



Township of Southgate Minutes of Council Meeting

August 18, 2022
9:00 AM
Electronic Participation

Members Present: Mayor John Woodbury
Deputy Mayor Brian Milne
Councillor Barbara Dobreen
Councillor Michael Sherson
Councillor Jason Rice
Councillor Jim Frew
Councillor Martin Shipston

Staff Present: Dave Milliner, Chief Administrative Officer
Lindsey Green, Clerk
Jim Ellis, Public Works Manager
William Gott, Treasurer
Bev Fisher, Chief Building Official
Kevin Green, Facilities Manager
Lacy Russell, Librarian CEO
Derek Malynyk, Fire Chief
Terri Murphy, Economic Development Officer
Clinton Stredwick, Planner
Kayla Best, HR Coordinator
Holly Malynyk, Legislative Assistant

1. Electronic Access Information

Council recordings will be available on the Township of Southgate [YouTube Channel](#) following the meeting.

2. Call to Order

Mayor Woodbury called the meeting to order at 9:00 AM.

3. Land Acknowledgement

As we gather, we recognize and acknowledge the traditional keepers of this land with whom we share today. The Township of Southgate is a part of the traditional territories of the Anishinaabek, Six Nations of the Grand River, Saugeen Ojibway Nation, Haudenosaunee, and Saugeen Métis. The land that surrounds us is part of who we are as it reflects our histories; may we live in peace and friendship with all its diverse people.

4. Open Forum - Register in Advance

Heather and Tom Arnott spoke at Open Forum related to the Wilder Lake Subdivision approval.

5. Confirmation of Agenda

No. 2022-530

Moved By Councillor Dobreen

Seconded By Councillor Shipston

Be it resolved that Council confirm the agenda as presented.

Carried

6. Declaration of Pecuniary Interest

Deputy Mayor Milne declared a conflict of interest to items 9.5.1 and 9.5.2 - Staff Report CAO2022-045 and By-law 2022-113 - Randharr Investments Inc. Wilder Lake Phase 1 and 2 Residential Development Subdivision Agreement as the developer is a family member and did not participate in the discussion or voting of the items.

7. Delegations & Presentations

7.1 Jammin' for Juniors - Brenda Stewart

No. 2022-531

Moved By Councillor Rice

Seconded By Councillor Frew

Be it resolved that Council receive the Jammin' for Juniors delegation for information.

Carried

7.2 Dufferin County Multicultural Foundation - Althea Alli

No. 2022-532

Moved By Councillor Sherson

Seconded By Deputy Mayor Milne

Be it resolved that Council receive the Dufferin County Multicultural Foundation presentation for information.

Carried

8. Adoption of Minutes

No. 2022-533

Moved By Councillor Shipston

Seconded By Councillor Rice

Be it resolved that Council approve the minutes from the August 3, 2022 Council and Closed Session meetings as presented.

Carried

9. Reports of Municipal Officers

9.1 HR Coordinator Kayla Best

9.1.1 HR2022-041 - CAO Hiring

Moved By Deputy Mayor Milne

Seconded By Councillor Rice

Be it resolved that Council receive Staff Report HR2022-041 for information; and

That Council disband the CAO Hiring Committee; and

That Council announce the hiring of the new Chief Administrative Officer of Southgate.

Councillor Dobreen moved the following amendment to the main motion.

Amendment:

No. 2022-534

Moved By Councillor Dobreen

Seconded By Councillor Rice

Be it resolved that Council add a fourth clause that states: “**That** Council direct the current CAO to report to Council before October 3, 2022, regarding the transition timelines and milestones with the new CAO.”

Carried

Motion as Amended:

No. 2022-535

Moved By Deputy Mayor Milne

Seconded By Councillor Rice

Be it resolved that Council receive Staff Report HR2022-041 for information; and

That Council disband the CAO Hiring Committee; and

That Council announce the hiring of the new Chief Administrative Officer of Southgate; and

That Council direct the current CAO to report to Council before October 3, 2022, regarding the transition timelines and milestones with the new CAO.

