until the asset is available for productive use.

The City of Thunder Bay builds, maintains and/or manages a variety of assets required to deliver programs and services. Following is a chart of the tangible capital assets included in the Consolidated Statement of Financial Position and on Schedule 1 to the financial statements for the past two years.

	Net Book Value 2021 (000s)	Net Book Value 2020 (000s)
Land	28,776	28,792
Land improvements	37,158	38,812
Buildings	280,829	290,197
Machinery & equipment	44,431	42,966
Vehicles	35,382	36,502
Network assets (Tbaytel)	223,363	195,605
Library collection	901	1,021
Linear assets	387,752	382,769
Assets under construction	<u>45,399</u>	<u>42,032</u>
Net book value of tangible capital assets	<u>1,083,991</u>	<u>1,058,696</u>

During 2021, the City spent \$106.7 million on tangible capital assets, which included \$58.2 million for Tbaytel capital projects, \$0.7 million for Thunder Bay Public Library capital projects and \$47.8 million for City of Thunder Bay Departmental capital projects. The \$47.8 million includes:

- \$17.6 million for roads, bridges, sidewalks and traffic and streetlights;
- \$8.3 million for water and wastewater;
- \$3.5 million for the Boulevard Lake dam;
- \$3.1 million for storm sewers;
- \$2.2 million for Superior North EMS capital;
- \$1.9 million for Transit;
- \$1.9 million for landfill improvements;
- \$1.3 million for recreation trails;
- \$1.2 million on vehicle renewal;
- \$1.0 million for fire services capital;
- \$1.0 million for fuel farm replacements.



Reserves and Reserve Funds

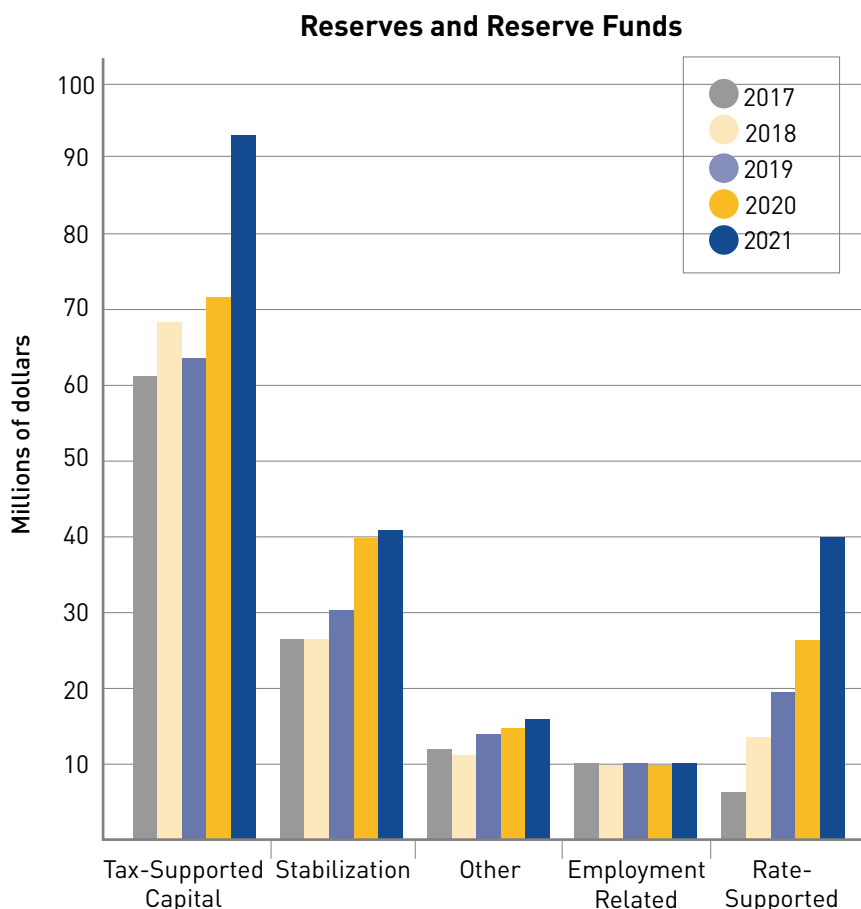
The establishment, maintenance and prudent management of reserves and reserve funds are important components of the City's financial strategy. Reserve funds support a significant portion of the cost of capital infrastructure and play an instrumental role in offsetting unforeseen cost increases during uncertain economic times. Maintaining reserve fund balances provides financial flexibility to manage future debt levels and protect the City's financial position.

In 2021, the City's reserves and reserve funds increased by \$37.7 million to \$199.6 million, with the most significant items being:

- Increase in Capital reserve funds of \$24.9 million, primarily due to the following:
 - Increase in Capital General reserve fund due to a Council directed transfer from the Stabilization reserve fund (\$2.8 million) and the 2021 tax supported favourable variance transfer (\$6.0 million);
 - Wastewater and Waterworks reserve funds increased by \$8.5 million and \$3.6 million in accordance with their financial plans and 2021 favourable variances;
 - Increase in the Transit Capital reserve fund primarily related to the 2021 favourable variance and excess Federal-Provincial Safe Restart Transit funding received and carried forward to be used in 2022 (\$1.5 million);
 - Landfill reserve fund in accordance with the Solid Waste Financial Plan and the impact of COVID-19 funded by carry forward Federal-Provincial Safe Restart municipal funding (\$1.4 million);
- Increase in carry forward capital reserves of \$5.1 million due to timing of spend;
- Increase in Renew Thunder Bay reserve fund of \$4.2 million primarily related to the Tbaytel performance dividend for 2021;
- Increase in Winter Roads Maintenance reserve fund of \$2.0 million due to the 2021 favourable variance.

The chart provides year-end balances by type of reserves and reserve funds as at December 31, 2021 with comparatives for 2017 to 2020:

The stabilization category includes the Stabilization, Tax Assessment Appeals, Winter Roads Maintenance, Legal Fees, Insurance, and Building Permit reserve funds.



Consolidated Statement of Operations and Accumulated Surplus

The Consolidated Statement of Operations and Accumulated Surplus summarizes the revenues and expenses for the year. The City of Thunder Bay reported net revenues of \$78.7 million in 2021, compared to net revenues of \$54.9 million in 2020 and an annual surplus of \$80.5 million in 2021, compared to an annual surplus of \$57.1 million in 2020.

Revenues

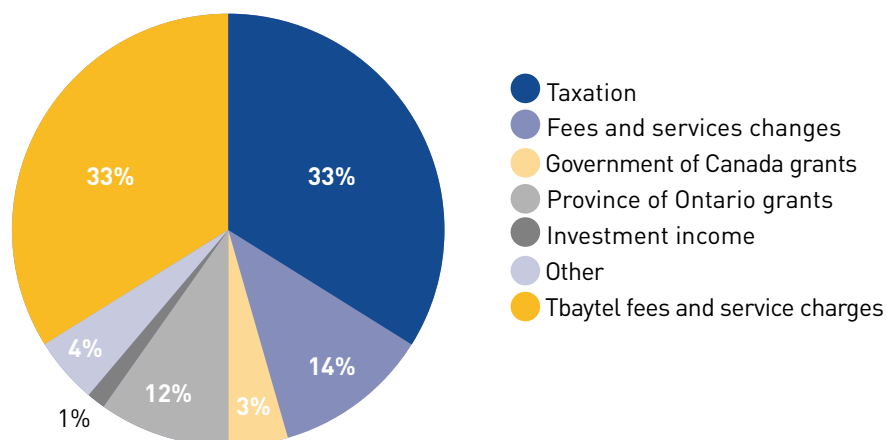
The City's revenue sources include taxation and user fee charges, government grants, Tbaytel revenues, investment income, penalties and interest on taxes and other sources.

In 2021, the City's operating revenues of \$622.4 million increased by \$27.2 million over the 2020 operating revenues of \$595.2 million. The most significant components of this increase include:

- Increase in Tbaytel fees and service charges of \$9.3 million;
- Increase in other revenue of \$5.3 million;
- Increase in fees and service charges of \$4.7 million;
- Net increase in Federal and Provincial grants of \$3.9 million;
- Increase in taxation of \$3.2 million.

	2021 (000s)	2020 (000s)
Taxation	204,296	201,077
Fees and service charges	87,834	83,113
Government of Canada grants	21,453	18,577
Province of Ontario grants	76,707	75,654
Contributed tangible capital assets	-	157
Investment income	4,256	3,336
Other	22,944	17,669
Tbaytel fees and service charges	204,889	195,606
Total	<u>622,379</u>	<u>595,189</u>

Revenue by Type 2021



Consolidated Statement of Operations and Accumulated Surplus

Expenses

In 2021 the City's operating expenses totaled \$543.7 million, representing an increase over 2020 of \$3.4 million. The most significant components of this change include:

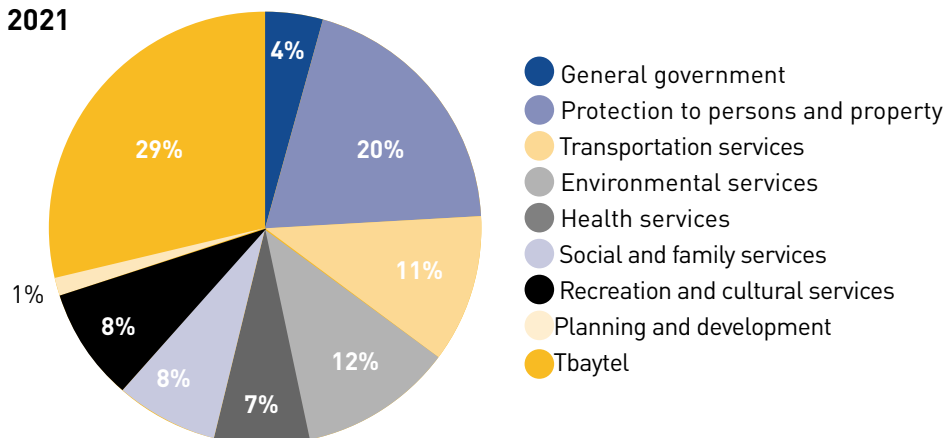
- Increases to emergency services - police (\$3.1 million), SNEMS (\$3.1 million), and fire (\$1.2 million);
- Increase for parks (\$1.2 million), recreation programs (\$0.7 million), and library (\$0.7 million);
- Increase in expenses of \$2.3 million due to the change in total unfunded liabilities;
- Increases within social and family services (senior services \$0.8 million and child care \$0.8 million);
- Increase in non-tangible capital asset expenses of \$0.9 million;
- Decrease in the provision for tax write-offs of \$6.8 million;
- Decrease in Tbaytel of \$3.3 million;
- Decrease in emergency measures costs (related to COVID-19) of \$2.7 million.

