THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

REGULAR COUNCIL MEETING AGENDA

Held on Wednesday, October 7, 2026, at 5:00 PM
In-Person Town Hall Council Chambers 2nd Floor

CLOSED SESSION BEGINNING AT 4:30 PM

OPEN SESSION BEGINNING AT 5:00 PM

Teleconference Toll Free Number – 1-833-311-4101
Access Code: 2630 503 5831

Video Conference Link: Click Here
Access Code: 2630 503 5831

1.	**Call Meeting to Order**
2.	**Disclosure of Pecuniary Interest & General Nature Thereof**
3.	**Closed Session (Beginning at 4:30 PM)**
	☒ **Personal Matters Concerning an Identifiable Individual, Including Municipal or Board Employees** • One (1) Item
4.	**Reporting Out of Closed Session**
5.	**Canadian National Anthem**
6.	**Land Acknowledgement Statement**
7.	**Public Question/Comment** (Only Addressing Motion(s) or Reports on the Agenda)
8.	**Disclosure Additional Items**
9.	**Delegations & Presentations**
	1. 2025 Audited Financial Statement – Katie Mahon, KPMG Audit Partner
	2. Transit Working Group Overview – Councillor Anne-Marie Koiner

The Town invites and encourages people with disabilities to attend and voice their comments in relation to accessibility related reports. For those who are unable to attend, the Town encourages the use of the Customer Feedback Form found on the Accessibility Page on the Town's website.

10.	**Mayor's Declaration**
	1. Child Care Worker and Early Childhood Educator Appreciation – October 21, 2026
	2. Mayor Beddows Declaration Against Religious Violence
11.	**Approval of Minutes – Wednesday, September 16, 2026**
12.	**Reports Postponed from Wednesday, September 16, 2026**
	Penny Kelly, Clerk
	Council-CSC-2026-07 – 2026 Municipal Election Nomination Process
	John Morrison, Treasurer
	Council-FIN-2026-34 – Municipal Finance Officer's Association (MFOA) – Request Support for Permanent Ontario Community Infrastructure Fund (OCIF) Funding
13.	**Unfinished Business**
	Jeff Johnston, Manager of Parks & Recreation
	Council-REC-2026-08 – Pump Track Feasibility Report at Site of Old BMX Track
14.	**Staff Reports**
	John Morrison, Treasurer
	Council-FIN-2026-35 – Tourism Advisory Panel (TAP) Budget Deviation
	Jeff Johnston, Manager of Parks & Recreation
	Council-REC-2026-09 – Community Sport and Recreation Infrastructure Fund (CSRIF) Grant Submission
	Rachel Brown, CEO Gananoque Public Library
	Council-LIB-2026-02 – Gananoque Public Library Quarterly Report – 2nd Quarter
	Council-LIB-2026-03 – Gananoque Public Library Quarterly Report – 3rd Quarter
15.	**Motions** (Council Direction to Staff) – None
16.	**Correspondence**
	1. United Counties of Leeds and Grenville (UCLG) – Presentation Document – Homelessness Planning Progress Update – Deputy Mayor Leakey – **Postponed from September 16, 2026**
	2. Minister of Municipal Affairs and Housing – Proposed Regulations under the *Municipal Accountability Act, 2026* – Open for Public Comment – **Postponed from September 16, 2026**

	3. United Counties of Leeds and Grenville (UCLG) – Media Release – Leeds Grenville Welcomes New Doctors in Brockville and Prescott
	4. Municipal Heritage Advisory Panel – Frontenac Heritage Foundation Nomination – Heritage Conservation Award for Umbrella
	5. Municipal Heritage Advisory Panel – Request to Council – "Gananoque After Dark: Our History on the Waterfront" Proposal
	6. Ontario Library Association – Ontario Library Week
17.	**Notice Required Under the Notice By-law** – None
18.	**Committee Updates** (Council Reps)
19.	**Discussion of Additional Items**
20.	**Questions from the Media**
21.	**Confirmation By-law**
	By-law No. 2026-082 – Confirm the proceedings of Council for the meeting held on Wednesday, October 7, 2026
22.	**Next Meeting(s):** 1. Special Meeting – Wednesday, October 14, 2026 – Strategic Plan Milestones (Virtual Only) 2. Regular Meeting – Wednesday, November 4, 2026
23.	**Adjournment**