Carried

9.1.2 HR2022-039 Council Remuneration

No. 2022-536

Moved By Councillor Dobreen

Seconded By Councillor Shipston

Be it resolved that Council receive Staff Report HR2022-039 for information; and

That Council approve updated Policy #21 Council Member Compensation, Expenses & Meeting Claims Guidance and

Approval Policy by Municipal By-Law 2022-114; and
That Council approve updated Policy #2 Conference,
Education & Training Policy by Municipal By-Law 2022-
115; and

That Council approve the updated Council Pay Grid to
come into effect for the new term of Council.

Carried

**9.1.3 By-law 2022-115 - Adopt Conference, Education and
Training Policy for Council, Staff and Volunteer
Firefighters**

Mayor Woodbury requested a recorded vote on the main
motion.

No. 2022-537

Moved By Councillor Sherson

Seconded By Councillor Frew

Be it resolved that by-law number 2022-115, as
amended, being a by-law to adopt a "Conference, Training
and Education Policy for Council, Staff and Volunteer
Firefighters" known as Policy Number 2 be read a first,
second and third time, finally passed, signed by the Mayor
and the Clerk, sealed with the seal of the Corporation and
entered into the by-law book.

Yay (7): Mayor Woodbury, Deputy Mayor Milne, Councillor
Dobreen, Councillor Sherson, Councillor Rice, Councillor
Frew, and Councillor Shipston

Carried (7 to 0)

**9.1.4 By-law 2022-114 - Adopt Council Member
Compensation, Expenses and Meetings Claims Policy**

Mayor Woodbury requested a recorded vote on the main
motion.

No. 2022-538

Moved By Councillor Rice
Seconded By Councillor Sherson

Be it resolved that by-law number 2022-114, as amended, being a By-law to adopt a "Council Member Compensation, Expenses & Meeting Claims Guidance and Approval Policy" known as Policy Number 21 be read a first, second and third time, finally passed, signed by the Mayor and the Clerk, sealed with the seal of the Corporation and entered into the by-law book.

Yay (7): Mayor Woodbury, Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Rice, Councillor Frew, and Councillor Shipston

Carried (7 to 0)

9.1.5 HR2022-042 Finance Staff Update

No. 2022-539

Moved By Councillor Shipston
Seconded By Councillor Dobreen

Be it resolved that Council receive Staff Report HR2022-042 for information; and

That Council approve the internal posting of the Finance Assistant – Utility and General Receivables position.

Carried

9.2 Facilities Manager Kevin Green

9.2.1 REC2022-05 Recreation Hiring Justification Report

No. 2022-540

Moved By Councillor Shipston
Seconded By Councillor Frew

Be it resolved that Council receive Staff Report REC2022-005 as information; and

That Council approve to proceed with internal/external recruitment for a Season Facilities Operator.

Carried

9.3 Treasurer William Gott

9.3.1 FIN2022-022 External Audit Services

No. 2022-541

Moved By Councillor Sherson

Seconded By Councillor Shipston

Be it resolved that Council receive Staff Report FIN2022-022 External Audit Services as information; and

That Council award the external audit services tender to KPMG LLP; and

That Council appoints KPMG LLP as auditors for the 2022 fiscal year.

Carried

9.4 Public Works Manager Jim Ellis

9.4.1 PW2022-044 Four Way Intersection Stop

No. 2022-542

Moved By Councillor Rice

Seconded By Councillor Dobreen

Be it resolved that Council receive Staff Report PW2022-044 for information; and

That Council consider passing the four-way intersection stop recommendation at Hagan Street East and the Grey County Rail Trail by Bylaw No. 2022-112.

Carried

9.4.2 By-law 2022-112 - Stop Sign Approval - Hagan Street East

Mayor Woodbury requested a recorded vote on the main motion.

No. 2022-543

Moved By Councillor Shipston

Seconded By Councillor Frew

Be it resolved that by-law number 2022-112 being a by-law to provide for the erecting of a stop sign at an intersection be read a first, second and third time, finally passed, signed by the Mayor and the Clerk, sealed with the seal of the Corporation and entered into the by-law book.

Yay (7): Mayor Woodbury, Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Rice, Councillor Frew, and Councillor Shipston

Carried (7 to 0)

Council recessed at 10:21 AM and returned at 10:30 AM.