Expenses by segment for the last two years are:

	2021 (000s)	2020 (000s)
General government	22,725	29,054
Protection to persons and property	107,938	103,774
Transportation services	60,332	59,098
Environmental services	64,069	64,119
Health services	37,971	33,666
Social and family services	40,987	39,199
Recreation and cultural services	45,527	44,089
Planning and development	8,121	7,998
Tbaytel	<u>156,017</u>	<u>159,311</u>
Total	<u>543,687</u>	<u>540,308</u>

Components of the total operating expenses for 2021 are:

Expenses by Segment 2021



Consolidated Statement of Changes in Net Debt

The Consolidated Statement of Changes in Net Debt summarizes the change in net debt as a result of annual operations, tangible capital asset transactions, and change in other non-financial assets. The City's net debt balance decreased by \$50.8 million in 2021 to \$18.7 million resulting primarily from the annual surplus. Details of the change in net debt are:

	2021 (000s)	2020 (000s)
Annual surplus	80,479	57,084
Acquisition of tangible capital assets	(106,706)	(94,613)
Amortization of tangible capital assets	79,535	79,476
Other	<u>(2,478)</u>	<u>1,913</u>
Change in net debt	<u>50,830</u>	<u>43,860</u>

Accumulated Surplus

The accumulated surplus increased from \$1.0 billion in 2020 to \$1.1 billion and is mainly comprised of equity in tangible capital assets, the investment in Thunder Bay Hydro Corporation, reserve and reserve fund balances, offset by municipal debenture debt and unfunded liabilities.

Details of the accumulated surplus are provided in Schedule 2 – Consolidated Schedule of Accumulated Surplus:

	2021 (000s)	2020 (000s)
Investment in tangible capital assets	1,083,991	1,058,696
Municipal debenture debt	(203,789)	(212,183)
Tbaytel other payable	-	(3,665)
Reserves and reserve funds	199,567	161,917
Investment in Thunder Bay Hydro Corporation	109,273	106,294
Other surpluses (deficits)	21,636	14,389
Derecognition of receivable	(22,947)	(22,947)
Unfunded liabilities	<u>(107,072)</u>	<u>(102,321)</u>
Total	<u>1,080,659</u>	<u>1,000,180</u>
Other surpluses (deficits) include:		
Tbaytel	29,167	20,790
City of Thunder Bay	(9,635)	(9,397)
Thunder Bay Public Library	230	1,393
Community Economic Development Commission Inc.	<u>1,874</u>	<u>1,603</u>
Total	<u>21,636</u>	<u>14,389</u>

Consolidated Statement of Cash Flows

The Consolidated Statement of Cash Flows reports the City’s cash balance and details the cash provided by or used in operating, capital, financing and investing activities.

The statement enables the user to assess the capacity of the City to generate cash and how the City met its cash requirements.

The City’s primary uses of cash include acquiring tangible capital assets, repayment of municipal debenture debt and purchasing investments with cash provided from operating activities.

Construction Financing Debentures

The following disclosure with respect to Construction Financing Debentures is required annually in accordance with Ontario Regulation 278/02 of the Municipal Act, 2001 and the City of Thunder Bay’s Capital Financing Policy.

- 1. The City of Thunder Bay obtained \$45 million of Construction Financing Debentures in August 2003. As of December 31, 2021, these debentures comprised 3.6% (2020 – 5.1%) of the total long-term debt of the City.
- 2. In the opinion of the General Manager, Corporate Services & Long Term Care & City Treasurer, all construction financing debentures were made in accordance with the statement of policies and goals relating to construction financing adopted by the City.
- 3. For the year ended December 31, 2021, interest payments of \$576,179 and principal payments of \$3,370,897 were required under the terms of the debenture.
- 4. The following provides a statement of the outstanding installments of principal and interest that will be due and payable in each year:

Year	Interest (\$)	Principal (\$)	Total (\$)
2022	376,964	3,570,112	3,947,076
2023	165,977	3,781,099	3,947,076

The Corporation of the City of Thunder Bay

Consolidated Financial Statements

December 31, 2021





Statement of Administrative Responsibility

The management of The Corporation of the City of Thunder Bay have prepared the accompanying financial statements and are responsible for their accuracy and integrity. The financial statements have been prepared by management in accordance with the accounting principles generally accepted for the public sector as prescribed by the Public Sector Accounting Board [PSAB] of the Chartered Professional Accountants Canada.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the administration has developed and maintains a system of internal control designed to provide reasonable assurance that the Corporation's assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the financial statements.

The City Manager and General Manager – Corporate Services & Long Term Care review the financial statements before such statements are submitted to Council and published for the residents of Thunder Bay. The external auditors have access to, and meet with Administration and Council to discuss their audit and the results of their examination.

The 2021 Financial Statements have been reported on by The Corporation of the City of Thunder Bay's external auditors, BDO Canada LLP, the auditors appointed by Council. The auditor's report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.

Linda Evans, CPA, CA
General Manager - Corporate Services &
Long Term Care & City Treasurer

Norm Gale, CD, MBA, CMMIII
City Manager

July 18, 2022

Independent Auditor's Report

To the Members of Council of The Corporation of the City of Thunder Bay

Opinion

We have audited the consolidated financial statements of The Corporation of the City of Thunder Bay and its subsidiaries ("the City"), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations and accumulated surplus, changes in net debt, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises:

- The information, other than the consolidated financial statements and our auditor's report thereon, included in the Treasurer's Report for the year ended December 31, 2021.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Treasurer's Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Independent Auditor's Report (cont'd)

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

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

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

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

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

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

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

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

Independent Auditor's Report (cont'd)

- 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 City'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 City 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Chartered Professional Accountants, Licensed Public Accountants

Thunder Bay, Ontario
July 18, 2022

**THE CORPORATION OF THE CITY OF THUNDER BAY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	2021	2020
As at December 31,		
	\$	\$
Financial assets		
Cash	35,824,608	35,804,979
Investments (note 4)	160,476,805	121,555,739
Taxes receivable	11,506,552	12,843,706
Accounts receivable	61,520,144	47,472,783
User charges receivable	13,840,282	14,002,923
Other assets	3,928,004	6,407,004
Long term receivable	1,775,071	1,872,944
Investment in Thunder Bay Hydro Corporation (note 5)	109,272,789	106,294,249
	398,144,255	346,254,327
Liabilities		
Accounts payable and accrued liabilities	69,919,439	70,478,713
Tbaytel other payable	-	3,665,000
Deferred revenue (note 7)	36,113,749	27,186,974
Employee future benefits (notes 8, 9)	101,585,409	96,854,672
Municipal debenture debt (note 10)	203,788,452	212,182,816
Landfill closure and post-closure liability (note 11)	5,486,987	5,466,242
	416,894,036	415,834,417
Net debt	(18,749,781)	(69,580,090)
Non-financial assets		
Tangible capital assets (Schedule 1), (note 13)	1,083,990,547	1,058,695,803
Supplies inventory	10,844,051	7,129,708
Prepaid expenses	4,573,972	3,934,724
	1,099,408,570	1,069,760,235
Accumulated Surplus	1,080,658,789	1,000,180,145

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

**THE CORPORATION OF THE CITY OF THUNDER BAY
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**

For the year ended December 31,	Budget 2021 (Note 20)	2021	2020
	\$	\$	\$
Revenues			
Taxation, net (note 2)	204,616,800	204,296,246	201,076,904
Fees and service charges	87,781,000	87,833,914	83,113,157
Government of Canada grants (note 14)	6,198,652	21,453,177	18,576,688
Province of Ontario grants (note 14)	56,458,741	76,707,336	75,654,400
Contributed tangible capital assets	-	-	157,391
Investment income	4,786,131	4,255,746	3,335,548
Other	22,997,469	22,944,060	17,668,632
Tbaytel fees and service charges	208,155,000	204,889,000	195,606,000
	590,993,793	622,379,479	595,188,720
Expenses (note 19)			
General government	25,122,307	22,725,103	29,054,448
Protection to persons and property	103,732,356	107,938,254	103,774,262
Transportation services	65,417,790	60,332,199	59,097,901
Environmental services	66,180,403	64,069,112	64,118,842
Health services	36,413,348	37,970,432	33,665,607
Social and family services	41,927,077	40,987,347	39,198,620
Recreation and cultural services	49,598,927	45,527,379	44,088,978
Planning and development	8,567,701	8,120,533	7,997,774
Tbaytel	169,019,000	156,016,533	159,311,495
	565,978,909	543,686,892	540,307,927
Net revenues before the following	25,014,884	78,692,587	54,880,793
Loss on disposal of tangible capital assets	(151,000)	(1,192,483)	(653,943)
Write-down of tangible capital assets (note 13)	-	-	(99,228)
Earnings from Thunder Bay Hydro Corporation (note 5)	-	2,978,540	2,956,184
Annual surplus	24,863,884	80,478,644	57,083,806
Accumulated surplus, beginning of year	1,000,180,145	1,000,180,145	943,096,339
Accumulated surplus, end of year (Schedule 2)	1,025,044,029	1,080,658,789	1,000,180,145