The Corporation of the Town of Gananoque

Land Acknowledgement Statement

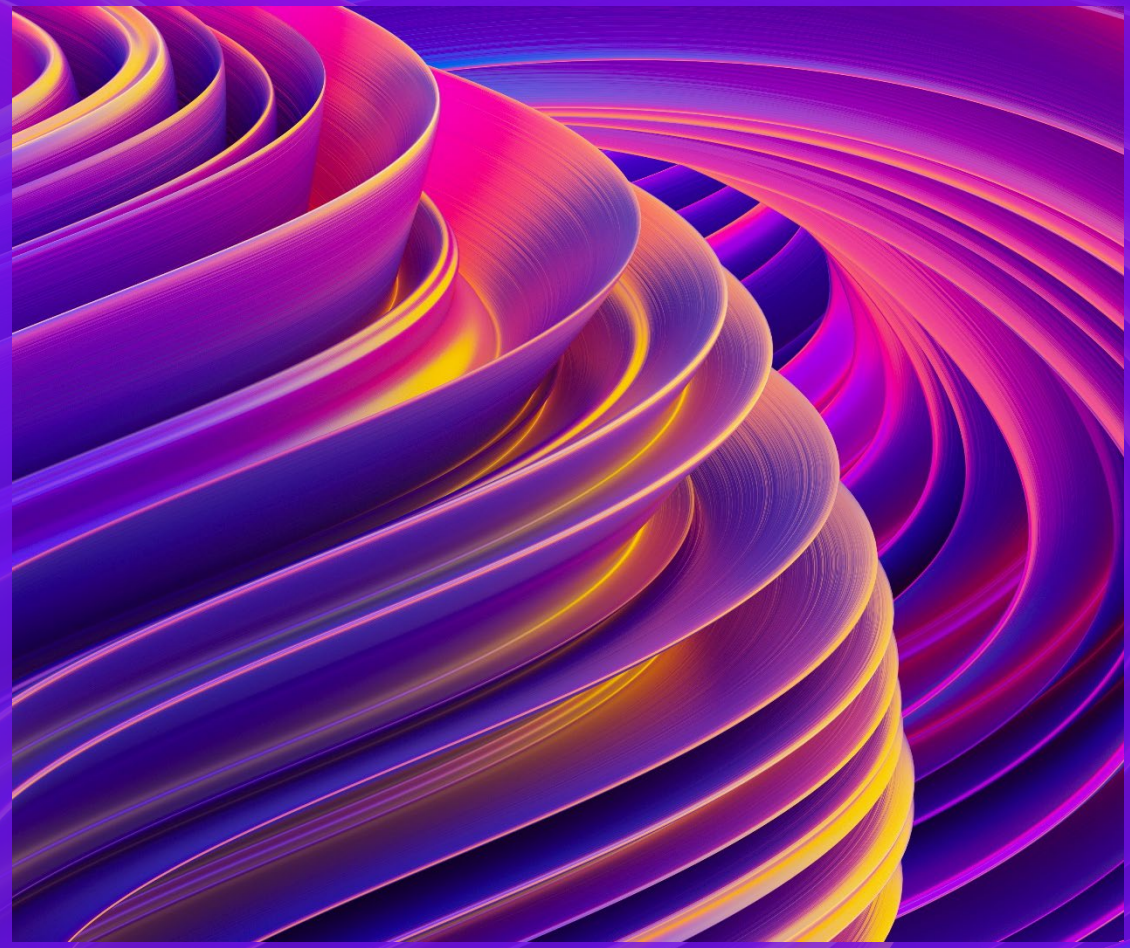
We begin this meeting of Council by acknowledging that we are on traditional territory of the Haudenosaunee *(Hoe-den-oh-show-nee*) and Anishinabe (*A-nish-in-'a-bay)* and First Peoples. We do so respecting both the land and the Indigenous People who continue to walk with us through this world.

We are grateful for the opportunity to gather here.

In recognition of the contributions and importance of all Indigenous Peoples, we strongly support Truth and Reconciliation Calls to Action in our nation and commit to support local endeavors where possible.