9.5 Chief Administrative Officer Dave Milliner

9.5.1 CAO2022-045 Randharr Investments Inc Wilder Lake Phase I and II Residential Development Subdivision Agreement Report

The electronic meeting lost connection at 10:35 AM and all members were disconnected. No discussion or voting took place on any item during this time. The meeting was called back to order at 10:39 AM after establishing a secure connection and a quorum of members were present.

Deputy Mayor Milne declared a conflict of interest to item 9.5.1 - Staff Report CAO2022-045 - Randharr Investments Inc. Wilder Lake Phase 1 and 2 Residential Development Subdivision Agreement as the developer is a family member and did not participate in the discussion or voting of the item.

No. 2022-544

Moved By Councillor Dobreen

Seconded By Councillor Sherson

Be it resolved that Council receive staff report CAO2022-045 as information; and

That Council approve the Randharr Investments Inc. Phase I & II Subdivision Agreement for the Wilder Lake Residential Development as presented; and

That Council consider approval of the final Randharr Investments Inc. Phase I & II Subdivision Agreement for the Wilder Lake Residential Development by municipal By-law 2022-113 at the August 18, 2022 Council meeting; and

That Council approve the Holding condition be maintained or the placement of an Inhibiting Order on the Randharr Investments Inc. Phase II Subdivision Development for the Wilder Lake Residential Project until Phase I has attained Substantial Completion as determined by the Township of Southgate.

Carried

9.5.2 By-law 2022-113 - Randharr Investments Inc. Wilder Lake Subdivision Approval

Deputy Mayor Milne declared a conflict of interest to item 9.5.2 - By-law 2022-113 - Randharr Investments Inc. Wilder Lake Phase 1 and 2 Residential Development Subdivision Agreement as the developer is a family member and did not participate in the discussion or voting of the item.

Mayor Woodbury requested a recorded vote on the main motion.

No. 2022-545

Moved By Councillor Frew

Seconded By Councillor Rice

Be it resolved that by-law number 2022-113 being a by-law to authorize a subdivision agreement with Randharr Investments Inc. and the Corporation of the Township of Southgate be read a first, second and third time, finally

passed, signed by the Mayor and the Clerk, sealed with the seal of the Corporation and entered into the by-law book.

Yay (6): Mayor Woodbury, Councillor Dobreen, Councillor Sherson, Councillor Rice, Councillor Frew, and Councillor Shipston

Conflict (1): Deputy Mayor Milne

Carried (6 to 0)

9.5.3 CAO2022-047 Pullen -Southgate Development Extension Agreement Report Final

No. 2022-546

Moved By Councillor Dobreen

Seconded By Councillor Shipston

Be it resolved that Council receive staff report CAO2022-047 as information; and

That Council by resolution approve an Amending Agreement between the Township of Southgate and 2391827 Ontario Inc., dated August 18, 2022, to provide the Time Line Contracting a development extension of the original 2018 agreement; and

That Council consider approval of an Amending Agreement with 2391827 Ontario Inc. to authorize the Mayor and the Clerk to sign the agreement and By-law 2022-119 at the August 18, 2022 Council meeting.

Carried

9.5.4 By-law 2022-119 - Development Amending Agreement - Timeline Contracting

Mayor Woodbury requested a recorded vote on the main motion.

No. 2022-547

Moved By Councillor Rice

Seconded By Deputy Mayor Milne

Be it resolved that by-law number 2022-119 being a by-law to authorize an amending agreement between 2391827 Ontario Inc and the Corporation of the Township of Southgate be read a first, second and third time, finally passed, sealed with the seal of the Corporation, signed by the Mayor and the Clerk and entered into the by-law book.