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

**THE CORPORATION OF THE CITY OF THUNDER BAY
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT**

As at December 31,	Budget 2021 (Note 20)	2021	2020
	\$	\$	\$
Annual surplus	24,863,884	80,478,644	57,083,806
Acquisition of tangible capital assets	(99,300,606)	(106,705,816)	(94,613,088)
Amortization of tangible capital assets	78,928,230	79,534,949	79,476,357
Contributed tangible capital assets	-	-	(157,391)
Proceeds on disposal of tangible capital assets	-	683,640	399,092
Loss on disposal of tangible capital assets	151,000	1,192,483	653,943
Write-down of tangible capital assets	-	-	99,228
	(20,221,376)	(25,294,744)	(14,141,859)
Net decrease (increase) in prepaid expenses	-	(639,248)	1,217,960
Net increase in inventories	-	(3,714,343)	(299,966)
	-	(4,353,591)	917,994
Change in net debt	4,642,508	50,830,309	43,859,941
Net debt, beginning of year	(69,580,090)	(69,580,090)	(113,440,031)
Net debt, end of year	(64,937,582)	(18,749,781)	(69,580,090)

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

THE CORPORATION OF THE CITY OF THUNDER BAY

CONSOLIDATED STATEMENT OF CASH FLOWS

	2021	2020
For the Year Ended December 31,		
	\$	\$
Operating Activities		
Annual surplus	80,478,644	57,083,806
Non-cash charges to operations:		
Earnings from Thunder Bay Hydro Corporation (note 5)	(2,978,540)	(2,956,184)
Amortization of tangible capital assets	79,534,949	79,476,357
Contributed tangible capital assets	-	(157,391)
Loss on disposal of tangible capital assets	1,192,483	653,943
Write-down of tangible capital assets	-	99,228
Landfill closure and post closure liability	20,745	119,651
Employment future benefits	4,730,737	2,307,953
Change in non-cash working capital balances		
Taxes receivable	1,337,154	(2,463,132)
Accounts receivable	(14,047,361)	(11,933,794)
User charges receivable	162,641	(553,920)
Other assets	2,479,000	1,693,000
Accounts payable and accrued liabilities	(559,274)	(824,256)
Deferred revenue	8,926,775	(1,943,637)
Supplies inventory	(3,714,343)	(299,966)
Prepaid expenses	(639,248)	1,217,960
Cash provided by operating activities	156,924,362	121,519,618
Capital Activities		
Acquisition of tangible capital assets	(106,705,816)	(94,613,088)
Proceeds on disposal of tangible capital assets	683,640	399,092
Cash used in capital activities	(106,022,176)	(94,213,996)
Financing Activities		
Decrease in Tbaytel other payable	(3,665,000)	(7,983,000)
Proceeds from municipal debenture debt	16,506,836	24,040,778
Repayment of municipal debenture debt	(24,901,200)	(23,968,620)
Cash used for financing activities	(12,059,364)	(7,910,842)
Investing Activities		
Net increase in investments	(38,921,066)	(6,254,261)
Decrease in long term receivable	97,873	89,999
Cash used in investing activities	(38,823,193)	(6,164,262)
Increase in cash	19,629	13,230,518
Cash, beginning of year	35,804,979	22,574,461
Cash, end of year	35,824,608	35,804,979

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

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

GENERAL

The Corporation of the City of Thunder Bay (the “City”) 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 and related legislation.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as established by the Public Sector Accounting Board [PSAB] of the Chartered Professional Accountants Canada [CPAC]. Significant accounting policies adopted by the City are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City. These financial statements include:

Thunder Bay Public Library Board
Parking Authority
Victoria Avenue Business Improvement Area
Waterfront District Business Improvement Area
Victoriaville Centre Board of Management
Tbaytel (A Municipal Service Board established by the Corporation of the City of Thunder Bay)
Thunder Bay Community Economic Development Commission Inc.
Thunder Bay Police Services Board

Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated.

The financial activities of certain entities associated with the City are not consolidated. The City’s contributions to these entities are recorded in the Consolidated Statement of Operations and Accumulated Surplus. The entities that are not consolidated are as follows:

Lakehead Region Conservation Authority
Thunder Bay District Health Unit
The District of Thunder Bay Social Services Administration Board

Government Business Enterprise

Thunder Bay Hydro Corporation is accounted for on a modified equity basis, consistent with the generally accepted accounting treatment for government business enterprises [note 5]. Under the modified equity basis, the business enterprise’s accounting principles are not adjusted to conform to those of the City’s, and inter-organizational transactions and balances are not eliminated.

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 [note 2].

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Trust Funds

Trust funds and their related operations administered by the City are not included in the consolidated financial statements but are reported separately in the Trust Fund Financial Statements [note 3].

Basis of Accounting

The City follows the accrual basis of accounting. Under the accrual method of accounting, revenues are recognized in the period in which the transactions or events that give rise to the revenues occurred. Expenses are recognized in the period in which the goods or services are acquired, whether or not payment has been made or invoices received.

Employment Benefits

The City has adopted the following policies with respect to employment benefit plans:

The costs of vacation entitlements are charged as expenses when earned;

The costs of post-employment benefits, sick leave entitlements and WSIB entitlements are recognized when the event that obligates the City occurs; costs include projected future income payments, health care continuation costs and fees paid to independent administrators of these plans, calculated on a present value basis;

The costs of post-employment benefits, sick leave entitlements and WSIB entitlements are actuarially determined using the projected benefits method prorated on service and management's best estimate of retirement ages of employees, salary escalation, expected health care costs and plan investment performance;

Accrued obligations and related costs of funded benefits are net of plan assets;

The City amortizes the amount of any actuarial gains or losses over the expected average remaining service lifetime of the active members of the group and prior service costs are recognized in the period of the plan changes.

The contributions to a defined benefit pension plan are expensed when contributions are due.

Government Transfers

Government transfers which include legislative grants, are recognized in the financial statements 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 amount can be made unless the transfer contains stipulations that create a liability. Transfers are recognized as deferred revenue when the transfer stipulations give rise to a liability. Transfer revenue is recognized in the consolidated statement of operations and accumulated surplus as the stipulation liabilities are settled.

Investments

The City accounts for its investments at cost plus accrued earnings. The carrying value of an investment is written down to its net recoverable amount if a decline in value is judged to be other than temporary.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Income

Investment income earned on surplus funds is reported as revenue in the period earned. Investment income earned on obligatory reserve funds is added to the fund balance and forms part of the deferred revenue.

Non-financial Assets

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

[i] Tangible Capital Assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset.

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

General capital

Land improvements	5 to 50 years
Buildings	10 to 60 years
Machinery and equipment	2 to 30 years
Vehicles	3 to 20 years
Network assets	6 to 45 years
Library collection	10 years

Infrastructure

Land improvements	5 to 50 years
Buildings	30 to 60 years
Linear assets	10 to 80 years
Machinery and equipment	2 to 30 years

Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate they no longer contribute to the City's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their book value. The net write-downs are accounted for as expenses in the statement of operations.

[ii] Contributions of Tangible Capital Assets

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

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-financial Assets (continued)

[iii] Leases

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

[iv] Inventories

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

Taxation Revenue

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.

Annually, the City bills and collects property tax revenues for municipal purposes as well as provincial education taxes on behalf of the Province of Ontario (the "Province") for education purposes. The authority to levy and collect property taxes is established under the *Municipal Act*, the *Assessment Act*, the *Education Act*, and other legislation.

The amount of the total annual property tax levy is determined each year through Council's approval of the annual operating budget. Municipal tax rates are set annually by Council for each class or type of property, in accordance with legislation and Council-approved policies, in order to raise the revenues required to meet operating budget requirements. Education tax rates are established by the Province each year to fund the cost of education on a Province-wide basis.

Property assessments, on which property taxes are based, are established by the Municipal Property Assessment Corporation ("MPAC"), a not-for-profit corporation funded by all of Ontario's municipalities. The current value assessment ("CVA") of a property represents an estimated market value of a property as of a fixed date. Assessed values for all properties within the municipality are provided to the City in the returned assessment roll in December of each year.

The amount of property tax levied on an individual property is the product of the CVA of the property (assessed by MPAC) and the tax rate for the class (approved by Council), together with any adjustments that reflect Council-approved mitigation or other tax policy measures.

Property taxes are billed by the City twice annually. The interim billing, issued in January, is based on 50% of the total property's taxes in the previous year, and provides for the cash requirements of the City for the initial part of the year prior to Council's approval of the final operating budget and the approved property tax levy for the year. Final bills are issued in June, following Council's approval of the capital and operating budget for the year, the total property tax levy, and the property tax rates needed to fund the City's operations.

Taxation revenues are recorded at the time tax billings are issued. Additional property tax revenue can be added throughout the year, related to new properties that become occupied, or that become subject to property tax, after the return of the annual assessment roll used for billing purposes. The City may receive supplementary assessment rolls over the course of the year from MPAC, identifying new or omitted assessments. Property taxes for these supplementary and/or omitted amounts are then billed according to the approved tax rate for the property class.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation Revenue (continued)

Taxation revenues in any year may also be reduced by reduction in assessment values resulting from assessment and/or property tax appeals. Each year, an amount is identified within the annual operating budget to cover the estimated amount of revenue loss attributable to assessment appeals, tax appeals or other deficiencies in tax revenues (e.g. uncollectible amounts, write-offs, etc.).

User Charges

User charges relate to telecommunication, transit fees, utility charges (water, wastewater and solid waste), licensing fees, fees for use of various programs, and fees imposed based on specific activities. Revenue is recognized when the activity is performed or when the services are rendered.

Other Revenue

Other revenues are recognized in the year that the events giving rise to the revenues occur and the revenues are earned. Amounts received which relate to revenues that will be earned in a subsequent year, are deferred and reported as liabilities.

Deferred Revenue

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. These amounts are recorded as deferred revenue and are recognized as revenue in the year the related expenses are incurred or services are performed.

Landfill Closure and Post-Closure Liabilities

The costs to close existing landfill sites and to maintain closed solid waste landfill sites are based on estimated future expenditures in perpetuity in current dollars, adjusted for estimated inflation. These costs are reported as a liability on the Consolidated Statement of Financial Position.

Contaminated Sites Liability

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for uncollectible accounts, employee benefit liabilities, property tax assessment appeals, landfill closure and post-closure liabilities, contaminated sites liability, amortization of tangible capital assets, contingencies and other accrued liabilities. These estimates are based on management's best information and judgment. Actual amounts, which are accounted for as they become known, may differ significantly from these estimates.