KPMG

Corporation of the Town of Gananoque



Audit Findings Report for the year ended December 31, 2025

KPMG LLP

Prepared as of September 29, 2026, for presentation to Council on October 7, 2026

kpmg.ca/audit

KPMG contacts

Key contacts in connection with this engagement



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The purpose of this report is to assist you, as a member of Council, in your review of the results of our audit of the consolidated financial statements. This report is intended solely for the information and use of Management and those charged with governance and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

Digital use information

This Audit Findings Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.

Click on any item in the table of contents to navigate to that section.

Audit highlights

Status

Our audit of the consolidated financial statements ("financial statements") of the Corporation of the Town of Gananoque (the "Town") as of and for the year ended December 31, 2025, was performed in accordance with Canadian public sector accounting standards.

We have completed the audit of the financial statements, with the exception of certain remaining outstanding procedures, which are highlighted on the 'Status' slide of this report.

Engagement Letter

Significant changes

- Significant changes since our audit plan

Risks and results & Significant unusual transactions

- Significant risks
  - We did not identify any significant financial reporting risks other than the presumed risk of management override of controls.
- Other risks of material misstatement
- Going concern matters
- Significant unusual transactions

Audit Quality

- Learn more about how we deliver audit quality.

Independence

- Annual Statement of Compliance

Misstatements

- Uncorrected misstatements
- Corrected misstatements

Control deficiencies

- Significant deficiencies
- Other observations

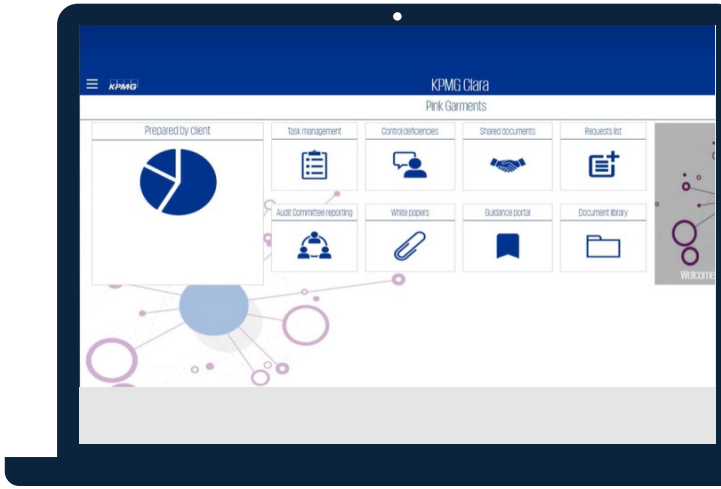
Policies and practices & Specific topics

- Accounting policies and practices
- Other financial reporting matters
- Specific topics

No matters to report | Matters to report – see link for details

Status

KPMG Clara for Clients (KCfc)



As of the date of this Audit Findings Report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing the final documentation requirements in our audit file;
- Completing our discussions with the Council;
- Completion of our subsequent events review procedures up to the date of our auditor's report;
- Obtaining evidence of Council's approval of the financial statements; and
- Receipt of signed management representation letter.

We will update Council, and not solely the Mayor, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures.

A draft of our auditor's report is provided in Appendix 1a: Draft Auditor's Report, will be dated upon the completion of any remaining procedures.

Updates to our prior year audit plan

Other significant changes

Newly effective accounting standards

There were no newly effective accounting standards impacting the current year audit. Refer to Appendix 3 for future changes in accounting standards.