Yay (7): Mayor Woodbury, Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Rice, Councillor Frew, and Councillor Shipston

Carried (7 to 0)

9.5.5 CAO2022-048 Wellington Investments Dundalk Olde Town Hall Purchase and Sale Agreement Extension Report

No. 2022-548

Moved By Councillor Sherson

Seconded By Councillor Shipston

Be it resolved that Council receive Staff Report CAO2022-048 as information; and

That Council approve Wellington Investment Corp. Purchase and Sale agreement request for extension of the Dundalk Olde Town Hall closing date by 180 days for the building and property; and

That Council consider approving Wellington Investment Corp. Purchase and Sale agreement request for extension of the Dundalk Olde Town Hall closing date for the building and property by Municipal By-law 2022-118 at the August 18th, 2022 Council meeting.

Carried

9.5.6 By-law 2022-118 - Purchase and Sale Agreement Amending By-law Wellington Investment Corp - Olde Town Hall

Mayor Woodbury requested a recorded vote on the main motion.

No. 2022-549

Moved By Councillor Dobreen

Seconded By Councillor Shipston

Be it resolved that by-law 2022-118 being a by-law to amend a purchase and sale agreement between Wellington Investment Corp. and the Corporation of the Township of Southgate be read a first, second and third time, finally passed, signed by the Mayor and the Clerk, sealed with the seal of the Corporation and entered into the by-law book.

Yay (7): Mayor Woodbury, Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Rice, Councillor Frew, and Councillor Shipston

Carried (7 to 0)

9.5.7 CA02022-049 South Grey Housing Corporation Proposal Report

No. 2022-550

Moved By Councillor Frew

Seconded By Councillor Dobreen

Be it resolved that Council receive staff report CA02022-049 as information; and

That Council approve staff to develop a draft South Grey Housing Corporation Working Group Terms of Reference document and a framework for the 4 municipal partners of Grey Highlands, Hanover, Southgate and West Grey to meet and explore the opportunity to create a Housing Corporation by developing a short-term plan and longer term strategy for the region.

Carried

Mayor Woodbury lost electronic connection and left the meeting at 11:22 AM.

Deputy Mayor Milne assumed the Chair.

9.6 Planner Clinton Stredwick

9.6.1 PL2022-058-SP11-22-J Fab Mfg Inc

No. 2022-551

Moved By Councillor Shipston

Seconded By Councillor Rice

Be it resolved that Council receive Staff Report PL2022-058 for information; and

That Council consider approval of By-law 2022-110 authorizing the entering into a Site Plan Agreement.

Carried

9.6.2 By-law 2022-110 - SP11-22 - J-Fab Mfg Inc

Deputy Mayor Milne requested a recorded vote on the main motion.

No. 2022-552

Moved By Councillor Dobreen

Seconded By Councillor Sherson

Be it resolved that by-law number 2022-110 being a bylaw to authorize the execution of a Site Plan Control Agreement be read a first, second and third time, finally passed, signed by the Mayor and the Clerk, sealed with the seal of the Corporation and entered into the by-law book.

Yay (6): Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Rice, Councillor Frew, and Councillor Shipston

Absent (1): Mayor Woodbury

Carried (6 to 0)

9.6.3 PL2022-059-SP16-22-Enoch and Naomi Bauman

No. 2022-553

Moved By Councillor Sherson
Seconded By Councillor Shipston

Be it resolved that Council receive Staff Report PL2022-059 for information; and

That Council consider approval of By-law 2022-117 authorizing the entering into a Site Plan Agreement.

Carried

9.6.4 By-law 2022-117 - SP16-22 Enoch and Naomi Bauman

Deputy Mayor Milne requested a recorded vote on the main motion.

No. 2022-554

Moved By Councillor Dobreen
Seconded By Councillor Frew

Be it resolved that by-law number 2022-017 being a by-law to authorize the execution of a Site Plan Control Agreement be read a first, second and third time, finally passed, signed by the Mayor and the Clerk, sealed with the seal of the Corporation and entered into the by-law book.

Yay (6): Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Rice, Councillor Frew, and Councillor Shipston

Absent (1): Mayor Woodbury

Carried (6 to 0)

10. By-laws and Motions

10.1 By-law 2022-121 - Establishment of Highway - Part of Hagan Street

Deputy Mayor Milne requested a recorded vote on the main motion.

No. 2022-555

Moved By Councillor Sherson

Seconded By Councillor Shipston

Be it resolved that by-law number 2022-121 being a by-law to establish and lay out a highway within the Corporation of the Township of Southgate be read a first, second and third time, finally passed, signed by the Mayor and the Clerk, sealed with the seal of the Corporation and entered into the by-law book.