2. OPERATIONS OF SCHOOL BOARDS

Taxation, other revenues and requisitions for the school boards amounting to **\$29,601,776** [2020 - \$31,363,766] are not reflected in these consolidated financial statements.

3. TRUST FUNDS

Trust funds administered by the City amounting to **\$13,747,516** [2020 - \$13,506,518] have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Operations and Accumulated Surplus.

Trust fund balances at December 31 are as follows:

	2021 \$	2020 \$
Older Adults Centre	205,732	133,265
Cemetery	1,172,812	1,155,950
Cemetery Marker Maintenance	475,966	459,364
Dawson Court Home for Aged	2,020	2,020
Grandview Lodge Home for Aged	4,945	4,945
Pioneer Ridge Home for Aged	25,823	17,544
Lake Superior Regiment Memorial Hillcrest Park	34,275	33,636
Employee Disability	11,604,952	11,366,687
Civic Employees Pension Trust Committee	1,998	1,998
Community Auditorium Repairs	837	821
Art in Public Places	9,549	9,371
Provincial Land Tax	208,607	320,917
	13,747,516	13,506,518

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

4. INVESTMENTS

Investments are recorded at cost. The total market value of the City's investments at December 31, 2021 was **\$168,813,710** [2020 - \$131,785,223]. The City's investments are comprised of federal, provincial, municipal and corporate bonds, the ONE Equity Fund, money market funds, high interest savings account and treasury bills. The bonds have varying maturities and interest rates.

	2021 \$		2020 \$	
	Cost	Market Value	Cost	Market Value
Federal Government	24,614,058	24,837,452	22,430,065	24,065,637
Provincial Government	30,237,953	30,972,470	31,742,543	34,596,222
Municipal	381,316	390,404	372,166	399,464
Corporate	18,541,014	18,626,060	17,215,490	17,899,598
Equity	15,735,139	23,274,011	12,475,532	17,650,371
Other	70,967,325	70,713,313	37,319,943	37,173,931
	160,476,805	168,813,710	121,555,739	131,785,223

The weighted average yield on the cost of the investment portfolio during the year was **1.90%** (2020 - 2.10%). Maturity dates on investments in the portfolio range from February 2022 to December 2052.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

5. INVESTMENT IN THUNDER BAY HYDRO CORPORATION

Thunder Bay Hydro Corporation

The Thunder Bay Hydro Corporation is wholly owned by the City and provides regulated and unregulated electric utility services and complementary commercial services. The following table provides condensed supplementary financial information for the Thunder Bay Hydro Corporation, and its majority-owned subsidiary SYNERGY NORTH Corporation and its wholly-owned subsidiaries Thunder Bay Hydro Utility Services Inc. and Thunder Bay Hydro Renewable Power Incorporated, prepared in accordance with Canadian generally accepted accounting principles as per Part I of the Chartered Professional Accountants Canada Handbook.

	2021 \$	2020 \$
Financial position		
Current assets	46,846,980	43,996,951
Capital assets	156,773,007	148,299,314
Long-term assets	12,108,512	11,993,189
Other assets	897,311	1,864,443
Total assets	216,625,810	206,153,897
Current liabilities	24,674,743	19,744,062
Long-term liabilities	66,614,610	65,764,312
Other liabilities	3,594,200	2,168,029
Total liabilities	94,883,553	87,676,403
Net assets	121,742,257	118,477,494
Proportionate share of other investor	(12,469,468)	(12,183,245)
City of Thunder Bay proportionate share	109,272,789	106,294,249
Results of operations		
Revenues	147,313,395	162,825,939
Operating expenses	(142,845,632)	(159,592,323)
Comprehensive income for the year	4,467,763	3,233,616
Less: Proportionate share of other investor	(328,023)	(277,432)
Less: Dividend to City of Thunder Bay	(1,161,200)	-
City of Thunder Bay proportionate share of income	2,978,540	2,956,184

The City's investment in Thunder Bay Hydro Corporation is comprised of the following:

	2021 \$	2020 \$
1,061 common shares	41,931,625	41,931,625
Promissory note	26,490,500	26,490,500
Accumulated other comprehensive income	379,643	86,765
Accumulated earnings from date of transfer	40,471,021	37,785,359
	109,272,789	106,294,249

The promissory note is receivable from Thunder Bay Hydro Corporation and is non-interest bearing, unsecured and due on demand, subject to a Subordination Agreement providing for no acceleration rights.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

5. INVESTMENT IN THUNDER BAY HYDRO CORPORATION (continued)

Related Party Transaction

Thunder Bay Hydro Corporation provides certain services to the City in the normal course of business at commercial rates.

Thunder Bay Hydro Corporation billed the City for electricity in the amount of **\$6,886,716** [2020-\$7,305,169]. At December 31, 2021, included in accounts payable and accrued liabilities is **\$1,481,110** [2020 - \$1,762,728] payable to Thunder Bay Hydro Corporation related to this expense. Also recorded was pole rental from Thunder Bay Hydro Corporation in the amount of **\$889,088** [2020 - \$855,557]. The City also contributed towards capital construction by Thunder Bay Hydro Corporation during the year in the amount of **\$744,948** [2020 - \$1,064,110]. The City received dividends of **\$1,161,200** in 2021 [2020 - \$nil].

6. BANK INDEBTEDNESS

The City has two unsecured demand revolving credit facilities, the first in the amount of **\$10,000,000** [2020 - \$10,000,000] for working capital and the second in the amount of **\$15,000,000** [2020 - \$15,000,000] for interim financing of capital projects, both of which **\$nil** [2020 - \$nil] was used at year-end and bear interest at the bank's prime rate less 0.88%.

Tbaytel's available revolving credit facilities amount to:

- 1) **\$1,500,000** US [2020-\$1,500,000 US] at a floating rate of US bank prime or 3.25%, of which **\$nil** US [2020 - \$nil US] was used at year-end.
- 2) **\$5,500,000** CDN [2020-\$5,500,000] at a floating rate of bank prime less 0.50%, or 1.95%, of which **\$nil** CDN [2020 - \$nil] was used at year-end.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

7. DEFERRED REVENUE

Deferred revenue is as follows:

	2021 \$	2020 \$
Obligatory reserve funds		
Subdivision Deposits	500,368	406,305
Canada Community Building Fund	15,236,725	9,237,253
Dedicated Gas Tax	4,095,959	2,848,885
Ontario Community Infrastructure Fund	673,798	1,309,343
Ontario Municipal Commuter Cycling	105,755	108,410
MTO Transit Capital	154,177	151,302
Other	15,346,967	13,125,476
	36,113,749	27,186,974

The continuity of deferred revenue is as follows:

	2021 \$	2020 \$
Balance, beginning of year	27,186,974	29,130,611
Add:		
Developers and property owners contributions	85,531	68,296
Canada Community Building Fund	13,424,706	6,547,105
Dedicated Gas Tax	1,552,129	1,536,807
Ontario Community Infrastructure Fund	5,816,059	5,816,059
Net contributions from current operations	2,221,491	473,209
Interest earned	297,627	296,099
	23,397,543	14,737,575
Less:		
Canada Community Building Fund contributions to capital	7,655,549	7,013,812
Dedicated Gas Tax contributions to capital	340,282	396,684
Ontario Community Infrastructure Fund contributions to capital	6,470,267	8,601,208
Ontario Municipal Commuter Cycling contributions to capital	4,670	669,508
	14,470,768	16,681,212
Balance, end of year	36,113,749	27,186,974

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

8. PENSION AGREEMENTS

The City makes contributions to the Ontario Municipal Employees Retirement System Fund (OMERS), which is a multi-employer plan, on behalf 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. Employee contributions are matched by the City.

During the year ended December 31, 2021, the City contributed **\$17,949,317** [2020 - \$18,192,023] for current service, which is included as an expense on the Consolidated Statement of Operations and Accumulated Surplus.

Because OMERS is a multi-employer plan, the City does not recognize any share of pension plan deficit of **\$3.1** billion [2020-\$3.2 billion] based on fair market value of the plan's assets, as this is a joint responsibility of all Ontario municipalities and their employees.

9. EMPLOYMENT FUTURE BENEFITS

The City provides certain employee benefits which will require funding in future periods.

	2021 \$	2020 \$
Sick leave benefits	7,755,205	7,641,870
Vacation pay	4,819,892	4,513,504
Post-employment benefits	38,219,832	38,382,435
WSIB	50,790,480	46,316,863
	101,585,409	96,854,672

- [a] Under the sick leave benefit plan, unused sick leave can accumulate and certain employees may be entitled to a cash payment when they retire or leave the City's employment or pay for sick leave in excess of the current year entitlement. The City recognizes these costs in the period in which the employees rendered the services. The accrued benefit liability at December 31, 2021 of **\$7,755,205** [2020-\$7,641,870] was determined by an actuarial valuation prepared for the year ended December 31, 2019 and updated for 2021. An amount of **\$2,022,404** [2020- \$1,984,695] has been set aside in a sick pay liability reserve fund to offset this liability.

The main actuarial assumptions employed for the valuation of vested and non-vested sick leave benefits are as follows:

General Inflation

Future general inflation levels, as measured by changes in the Consumer Price Index (CPI), were assumed at 2% per annum.

Interest (discount) rate

The obligation as at December 31, 2021 of the present value of future liabilities and the expense for the year then ended was determined using an annual discount rate of 2.40%.

Salary levels

Future general salary and wage levels were assumed to increase at 3.00% per annum, reflecting the expected Consumer Price Index adjusted for productivity, merit and promotion.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

9. EMPLOYMENT FUTURE BENEFITS (continued)

- [b] Vacation entitlements earned by the employees are converted to a cash payment when they retire or leave the City's employment.
- [c] The City pays certain post-retirement benefits on behalf of its retired employees and recognizes these post retirement costs in the period in which the employees rendered the services. The accrued benefit obligation at December 31, 2021 of **\$36,701,469** [2020-\$36,278,873] was determined by an actuarial valuation prepared for the year ended December 31, 2019 and updated for 2021. An amount of **\$5,308,462** [2020- \$5,209,482] has been set aside in a post-retirement benefits reserve fund to offset this liability.