Newly effective accounting standards

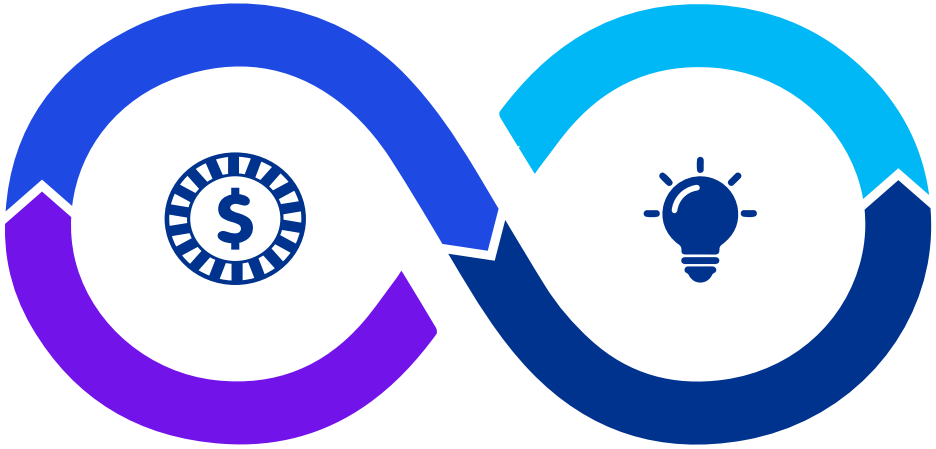
Newly effective auditing standards

Refer to Appendix 4 for new standards that impacted the fiscal 2025 audit and upcoming changes in future years.

Future changes to auditing standards



Group materiality



We ***initially determine materiality*** at a level at which we consider that misstatements could reasonably be expected to influence the economic decisions of users. Determining materiality is a matter of ***professional judgement***, considering both quantitative and qualitative factors, and is affected by our perception of the common financial information needs of users of the financial statements as a group. We do not consider the possible effect of misstatements on specific individual users, whose needs may vary widely.

We ***reassess materiality*** throughout the audit and revise materiality if we become aware of information that would have caused us to determine a different materiality level initially.

Plan and perform the audit

We ***initially determine materiality*** to provide a basis for:

- Determining the nature, timing and extent of risk assessment procedures;
- Identifying and assessing the risks of material misstatement; and
- Determining the nature, timing, and extent of further audit procedures.

We design our procedures to detect misstatements at a level less than materiality in individual accounts and disclosures, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Evaluate the effect of misstatements

We also ***use materiality*** to evaluate the effect of:

- Identified misstatements on our audit; and
- Uncorrected misstatements, if any, on the financial statements and in forming our opinion.

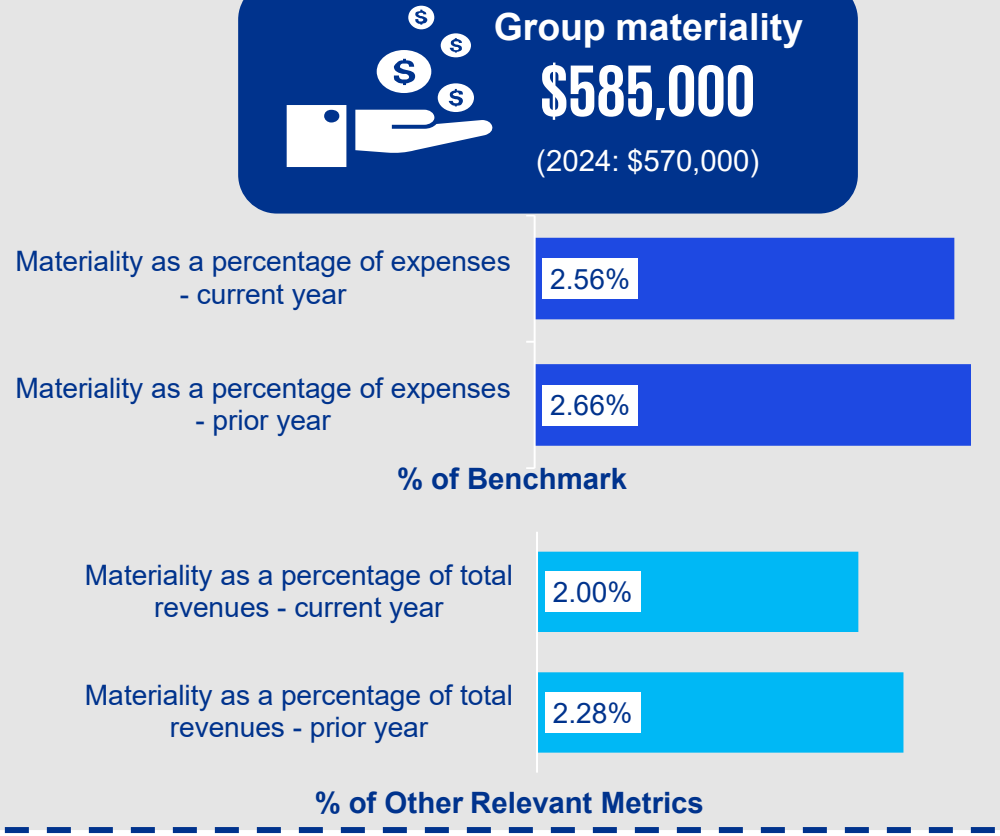
Group materiality (continued)

Group materiality has been set using the current year preliminary financial statements. Performance materiality has been set at 75% of materiality or $438,000. Our assessment of misstatements, if any, in amounts or disclosures at the completion of our audit will include the consideration of both qualitative and quantitative factors.