Yay (6): Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Rice, Councillor Frew, and Councillor Shipston

Absent (1): Mayor Woodbury

Carried (6 to 0)

11. Notice of Motion

11.1 Notice of Motion - Councillor Dobreen - Compensation Review 2022

Deputy Mayor Milne requested a recorded vote on the main motion.

No. 2022-556

Moved By Councillor Dobreen

Seconded By Councillor Shipston

Whereas, 2023 budget deliberations will be underway before the new term of Council is inaugurated and meets for the first time; and

Whereas it is important for staff and Council to have a completed compensation market analysis in order to adequately prepare the 2023 budget for consideration;

Therefore, be it resolved that pursuant to section 24.12 of the Procedural By-law, Council amend something previously adopted, being resolution No. 2022-452, approved at the July 6, 2022, regular meeting of Council, concerning Staff Report HR2022-033 – Market Check that stated the following:

"Be it resolved that Council receive Staff Report HR2022-033

*for information; and **That** Council direct staff proceed internally with a Council compensation review; and **That** Council direct staff to discuss hiring a consultant for a staff Market Check during 2023 budget discussions.”; and*

That Council consider amending the previously adopted motion at the August 18, 2022 Council meeting. (2/3 vote required)

Yay (3): Deputy Mayor Milne, Councillor Dobreen, and Councillor Shipston

Nay (3): Councillor Sherson, Councillor Rice, and Councillor Frew

Absent (1): Mayor Woodbury

Failed (3 to 3)

12. Consent Items

12.1 Regular Business (for information)

No. 2022-557

Moved By Councillor Frew

Seconded By Councillor Sherson

Be it resolved that Council approve the items on the Regular Business consent agenda dated August 18, 2022 and direct staff to proceed with all necessary administrative actions.

Carried

Councillor Dobreen moved the following motion.

Deputy Mayor Milne requested a recorded vote on the main motion.

No. 2022-558

Moved By Councillor Dobreen

Seconded By Councillor Shipston

Be it resolved that Council proceed past noon.

Yay (5): Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Rice, and Councillor Shipston

Nay (1): Councillor Frew

Absent (1): Mayor Woodbury

Carried (5 to 1)

12.1.1 EDO2022-015-Historic Southgate – Website and Signage Update Report

12.1.2 HR2022-040 Library Staffing Updates

12.1.3 Building By-law and Canine Reports July 2022

12.1.4 July 2022 Cheque Register

12.2 Correspondence (for information)

No. 2022-559

Moved By Councillor Rice

Seconded By Councillor Dobreen

Be it resolved that Council receive the items on the Correspondence consent agenda dated August 18, 2022 as information.

Carried

12.2.1 Association of Municipalities of Ontario - 2021 Annual Report-

12.2.2 Holstein Agro Expo and Rodeo received July 29, 2022

12.2.3 Ontario Sheep Farmers Livestock Guardian Use in Ontario received July 29, 2022

12.2.4 SMART - Board Meeting Minutes from June 24 2022 - received July 29, 2022

12.2.5 AMO Policy Update - High-Speed Internet Access Announcement - received August 4, 2022

- 12.2.6 Ministry for Seniors and Accessibility - Minister's Call for Nominations 2022 Ontario Senior Achievement Award - received August 4, 2022**
- 12.2.7 LAS Communications - Commodity Newsletter Quarter 2 - received August 8, 2022**
- 12.2.8 Fire Marshal's Public Safety Council - Firefighter Certification - received August 8, 2022**
- 12.2.9 Alex Ruff, MPP Correspondence - Platinum Jubilee Follow Up Letter - received August 8, 2022**
- 12.2.10 Municipal Affairs and Housing - Ontario Empowering Mayors to Build Housing Faster - received August 10, 2022**
- 12.2.11 Ontario Newsroom - Ontario Welcomes \$14.8 Million Investment to Create Good-Paying Manufacturing Jobs**

12.3 Resolutions of Other Municipalities (for information)

Councillor Frew left the meeting at 11:59 AM.