Information about the City's post-retirement non-pension benefit plan is as follows:

	2021 \$	2020 \$
Accrued benefit liability recognized in the financial statements	38,219,832	38,382,435
Expense for the year	2,150,784	2,148,260
Benefits paid for the year	(2,313,387)	(2,276,831)

The main actuarial assumptions employed for the valuation are as follows:

General Inflation

Future general inflation levels, as measured by changes in the Consumer Price Index (CPI), were assumed at 2% per annum.

Interest (discount) rate

The obligation as at December 31, 2021 of the present value of future liabilities and the expense for the year then ended was determined using an annual discount rate of 2.40% to 2.70%.

Medical and dental costs

Medical costs were assumed to increase by 4.70% to 5.14% in 2021, with further annual increases gradually declining to 4.50% to 4.70% in 2024 and each year thereafter. Dental costs were assumed to increase at 4.50% to 4.80% in 2021 to 2024 and each year thereafter.

- [d] The City elected to be under Schedule 2 of the Workplace Safety and Insurance Act and hence, effectively self-insures its workers' compensation claims. The estimated future benefit costs (including administration costs) at December 31, 2021 of **\$50,790,480** [2020 - \$46,316,863] were determined by an actuarial valuation prepared for the year ended December 31, 2021. An amount of **\$2,931,804** [2020 - \$2,629,469] has been set aside in a WSIB reserve fund to offset this liability.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

10. MUNICIPAL DEBENTURE DEBT

- [a] The balance of municipal debt reported on the Consolidated Statement of Financial Position totaling **\$203,788,452** [2020 - \$212,182,816] is comprised of debenture debt and construction financing outstanding at year-end incurred by the City.

The balance of municipal debenture debt is **\$194,198,914** [2020 - \$204,598,534], bearing interest rates ranging from 1.49% to 5.83% and maturing from 2022 to 2041.

The balance of construction financing is **\$9,589,538** [2020 - \$7,584,282] and is comprised of short-term advancements on a debenture based on incurred costs. All construction financing will be converted to a long-term debenture when project costs are complete.

The breakdown of the balance owing is as follows:

	2021 \$	2020 \$
Debenture debt		
Tax supported	60,670,319	67,042,722
Rate supported	88,853,595	89,630,812
Tbaytel	44,675,000	47,925,000
Total debenture debt	194,198,914	204,598,534
Construction financing		
Tax supported	2,839,254	2,430,629
Rate supported	6,750,284	5,153,653
Total construction financing	9,589,538	7,584,282
Total debt	203,788,452	212,182,816

- [b] Principal repayments of municipal debenture debt are due as follows:

	\$
2022	25,493,609
2023	25,045,800
2024	20,592,593
2025	18,122,939
2026	14,192,942
2027 and thereafter	90,751,031
Total	194,198,914

- [c] The long-term liabilities in [a] issued in the name of the City have been approved by by-law. The 2022 annual principal and interest payments required to service these liabilities are within the 2022 annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing of \$122,599,247. The City has available \$91,916,931, based on this annual debt repayment limit.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

10. MUNICIPAL DEBENTURE DEBT (continued)

[d] Total payments for the year for municipal debenture debt are as follows:

	2021 \$	2020 \$
Principal payments	24,901,200	23,968,620
Interest payments	6,155,303	6,713,696
Total	31,056,503	30,682,316

11. LANDFILL CLOSURE AND POST-CLOSURE LIABILITY

The Ontario Environmental Protection Act (the “Act”) sets out the regulatory requirements for the closure and maintenance of landfill sites. Under the Act, the City is required to provide for closure and post-closure care of its solid waste landfill site.

The John Street municipal landfill is operated by the City to accept all municipal solid waste from the City. The landfill includes the closed and capped West Cell, and the active East Cell with a remaining life of approximately 20 years. Closure activities include final cover and vegetation, drainage control features, monitoring of leachate, water quality and recovery of gas. Post-closure activities include acquisition of additional land for buffer zone, treatment and monitoring of leachate, monitoring groundwater, surface water and gas, and recovery and ongoing maintenance of various control systems, drainage systems and final cover.

The estimated liability of **\$5,486,987** [2020 - \$5,466,242] is the present value of future closure and post-closure costs discounted at a rate of 2.4%.

12. CONTAMINATED SITES LIABILITY

The City recorded an estimated liability of **\$nil** [2020 - \$nil].

13. TANGIBLE CAPITAL ASSETS

Schedule 1 provides information on the tangible capital assets of the City of Thunder Bay by major asset class, including cost, accumulated amortization and the net book value of the assets.

During the year no interest was capitalized [2020 - \$nil], there were write-downs of tangible capital assets of **\$nil** [2020 - \$99,228] and contributed tangible capital assets of **\$nil** [2020 - \$157,391].

Certain assets have been recorded at a nominal value due to the difficulty in determining an appropriate value. These assets include road allowances relating to the roads network, certain land segments acquired through land swaps and some parkland segments.

Works of art, artifacts, natural resources, cultural and historic assets are not recorded as assets in the financial statements as a reasonable estimate of the future economic benefits associated with such property cannot be made.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

14. GOVERNMENT TRANSFERS

	2021 \$	2020 \$
Revenues		
Government of Canada grants	21,453,177	18,576,688
Province of Ontario grants	76,707,336	75,654,400
Total Revenues	98,160,513	94,231,088
Expenses		
External transfers to others	23,478,826	23,936,517
Total Expenses	23,478,826	23,936,517

15. CONTINGENCIES

- [a] There were numerous claims and litigation in dispute at December 31, 2021 for which the amount of settlement, if any, is indeterminable at this time. The settlements, if any, will be expensed in the Consolidated Statement of Operations and Accumulated Surplus in the year in which the amount is determinable. No provision has been made in these consolidated financial statements in respect of the above claims and litigation.
- [b] The Ontario Mining Act (the "Act") sets out the regulatory requirements for the closure plan and maintenance of mine sites. Under the Act, the City is required to provide for closure and post-closure maintenance of the Shuniah Mine site, located on City property. The solution and cost for the post-closure maintenance, if any, is uncertain and indeterminable at the date of issue of the consolidated financial statements and no provision has been made.
- [c] In a previous year, Tbaytel filed a claim against a vendor engaged to build their Integrated Customer Relationship Management (ICRM) system and in 2020 was awarded aggregate damages of \$6,227,000 by an independent arbitrator. The settlement has not yet been received as the vendor has appealed the judgement and contingent assets are not recorded in these consolidated financial statements.

16. COMMITMENTS

- [a] The City has various operating leases pertaining to certain premises and equipment and service agreements. The future minimum lease payments over the next five years are as follows:

	\$
2022	6,352,439
2023	4,649,875
2024	2,224,695
2025	1,338,345
2026	954,173

- [b] Tbaytel has provided a letter of guarantee from the Royal Bank to WSIB in the amount of \$1,379,000 [2020-\$504,000].
- [c] The Thunder Bay Community Economic Development Commission Inc. has committed a total of \$1,434,001 to various organizations. Scheduled payments are made at the time these organizations meet previously agreed upon criteria.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

17. PUBLIC LIABILITY INSURANCE

The City is self-insured for public liability claims up to \$1,000,000 for any number of claims arising out of a single occurrence. Outside coverage is in place for claims in excess of these limits.

Self-insured claims settled and accrued during the year amounting to **\$1,663,386** [2020 - \$976,122] are reported as an expense in the Consolidated Statement of Operations.

18. NON-CONSOLIDATED ENTITIES

Thunder Bay District Health Unit

The Thunder Bay District Health Unit is established under the Health Protection and Promotion Act, and provides programs and services in accordance with the legislative mandate for Boards of Health in Ontario and delivers a wide range of services to citizens of the District of Thunder Bay.

The following table provides condensed supplementary financial information for the Thunder Bay District Health Unit prepared in accordance with Canadian public sector accounting standards.

	2021	2020
	\$	\$
Financial position		
Financial assets	8,810,502	5,171,597
Financial liabilities	(7,979,948)	(3,895,494)
Net financial assets	830,554	1,276,103
Non-financial assets	4,346,238	2,272,719
Accumulated surplus	5,176,792	3,548,822
	2021	2020
	\$	\$
Results of operations		
Revenues other than municipal levies	22,042,437	16,551,615
Municipal levies	3,213,544	3,213,544
Expenses	(23,628,011)	(19,830,051)
Annual surplus (deficit)	1,627,970	(64,892)

The City's share of the municipal levies was **\$2,552,643** [2020 - \$2,552,643].

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

18. NON-CONSOLIDATED ENTITIES (continued)

The District of Thunder Bay Social Services Administration Board

Effective April 1, 1999, pursuant to provincial legislation, The District of Thunder Bay Social Services Administration Board was formed to accommodate the provincial government's requirement to consolidate the delivery of Social Services. The Board delivers provincially mandated services on behalf of the citizens of the District of Thunder Bay.

The following table provides condensed supplementary financial information for The District of Thunder Bay Social Services Administration Board, including its wholly-owned subsidiary, Thunder Bay District Housing Corporation, prepared in accordance with Canadian public sector accounting standards.

	2021 \$	2020 \$
Financial position		
Financial assets	48,126,136	48,815,218
Long-term debt	(13,593,365)	(16,223,927)
Other liabilities	(18,815,561)	(21,811,411)
Net debt	15,717,210	10,779,880
Non-financial assets	43,279,503	44,785,192
Accumulated surplus	58,996,713	55,565,072
	2021 \$	2020 \$
Results of operations		
Revenues other than municipal levies	77,145,390	76,452,342
Municipal levies	22,691,800	22,512,500
Other income	1,786,596	1,482,840
Expenses	(98,130,981)	(96,014,194)
Distribution to municipalities	-	(206,004)
Annual surplus	3,492,805	4,227,484

The City's share of the municipal levies was \$16,142,628 [2020 - \$15,921,537].

19. SEGMENTED INFORMATION

The City is a diversified municipal government institution that provides a wide range of services to its citizens. Segmented information has been prepared by major functional classification of activities provided, consistent with the consolidated statement of operations and accumulated surplus and provincially legislated requirements. For each reported segment, revenues and expenses represent both amounts attributable to the segment and amounts that are allocated on a reasonable basis.