Group materiality

$585,000

(2024: $570,000)



We will report:

- Corrected audit misstatements
- Uncorrected audit misstatements
- Errors and omissions in disclosure (Corrected and uncorrected)

Current year total expenses (fiscal 2025)

$22,850,000

(2024: $21,450,000)

Current year total revenues (fiscal 2025)

$29,460,000

(2024: $24,990,000)

Financial Statement Highlights

CORPORATION OF THE TOWN OF GANANOQUE

Consolidated Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Financial assets:		
Cash	$ 27,207,490	$ 24,235,816
Taxes receivable	623,022	832,791
User charges receivable	1,702,634	1,681,048
Accounts receivable	1,109,825	2,159,338
Investments (note 3)	1,016,397	1,056,200
	31,659,368	29,965,193
Financial liabilities:		
Accounts payable and accrued liabilities	5,675,417	3,960,155
Other current liabilities	1,047,254	955,003
Employee future benefit obligation (note 5)	1,353,044	1,300,694
Asset retirement obligations (note 6)	1,330,482	1,683,848
Deferred revenue (note 7)	110,021	264,666
Long-term liabilities (note 8)	6,023,014	5,087,163
	15,539,232	13,251,529
Net financial assets	16,120,136	16,713,664
Non-financial assets:		
Tangible capital assets (note 15)	88,000,368	80,763,071
Inventories	97,868	79,147
Prepaid expenses	344,995	400,133
Total non-financial assets	88,443,231	81,242,351
Contingent liabilities (note 12)		
Contaminated sites (note 13)		
Commitments (note 14)		
Subsequent event (note 19)		
Accumulated municipal equity (note 9)	$ 104,563,367	$ 97,956,015