No. 2022-560

Moved By Councillor Sherson

Seconded By Councillor Shipston

Be it resolved that Council receive the items on the Resolutions of other Municipalities consent agenda dated August 18, 2022 as information.

Carried

12.3.1 City of Brantford - Potential Threat to Residential Home Ownership - received July 29, 2022

12.3.2 City of Brantford - Seeking Prosperity and Partnership with Indigenous Nations - received July 29, 2022

12.3.3 Town of Aylmer - Resolution Regarding Letter Warming and Cooling Centre Policy - received Aug 04, 2022

12.3.4 Town of South Bruce Peninsula - Mandatory Firefighter Certification - received August 9

12.4 Closed Session (for information)

No. 2022-561

Moved By Councillor Sherson

Seconded By Councillor Shipston

Be it resolved that Council receive the items on the Closed Session consent agenda dated August 18, 2022 as information and direct staff to proceed with all necessary administrative actions.

Carried

12.4.1 EDO2022-014C - Grant Agreement - Additional Funding

13. County Report

Highlights from the most recent County Council meeting can be reviewed [here](#).

14. Members Privilege - Good News & Celebrations

Councillor Dobreen noted that the Youth Action Committee held a successful International Youth Day at Memorial Park in Dundalk this past Saturday. She also announced that the Friends of the Library are hosting a "Books and BBQ" event that is being held at the Library on Friday August 26th. She also mentioned that the JunCtian Community Initiatives is hosting their first in person "Stars of Southgate" event on Saturday August 27th at the Dundalk Legion, in support of the Legion.

Councillor Sherson reminded members of the Dundalk Fire Department hosing a Community Bonfire Safety event at the Dundalk Fairgrounds tomorrow, August 19th at 7pm.

15. Closed Meeting

None.

16. Confirming By-law

Deputy Mayor Milne requested a recorded vote on the main motion.

No. 2022-562

Moved By Councillor Rice

Seconded By Councillor Sherson

Be it resolved that by-law number 2022-120 being a by-law to confirm the proceedings of the Council of the Corporation of the Township of Southgate at its regular meeting held on August 18, 2022 be read a first, second and third time, finally passed, signed by the Mayor and the Clerk, sealed with the seal of the Corporation and entered into the by-law book.

Yay (5): Deputy Mayor Milne, Councillor Dobreen, Councillor Sherson, Councillor Rice, and Councillor Shipston

Absent (2): Mayor Woodbury, and Councillor Frew

Carried (5 to 0)

17. Adjournment

No. 2022-563

Moved By Deputy Mayor Milne

Be it resolved that Council adjourn the meeting at 12:05 PM.

Carried

Deputy Mayor Brian Milne

Clerk Lindsey Green

Matter 1: Agenda Item Number 9.3.1. - FIN2022-022 External Audit Services

I strongly object to the selection process used in this purchase decision, and intend to move to quash any bylaw to assign a contract based on that, should Council approve such a bylaw.

Matter 2: Agenda Item # 9.5.2. – Randharr Investments Inc. Wilder Lake Subdivision Approval

Regarding proposed bylaw 2022-113, I don't believe we have the proper fiduciary controls in place to sign that agreement now, but will withdraw that objection as noted below.

Regarding Matter 1: Agenda Item Number 9.3.1. - FIN2022-022 External Audit Services

The selection criteria used to replace BDO Dunwoody with KPMG as our Auditor are not valid. Given the circumstance; the decision seems punitive.

By choosing a selection criteria that favours by such a wide margin the delivery of the results early in the year, the bylaw unfairly disadvantages BDO, who are this year tasked with a difficult audit that we must assume they as well wish was complete. The focusing on, and weighting inappropriately of, results being delivered early in the year is not a performance requirement that is reasonable for an Auditor. By skewing the selection criteria to allow this early delivery requirement to outweigh proper selection criteria for the critical role of Auditor, the process is entirely biased against BDO, and that entirely by their performance this year only. To be clear; BDO has not presented to Council yet because they cannot get to 'clean' on our books: it's not their fault it's ours. I fully believe skewing the comparison matrix, and making the selection not BDO, and further insisting that selection be done now instead of after the Audit results claimed late are delivered, is prejudicial and against policy. It's not the right decision and there's no rush, what's up?