The segmented information is provided in Schedule 3 to the consolidated financial statements and includes the following segments:

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

19. SEGMENTED INFORMATION (continued)

General Government

General Government comprises various administrative services, including Finance & Corporate Services, Legal Services, Realty Services, City Manager's Department, Facilities & Fleet Services, Mayor and Council, and Emergency Planning including emergency evacuations.

Protection to Persons and Property

Protection to persons and property is comprised of Police Services, Fire Services, Protective Inspection and Control, Thunder Bay Court Services and Emergency Measures. The mandate of Police Services is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offenders; and enforce the law. The Fire Services department is responsible for fire suppression; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. Protective Inspection and Control ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-laws for the protection of occupants. Thunder Bay Court Services administers prosecutions and the collection of related fines and fees under the authority of the Provincial Offences Act. Emergency Measures includes COVID-19 pandemic expenses. Also included in Protection to Persons and Property is the City's contribution to the Lakehead Region Conservation Authority.

Transportation Services

Transportation services include Roadways, Winter Control, Transit, Parking and Street Lighting. Roadways covers the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, bridges, culverts, sidewalks, crossing guards and traffic lights. Winter control includes snowplowing, sanding and salting, snow removal and flood control. The Transit division is responsible for providing local public transportation service including specialized public transportation. The Parking Authority is responsible for the planning, development and maintenance of parking lots, meters and parkades, including enforcement of parking regulations. Street lighting plans, develops and maintains the street lighting system.

Environmental Services

Environmental services consist of Waterworks, Sanitary Sewer, Storm Sewer, Waste Collection and Disposal and Recycling. Waterworks provides drinking water to the citizens of Thunder Bay. Sanitary Sewer collects and treats wastewater. Storm Sewer provides surface water management. Waste Collection, Disposal and Recycling includes the collection of solid waste, landfill site operations and waste minimization programs.

Health Services

Health Services includes Cemeteries, Ambulance Services, and the City's contribution to the Thunder Bay District Health Unit.

Social and Family Services

Social and Family Services include General Assistance, Senior Services and Child Care. General Assistance includes the City's contribution to the District of Thunder Bay Social Services Administration Board. Under Senior Services, the City operates a long term care facility, the 55+ Centre, and provides services to seniors, including meals on wheels, friendly visiting program and Jasper Apartments. Child Care includes the operating and maintenance of childcare centres.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

19. SEGMENTED INFORMATION (continued)

Recreation and Cultural Services

Recreation and Cultural Services include Parks, Recreation Programs and Facilities, Thunder Bay Public Library and Contributions to Cultural Organizations. The City provides public services that contribute to neighbourhood development and sustainability through the provision of recreation and leisure services such as fitness and aquatic programs, the development and maintenance of various recreational facilities (including golf courses and the marina), and the maintenance of parks and open spaces. The Thunder Bay Public Library is dedicated to providing community access to local and global information resources that support lifelong learning, research and leisure activities. The City contributes to various cultural organizations under specific funding programs.

Planning and Development

Development services manages urban development for business interest, environmental concerns, heritage matters, local neighbourhoods and the downtown through city planning and community development and approval of all land development plans. Also included in Planning and Development are the activities of the Thunder Bay Community Economic Development Commission Inc., two Business Improvement Areas (BIAs), and Victoriaville Centre.

Tbaytel

Tbaytel was established as a Municipal Service Board to govern, control, maintain, operate and manage the City's provision of telecommunication services.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

20. BUDGET INFORMATION

Budgets are established to set tax rates or to finance projects which may be carried out over one or more years. Budget figures have been reclassified for purposes of these consolidated financial statements to comply with PSAB reporting requirements and are not audited. The chart below reconciles the approved budget with the budget figures as presented in these consolidated financial statements.

	\$
Revenues	
Approved Budget	
Operating	404,831,900
Capital	71,141,800
Consolidated Boards	197,957,000
	673,930,700
Adjustments	
Transfer from reserves to operating	(8,185,600)
Obligatory Reserve Funds	(14,758,300)
In year budget adjustments - capital	10,814,462
Financial statement presentation adjustments	608,731
Reduction due to tangible capital asset accounting	(71,141,800)
Reclassification of taxation	(274,400)
Total Revenues	590,993,793
Expenses	
Approved Budget	
Operating	404,831,900
Capital	71,141,800
Consolidated Boards	169,900,000
	645,873,700
Adjustments	
Amortization of tangible capital assets	45,798,230
Transfer to reserves	(33,438,000)
Reduction due to tangible capital asset accounting	(71,141,800)
Capital out of revenue	(16,150,700)
Post employment benefit expense	4,769,737
Landfill closure and post closure expense	20,745
Financial statement presentation adjustments	(5,148,800)
Reclassification of taxation	(274,400)
Debt principal payments	(21,223,300)
Operating expenses budgeted in capital expensed in current year	16,893,497
Total Expenses	565,978,909
Loss on disposal of tangible capital assets	(151,000)
Annual Surplus	24,863,884

(A) Amortization of tangible capital assets does not include the amortization of the Consolidated Boards (\$33,130,000) and acquisitions of tangible capital assets (\$51,528,000), these amounts are included in their approved budget.

THE CORPORATION OF THE CITY OF THUNDER BAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

21. FLOOD DISASTER

On May 28, 2012, the City of Thunder Bay experienced a severe rainfall event, which resulted in the flooding of the Atlantic Avenue Secondary Sewage Treatment Plant (the "Plant") and basement flooding in certain areas of the City. On June 8, 2012, the Province of Ontario declared the City of Thunder Bay a disaster area for the purposes of the Ontario Disaster Relief Assistance Program ("ODRAP").

The City is currently in a dispute with its insurer, which has denied the claim based upon a disagreement over the proper allocation of repair costs for purposes of coverage under the insurance policy. The City believes that the basis for the denial of the claim is invalid and has initiated legal action against its insurers and the claims adjusters. As this amount is in dispute and the outcome of the action is indeterminable, in accordance with PSAB standards the City has derecognized the balance in dispute and will record the amount of any recovery when received.

22. COMPARATIVE AMOUNTS

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the current year financial statements.

23. FUTURE ACCOUNTING CHANGES

Financial Instruments, PS 3450, Foreign Currency Translation, PS 2601, and Financial Statement Presentation, PS 1201 are effective for fiscal years beginning on or after April 1, 2022. While early adoption is permitted, all three of the standards must be adopted in the same year. PS 3450 provides guidance on the recognition, measurement, presentation and disclosure of financial instruments including derivative instruments. PS 2601, Foreign Currency Translation includes guidance of deferral and amortization of unrealized gains and losses, hedge accounting and separation of realized and unrealized foreign exchange gains and losses. PS 1201 Financial Statement Presentation includes the addition of a new statement outlining re-measurement gains and losses. The City has not yet adopted these standards or determined the effect on the consolidated financial statements.

Asset Retirement Obligations, PS 3280 is effective for fiscal years beginning on or after April 1, 2022. PS 3280 provides guidance on how to account for and report a liability for asset retirement obligations. The City has not yet adopted this standard or determined the effect on the consolidated financial statements.

24. COVID-19 PANDEMIC

On March 11, 2020 the World Health Organization declared a global pandemic with respect to the outbreak of the COVID-19 coronavirus. The COVID-19 pandemic has had a significant impact on Canada, the global economy and the City. Following Provincial regulations and province-wide restrictions, the City closed some facilities and ceased non-essential services where required or opened in a limited capacity when appropriate. These closures impacted the ability of the City to deliver programs and services and resulted in a decline in revenues.

The City received funding from other levels of government that assisted with the impact on operations. Given the dynamic nature of these circumstances and the unknown duration of the disruption, the full financial impact cannot be reasonably estimated at this time. The City will continue to focus on managing expenses and revenue streams, and leveraging existing reserve funds to ensure it is able to continue providing services to its citizens.

25. SUBSEQUENT EVENT

Subsequent to year end a claim was made against Tbaytel and litigation was pending for which the amount of settlement, if any, was not determinable. Any amounts when determinable will be charged to expenditure.

THE CORPORATION OF THE CITY OF THUNDER BAY
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Schedule 1

	General Capital							Infrastructure						Total	
As at December 31,	Land	Land Improvements	Buildings	Machinery & Equipment	Vehicles	Network Assets	Library Collection	Land	Land Improvements	Building	Linear Assets	Machinery & Equipment	Assets Under Construction (AUC)	2021	2020
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
Cost															
Balance, beginning of year	27,596,910	75,303,530	235,763,119	106,884,736	81,717,007	577,687,000	4,907,641	1,195,122	7,789,157	262,815,473	1,150,610,502	18,078,764	42,032,061	2,592,381,022	2,508,638,178
Add: Additions	-	777,926	2,759,035	9,278,611	3,916,303	35,449,000	169,014	-	-	-	17,785,691	1,428,786	35,141,450	106,705,816	94,770,479
Add: Transfers from AUC	-	621,479	1,538,000	1,062,429	576,835	18,316,000	-	-	-	-	9,659,361	-	(31,774,104)	-	-
Less: Disposals	16,521	129,565	393,773	1,471,060	1,210,042	754,000	623,731	-	-	-	2,773,746	2,366,304	-	9,738,742	10,928,407
Less: Write-downs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99,228
Balance, end of year	27,580,389	76,573,370	239,666,381	115,754,716	85,000,103	630,698,000	4,452,924	1,195,122	7,789,157	262,815,473	1,175,281,808	17,141,246	45,399,407	2,689,348,096	2,592,381,022
Accumulated Amortization															
Balance, beginning of year	-	37,908,645	104,143,874	76,113,870	45,214,595	382,082,000	3,886,791	-	6,372,111	104,237,883	767,841,683	5,883,767	-	1,533,685,219	1,464,084,234
Add: Amortization	-	2,503,515	6,144,381	8,061,635	5,567,549	25,871,000	288,875	-	550,374	7,405,636	22,189,218	952,766	-	79,534,949	79,476,357
Less: Accumulated Amortization on disposals	-	129,565	278,773	1,456,358	1,164,305	618,000	623,731	-	-	-	2,500,780	1,091,107	-	7,862,619	9,875,372
Balance, end of year	-	40,282,595	110,009,482	82,719,147	49,617,839	407,335,000	3,551,935	-	6,922,485	111,643,519	787,530,121	5,745,426	-	1,605,357,549	1,533,685,219
Net Book Value of Tangible Capital Assets	27,580,389	36,290,775	129,656,899	33,035,569	35,382,264	223,363,000	900,989	1,195,122	866,672	151,171,954	387,751,687	11,395,820	45,399,407	1,083,990,547	1,058,695,803