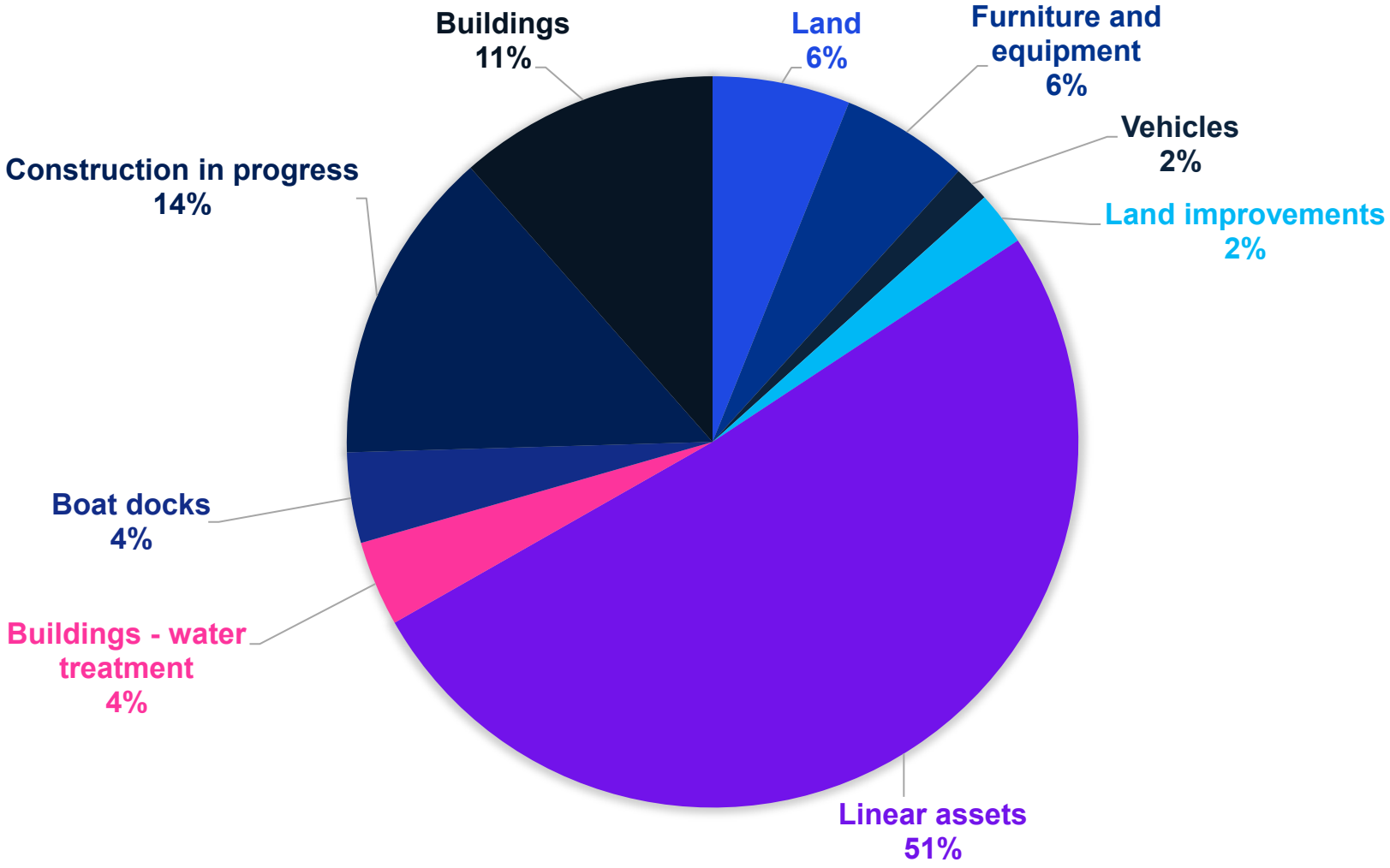
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Financial Highlights:

- Financial Assets:
  - Strong cash position
  - Decrease in taxes receivable driven by recovery of tax arrears
  - Decrease in accounts receivable due to reduced HST receivables ($409k) in the year as well as settlement of grant receivables (NG911 grant - $491k) which was outstanding in prior year
- Financial Liabilities:
  - Increase in accounts payable and accrued liabilities mainly due to timing and increase in accruals related to ongoing construction projects
  - Asset retirement obligations is required to be re-measured on an annual basis to reflect current costs. In the current year, the liability associated with King Street Pedestrian Bridge has been partially remediated resulting in a reduction in the liability
  - Decrease in deferred revenue primarily due to the utilization of CCBF and OCIF grant funding, along with the full expenditure of development charge balances during the year
  - Increase in long-term liabilities due to an additional $1.3million facility from OILC offset by scheduled repayments
- Non-Financial Assets:
  - Additions to tangible capital assets of $11.3M, reduced by annual charge for amortization of $3.7M
  - Significant asset additions during the year included:
    - Buildings and water treatment – $2.1M
    - East End Pumping Station – WIP – $6.4M
    - Lagoon Upgrade Project – $1.1M