By all indicators BDO is having a difficult time completing a proper audit of our financial records for 2021; our Financial Information Return filing seems quite late, as is the Audit report itself. Indicating lateness is a problem caused by BDO is not correct, assuming diligent effort by them, and there has been no complaint about their work. Lateness indicates that this year in that contract is difficult for them, as well; probably 400 hours difficult; getting to a properly audited state for us, costs them. Given the Topics below, problems we bring, we should correct the selection criteria to more properly represent what is important to an audit, and repeat the selection with those new criteria.

Nothing in the Municipal Act nor any bylaw we have says early delivery in the year of Audit results is of benefit; but every accountability and finance policy we have says to make sure it's a good one. That's what BDO's doing now. We asked six very reputable firms to bid on this valuable contract; two said yes, one said a flat no and the other three didn't care enough about getting our business ever that they bothered to even respond; we are not a daisy in their world. The Auditor that knows us, and is

working through our issues to their detriment it seems, has given us an honest appraisal of what next year looks like; we should trust it.

The issue is only that honest estimate; BDO says 400hrs because they know best what that work may look like. And they have not committed an early date because they are working the problem this year. Holding that against them for future business does not promote an open and transparent Audit process, nor does not awarding them a contract for something that has nothing to do with that for which we pay them.

Topic of Concern 1 – Litigation Costs and Why Not Recouped

BDO gave an indication in their 2020 Audit Report that our pending litigation that year would be a forward-impact they could not gauge at that time, but was a concern. A matter like that brings myriad cost implications, to an extent that is entirely unusual for our municipality. There are open questions, in BDO's purview now, about recoup of any of those costs; those questions being asked by ratepayers. One must assume this difficult situation of a failed litigation, directly involving those that report financial numbers, and that further certify the numbers overall to our Auditor, might cause some delay and difficulty for that Auditor. I most certainly do not agree with Messrs. Milliner and Gott that their stated criteria are a valid selection basis for Council to execute this contract, at this time.

Topic of Concern 2 – Drainage Works Proper Capitalization Not Apparent

It has come to my attention recently, and is known to the Auditor I know, that a number of Grassed Swale storm sewer works we own; vested as part of several previous subdivision development agreements, over decades; seemingly have not been capitalized properly. Taking ownership of these assets, without properly accounting for their value, is of course a serious concern. Looking at what's published for our operations it seems that only pipes and concrete items are considered capital in the past, and all these other swale assets have just 'disappeared' from the books, not properly depreciated and accounted for each year. They are still there; the assets, of course; just no accounting record it seems. Given the alarming near full depreciation of those parts of the storm sewer infrastructure for which we do account, and no plans to upgrade any of it communicated, one must be concerned of course not just for the misstatement of our capital assets from a fiduciary perspective, but also just how much we'll need to invest in this deficiency moving forward.

Given the two Topics above, BDO being late this year is entirely on us, I say.

In Summary on Matter 1: The criteria used in the selection matrix to exclude BDO from continuing as our Auditor is not valid; it does not properly reflect the aims of performing an Audit per Stature and

Bylaw. The recommendation by Mr. Milliner and Mr. Gott to execute that action now, and further based on those criteria, is not correct or reasonable. In fact, given their proximity to the information we have submitted that is seemingly causing a problem with the audit this year, them being the ones to recommend at all is not appropriate, I believe Council should find. I will happily debate the point before Council with those recommending BDO's single adversary, but if the assignment is made now to KPMG I intend to move forthwith to quash that decision, as I've indicated.

By-law 2022-113 – New Subdivision Agreement

Based on Topic of Concern 2, we should not be signing any new agreements to acquire swale capital assets until that concern about onboarding assets from new subdivisions has been resolved. Should Mr. Gott be willing to provide some visibility to his capital asset list that shows these long-term assets recorded correctly, to whatever extent he may, I will of course be willing to withdraw this objection, with that reasonable evidence my concerns with fiduciary controls are misplaced.