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

**THE CORPORATION OF THE CITY OF THUNDER BAY
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS**

Schedule 2

	2021	2020
As at December 31,		
	\$	\$
Surplus		
Investment in tangible capital assets	1,083,990,547	1,058,695,803
Municipal debenture debt	(203,788,452)	(212,182,816)
Tbaytel other payable	-	(3,665,000)
Investment in Thunder Bay Hydro Corporation	109,272,789	106,294,249
General fund	21,636,188	14,388,861
Employee future benefits	(101,585,409)	(96,854,672)
Landfill closure and post-closure liability	(5,486,987)	(5,466,242)
Derecognition of receivable	(22,946,728)	(22,946,728)
	881,091,948	838,263,455
Reserves		
Capital reserves	23,088,062	17,982,690
Working capital	4,300,000	4,300,000
	27,388,062	22,282,690
Reserve funds		
Capital reserve funds	63,900,661	38,955,430
Renew Thunder Bay	28,477,590	24,229,356
Indoor Turf	9,135,708	8,143,372
EMS	1,546,450	2,338,556
Recreation	3,004,337	2,594,707
Post-employment benefits	5,308,462	5,209,482
Vested sick leave	2,022,404	1,984,695
WSIB	2,931,804	2,629,469
Insurance	2,566,819	2,518,959
Tax Assessment appeals	8,997,961	8,830,187
Vested property rehabilitation	5,941,736	5,830,948
Stabilization	20,692,146	22,428,168
Economic development	3,587,821	2,994,617
Winter roads maintenance	3,743,975	1,776,056
Other	10,320,905	9,169,998
	172,178,779	139,634,000
Total reserves and reserve funds	199,566,841	161,916,690
Accumulated Surplus	1,080,658,789	1,000,180,145

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

THE CORPORATION OF THE CITY OF THUNDER BAY

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

Schedule 3

For the year ended December 31,	General Government		Protection to Persons and Property		Transportation Services		Environmental Services		Health Services	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues										
Taxation, net	204,296,246	201,076,904	-	-	-	-	-	-	-	-
Government of Canada grants	12,425,148	12,977,907	554,437	704,037	2,481,782	3,876,059	990,058	(253,338)	-	-
Province of Ontario grants	27,524,772	28,988,889	12,768,904	15,825,388	1,898,673	2,266,166	1,216,724	960,573	18,098,520	16,293,881
Contributed tangible capital assets	-	157,391	-	-	-	-	-	-	-	-
Fees and service charges	3,583,741	2,443,856	1,856,166	1,857,731	5,180,272	4,826,676	62,051,010	59,276,070	174,783	159,711
Other	4,823,053	3,012,951	5,019,351	4,117,899	1,136,792	1,475,865	554,855	498,224	2,805,181	2,630,374
Investment income	2,300,239	1,830,109	36,304	38,462	188,842	135,886	614,806	472,021	58,681	72,736
Tbaytel fees and service charges	-	-	-	-	-	-	-	-	-	-
Total Revenues	254,953,199	250,488,007	20,235,162	22,543,517	10,886,361	12,580,652	65,427,453	60,953,550	21,137,165	19,156,702
Expenses										
Salary, wages and employee benefits	30,198,249	28,142,267	87,784,207	86,005,601	18,531,933	17,573,094	14,698,091	14,327,543	26,653,943	24,459,339
Long term debt interest	55,933	36,544	117,248	131,312	825,037	934,211	3,008,584	3,209,910	238,351	253,776
Materials	26,239,982	32,598,045	5,334,621	5,728,916	4,751,203	4,121,461	8,838,606	9,788,668	2,228,049	1,899,332
Contracted services	6,658,644	6,328,969	3,269,293	1,274,267	2,872,086	2,339,645	9,521,606	8,603,994	1,003,094	377,118
Rents & financials	1,583,565	1,493,852	348,297	336,184	603,915	1,077,326	1,830,025	1,930,275	444,422	350,039
External transfers to others	-	-	1,668,603	1,865,177	-	-	-	-	2,552,643	2,552,643
Interfunctional and program support	(42,294,877)	(40,102,367)	3,037,392	2,921,728	13,631,499	13,694,982	9,545,469	9,660,718	1,619,723	1,517,327
Unfunded liabilities	(588,650)	(262,532)	3,760,810	2,949,255	82,890	(14,863)	100,475	(5,261)	1,745,258	772,757
Amortization of tangible capital assets	872,257	819,670	2,617,783	2,561,822	19,033,636	19,372,045	16,526,256	16,602,995	1,484,949	1,483,276
Total expenses	22,725,103	29,054,448	107,938,254	103,774,262	60,332,199	59,097,901	64,069,112	64,118,842	37,970,432	33,665,607
Net revenues (expenses)	232,228,096	221,433,559	(87,703,092)	(81,230,745)	(49,445,838)	(46,517,249)	1,358,341	(3,165,292)	(16,833,267)	(14,508,905)

THE CORPORATION OF THE CITY OF THUNDER BAY

CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE

Schedule 3

	Social and Family Services		Recreation and Cultural Services		Planning and Development		Tbaytel		Total	
For the year ended December 31,	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues										
Taxation, net	-	-	-	-	-	-	-	-	204,296,246	201,076,904
Government of Canada grants	102,748	-	2,174,851	1,168,441	187,153	103,582	2,537,000	-	21,453,177	18,576,688
Province of Ontario grants	10,475,266	9,649,187	1,304,433	390,276	3,166,044	538,040	254,000	742,000	76,707,336	75,654,400
Contributed tangible capital assets	-	-	-	-	-	-	-	-	-	157,391
Fees and service charges	7,845,943	7,554,525	5,091,194	5,061,826	2,050,805	1,932,762	-	-	87,833,914	83,113,157
Other	1,259	-	587,052	407,693	1,003,246	1,212,626	7,013,271	4,313,000	22,944,060	17,668,632
Investment income	37,795	37,562	247,223	260,410	92,856	78,362	679,000	410,000	4,255,746	3,335,548
Tbaytel fees and service charges	-	-	-	-	-	-	204,889,000	195,606,000	204,889,000	195,606,000
Total Revenues	18,463,011	17,241,274	9,404,753	7,288,646	6,500,104	3,865,372	215,372,271	201,071,000	622,379,479	595,188,720
Expenses										
Salary, wages and employee benefits	18,347,611	17,098,078	17,735,050	17,660,909	3,344,695	3,103,931	35,652,000	34,493,000	252,945,779	242,863,762
Long term debt interest	502,545	694,753	94,199	104,401	-	-	1,313,406	1,348,789	6,155,303	6,713,696
Materials	3,031,735	2,821,880	6,427,184	7,409,724	2,031,573	1,676,972	85,778,533	90,315,495	144,661,486	156,360,493
Contracted services	790,971	540,904	2,190,775	2,244,493	405,824	806,458	-	-	26,712,293	22,515,848
Rents & financials	90,204	60,256	233,843	294,603	200,909	200,904	72,594	247,211	5,407,774	5,990,650
External transfers to others	16,180,489	16,421,537	2,834,087	2,810,154	243,004	287,006	-	-	23,478,826	23,936,517
Interfunctional and program support	1,826,550	1,796,410	11,007,537	8,833,952	1,626,707	1,677,250	-	-	-	-
Unfunded liabilities	(225,746)	(676,280)	(73,123)	(279,434)	(11,432)	(33,038)	-	-	4,790,482	2,450,604
Amortization of tangible capital assets	442,988	441,082	5,077,827	5,010,176	279,253	278,291	33,200,000	32,907,000	79,534,949	79,476,357
Total expenses	40,987,347	39,198,620	45,527,379	44,088,978	8,120,533	7,997,774	156,016,533	159,311,495	543,686,892	540,307,927
Net revenues (expenses)	(22,524,336)	(21,957,346)	(36,122,626)	(36,800,332)	(1,620,429)	(4,132,402)	59,355,738	41,759,505	78,692,587	54,880,793

The Corporation of the City of Thunder Bay

Trust Funds Financial Statements

December 31, 2021



Independent Auditor's Report

To The Corporation of the City of Thunder Bay

Qualified Opinion

We have audited the statement of financial position of The Corporation of the City of Thunder Bay Trust Funds (the Trust Funds) as at December 31, 2021 and the statement of continuity 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* section of our report, the accompanying financial statements, present fairly, in all material respects, the financial position of the Trust Funds as at December 31, 2021, and its results of operations for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis for Qualified Opinion

The trust funds of The Corporation of the City of Thunder Bay derive receipts from donations and deposits (withdrawals) for residents of the homes for the aged, as well as, donations for other purposes, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these receipts was limited to the amounts recorded in the records of the trust funds. Therefore, we were unable to determine whether any adjustments might be necessary to donation receipts and surplus for the year, assets, liabilities and accumulated surplus. The audit opinion on the statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation in scope.

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 Statement* section of our report. We are independent of the Trust Funds in accordance with the ethical requirements that are relevant to our audit of the financial statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial statement, which describes the basis of accounting. The financial statements are prepared to assist The Corporation of the City of Thunder Bay in assessing the Trust Funds' financial information. As a result, the statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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

Management is responsible for preparation and fair presentation of the financial statements in accordance with the basis of accounting as described in Note 1. This includes determining that the basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances, and for such internal control as management determines is necessary to enable the

Independent Auditor's Report (cont'd)

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Trust Funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statement

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 Trust Funds' 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 Trust Funds' 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 Trust Funds to cease to continue as a going concern.