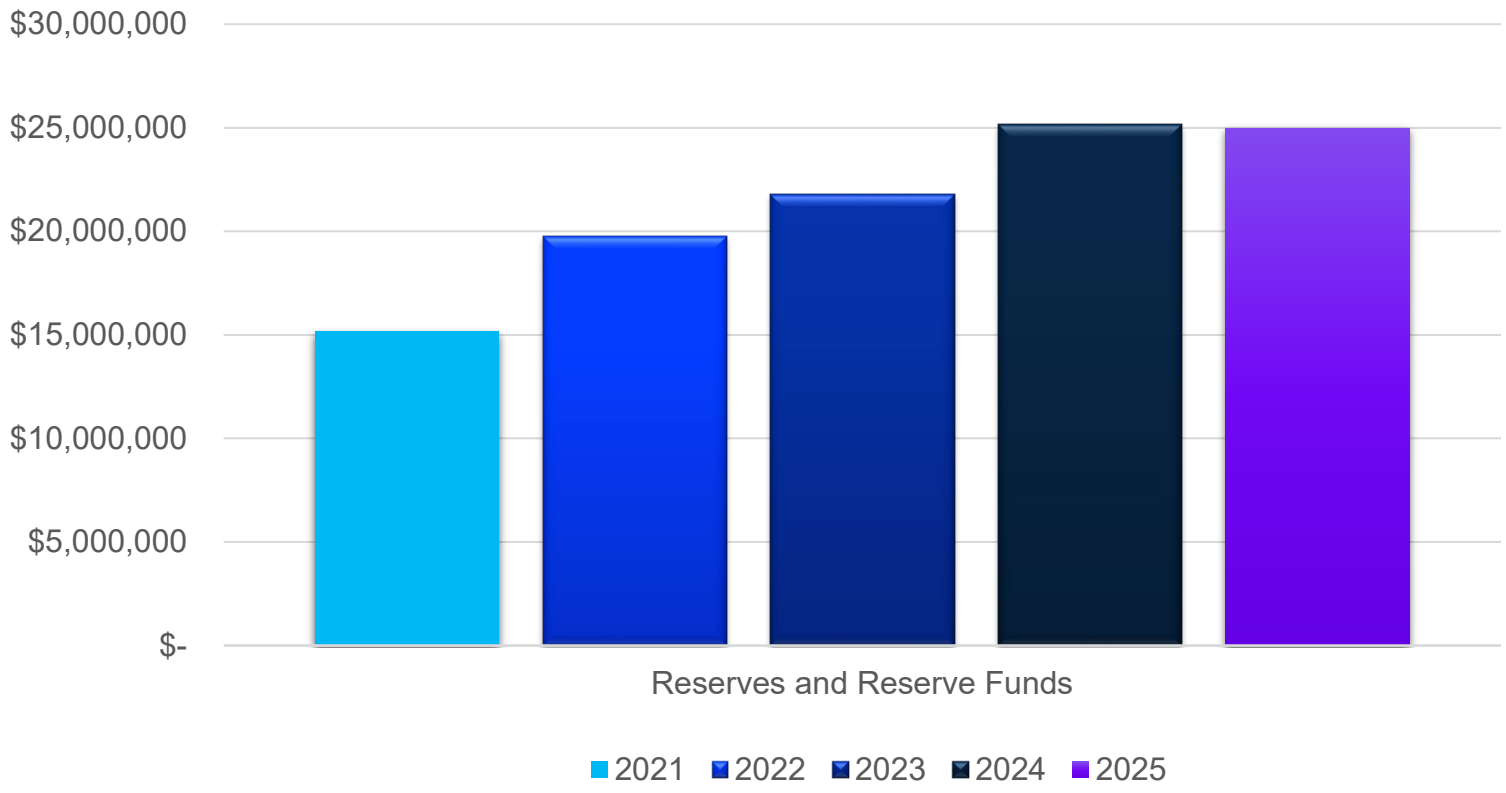
Financial Statement Highlights (continued)