Independent Auditor's Report (cont'd)

- Evaluate the overall presentation, structure and content of the 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Thunder Bay, Ontario
June 17, 2022

THE CORPORATION OF THE CITY OF THUNDER BAY
TRUST FUNDS
STATEMENT OF FINANCIAL POSITION
Year ended December 31, 2021

	<u>Total</u>	<u>Older Adults Centre</u>	<u>Cemeteries</u>	<u>Cemetery Marker Mtce.</u>	<u>Dawson Court Home for Aged</u>	<u>Grandview Lodge Home for Aged</u>	<u>Pioneer Ridge Home for Aged</u>	<u>Lake Superior Memorial Hillcrest Pk</u>	<u>Employee Disability</u>	<u>Civic Employees Pension Trust Committee</u>	<u>Community Auditorium Repairs</u>	<u>Art In Public Places</u>	<u>Provincial Land Tax</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<u>Assets</u>													
Cash	243,021	-	108	-	2,020	4,945	25,823	-	1,518	-	-	-	208,607
Investments (note 2)	13,504,494	205,732	1,172,704	475,966	-	-	-	34,275	11,603,433	1,998	837	9,549	-
Accrued interest	1	-	-	-	-	-	-	-	1	-	-	-	-
	<u>13,747,516</u>	<u>205,732</u>	<u>1,172,812</u>	<u>475,966</u>	<u>2,020</u>	<u>4,945</u>	<u>25,823</u>	<u>34,275</u>	<u>11,604,952</u>	<u>1,998</u>	<u>837</u>	<u>9,549</u>	<u>208,607</u>
<u>Liabilities and accumulated surplus</u>													
Due to revenue fund	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated surplus	13,747,516	205,732	1,172,812	475,966	2,020	4,945	25,823	34,275	11,604,952	1,998	837	9,549	208,607
	<u>13,747,516</u>	<u>205,732</u>	<u>1,172,812</u>	<u>475,966</u>	<u>2,020</u>	<u>4,945</u>	<u>25,823</u>	<u>34,275</u>	<u>11,604,952</u>	<u>1,998</u>	<u>837</u>	<u>9,549</u>	<u>208,607</u>

THE CORPORATION OF THE CITY OF THUNDER BAY
TRUST FUNDS
STATEMENT OF CONTINUITY
Year ended December 31, 2021

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	Total	Older Adults Centre	Cemetery	Cemetery Marker Mltce.	Dawson Court Home for Aged	Grandview Lodge Home for Aged	Pioneer Ridge Home for Aged	Lake Superior Regiment Memorial Hillcrest Pk	Employee Disability	Civic Employees Pension Trust Committee	Community Auditorium Repairs	Art In Public Places	Provincial Land Tax
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Accumulated surplus, beginning of year	13,506,518	133,265	1,155,950	459,364	2,020	4,945	17,544	33,636	11,366,687	1,998	821	9,371	320,917
Receipts													
Contribution from premiums	5,377,248	-	-	-	-	-	-	-	5,377,248	-	-	-	-
PLT deposits	71,888,917	-	-	-	-	-	-	-	-	-	-	-	71,888,917
Deposit	41,828	-	-	-	-	-	41,828	-	-	-	-	-	-
Donations	69,277	69,277	-	-	-	-	-	-	-	-	-	-	-
Sale of plots	16,862	-	16,862	-	-	-	-	-	-	-	-	-	-
Marker fees	7,800	-	-	7,800	-	-	-	-	-	-	-	-	-
Earned interest	253,921	3,190	22,121	8,802	-	-	-	639	216,158	-	16	178	2,817
	77,655,853	72,467	38,983	16,602	-	-	41,828	639	5,593,406	-	16	178	71,891,734
Expenditures													
Residents' withdrawals, net	33,549	-	-	-	-	-	33,549	-	-	-	-	-	-
PLT Transfers to Ministry	71,833,913	-	-	-	-	-	-	-	-	-	-	-	71,833,913
Disability claims	5,199,471	-	-	-	-	-	-	-	5,199,471	-	-	-	-
Capital contribution	-	-	-	-	-	-	-	-	-	-	-	-	-
Net investment earnings	22,121	-	22,121	-	-	-	-	-	-	-	-	-	-
General Operating costs	325,801	-	-	-	-	-	-	-	155,670	-	-	-	170,131
	77,414,855	-	22,121	-	-	-	33,549	-	5,355,141	-	-	-	72,004,044
Accumulated surplus, end of year	13,747,516	205,732	1,172,812	475,966	2,020	4,945	25,823	34,275	11,604,952	1,998	837	9,549	208,607

THE CORPORATION OF THE CITY OF THUNDER BAY TRUST FUNDS

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2021

1. Significant Accounting Policies

Basis of Accounting

These financial statements have been prepared by management using the recognition and measurement principles of Canadian public sector accounting standards. Receipts and disbursements are reported using the accrual basis of accounting which recognizes revenues as they become available and measurable, and disbursements as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Investments

Investments are accounted for at cost plus accrued earnings. The carrying value of an investment is written down to its net recoverable amount if a decline in value is judged to be other than temporary. Investment income earned is reported as revenue in the period earned.

2. Investments

The total for investments by the trust funds of \$13,504,494 (2020 - \$13,159,474) reported on the balance sheet at carrying value, have a market value of \$14,194,309 (2020 - \$14,254,193). The investments are comprised of federal, provincial, municipal, and corporate bonds with the ONE Equity Fund, money market funds and treasury bills. The bonds have varying maturities and interest rates.

	Cost	2021 Market Value	Cost	2020 Market Value
Federal Government	\$2,203,392	\$2,223,389	\$2,608,724	\$2,798,949
Provincial Government	2,706,829	2,772,581	3,691,810	4,023,706
Municipal	34,135	34,948	43,285	46,460
Corporate	1,406,502	1,407,491	1,625,765	1,676,603
Equity	1,297,481	1,899,744	1,295,697	1,814,282
Other	5,856,155	5,856,156	3,894,193	3,894,193
	\$13,504,494	\$14,194,309	\$13,159,474	\$14,254,193



MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Climate Refugees

SUMMARY

Memorandum from Councillor Peng You, dated April 26, 2022 containing a motion relative to the above noted.

RECOMMENDATION

WITH RESPECT to the Memorandum from Councillor Peng You, dated April 26, 2022, we recommend that Administration complete the work required to provide council with an update on relevant work that has been done on the subject of climate refugees; how the city is prepared to host and welcome those relocating as a result of climate change and associated climate emergencies;

AND THAT Administration consult with CEDC and the Multicultural Association (Local Immigration Partnership (LIP) and Northern LIP) on this report;

AND THAT Administration report back on or before February 27, 2023;

AND THAT any necessary by-laws be presented to City Council for ratification.

ATTACHMENTS

1. Memorandum - Councillor Peng You - Climate Refugees

Memorandum

Office of the City Clerk

Fax: 623-5468

Telephone: 625-2230

TO: Members of Council

FROM: Councillor Peng You

DATE: April 26, 2022

SUBJECT: Motion for Consideration – Climate Refugees
Committee of the Whole – July 18, 2022

The city of Thunder Bay has recognized the impending impacts of climate change and is actively working through a variety of plans and strategies to mitigate the impact on our community. We have declared a Climate Emergency, endorsed a Net Zero Strategy and are committed to sustainability, and mitigating the effects of climate change as a city.

Many studies and reports are projecting that upwards of millions of people will be displaced in the coming years as a result of climate change. Increased numbers of extreme weather events, a threat to food security and rising sea levels are just a part of what we are seeing globally.

According to *Climate Refugees*, an independent, non-profit established in November 2015 to bring attention and action to help people displaced across borders as a result of climate change, the forecast of our future is grim. Trends indicate there is likely to be a higher level of displacement as a result of climate-related disasters than political conflict. In 2017, there were 30.6 million people displaced across 135 countries and 60% of those people were displaced as a direct result of climate disasters.

As such, the following motion is provided for your consideration.

With respect to the memorandum from Councillor Peng You, dated April 26, 2022, we recommend that Administration complete the work required to provide council with an update on relevant work that has been done on the subject of climate refugees; how the city is prepared to host and welcome those relocating as a result of climate change and associated climate emergencies;

AND THAT Administration consult with CEDC and the Multicultural Association (Local Immigration Partnership (LIP) and Northern LIP) on this report;

AND THAT Administration report back on or before February 27, 2023;

AND THAT any necessary by-laws be presented to City Council for ratification.

MEETING DATE 07/18/2022 (mm/dd/yyyy)

SUBJECT Outstanding List for Community Services as of July 5, 2022

SUMMARY

Memorandum from City Clerk Krista Power, dated July 5, 2022 providing the Community Services Outstanding Items List, for information.

ATTACHMENTS

1. Memorandum - K. Power - Outstanding List - Community Services

Memorandum

Office of the City Clerk
Fax: 623-5468
Telephone: 625-2230

TO: Mayor & Council

FROM: Krista Power, City Clerk

DATE: Tuesday, July 5, 2022

SUBJECT: Outstanding List for Community Services Session as of July 5, 2022
Committee of the Whole – July 18, 2022

The following items are on the outstanding list for Community Services:

Reference Number (yyyy-nnn-MTG)	Department/Division	Outstanding Item Subject	Resolution Report Back Date - (on or before date)	Revised Report Back Date - (on or before date) (Memos presented at COW updating or delaying Item)
2021-101-CS	Community Services / Facilities, Fleet & Energy Management	Free Menstrual Products at City Facilities	Sep-30-2022	Dec-12-2022
2021-106-CS	Community Services - Recreation & Culture; Infrastructure and Operations - Parks and Open Spaces	Former Dease Pool Site - Detailed Design and Concept Plan	Dec-13-2022	Feb-13-2023

2021-107-CS	Community Services - Transit Services	Proposed Affordable Monthly Bus Pass Program	Dec-13-2022	Feb-13-2023
2021-108-CS	Community Services - Recreation & Culture	User Fee Model & Affordable Access Pilot	Dec-13-2022	Feb-13-2023
2021-109-CS	Community Services	Expression of Interest Proposed Multi-use Indoor Sports Facility	Feb-14-2022	Upon receipt of information relative to the status of Infrastructure Canada funding request
2022-101-CS	Community Services	Lifeguard Recruitment and Retention Review	Sep-12-2022	