Tangible capital assets



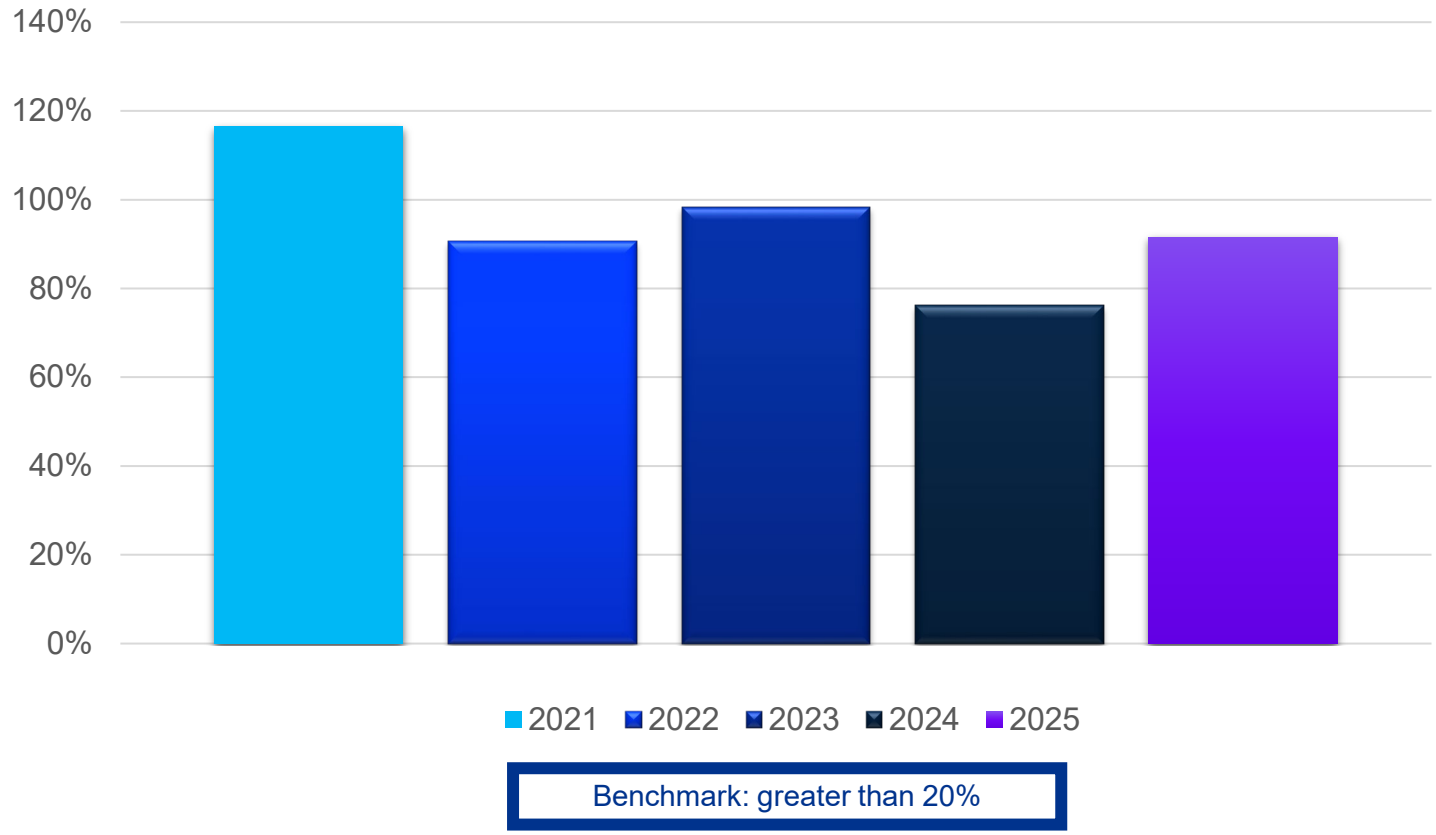
Financial Statement Highlights (continued)

Reserves and reserve funds



Financial Statement Highlights (continued)

Reserves and reserve fund as a percentage of operating expenses



Financial Statement Highlights (continued)

CORPORATION OF THE TOWN OF GANANOQUE

Consolidated Statement of Operations and Accumulated Municipal Equity

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (note 18)	2025 Actual	2024 Actual
Revenue:			
Taxation	$ 11,813,742	$ 11,750,076	$ 10,878,069
User charges	8,933,177	10,146,158	9,110,344
Government transfers	4,040,027	4,098,852	6,087,188
Casino revenues	1,200,000	886,731	961,005
Investment income	685,530	846,779	1,301,230
Municipal accommodation tax	415,000	459,137	348,362
Licences and permits	209,640	256,133	250,564
Contribution from developers	–	186,489	462,440
Other municipalities	183,853	174,920	171,644
Penalties and interest on taxes	120,000	130,687	128,541
Loss on disposal of tangible capital assets	–	(323,969)	–
Other:			
Rental and other income	271,592	249,802	287,272
Donations	62,700	557,270	116,318
Sales	8,000	14,550	8,545
Fines	25,000	26,333	33,619
	27,968,261	29,459,948	30,145,141
Expenses (note 17):			
General government	1,800,904	2,375,507	1,845,298
Protection to persons and property	6,047,723	6,404,842	6,081,247
Transportation services	2,007,855	4,191,856	3,099,410
Environmental services	2,768,130	4,196,298	3,950,511
Health services	803,864	848,380	737,481
Social and family services	501,719	530,083	590,191
Recreation and cultural services	2,807,663	3,490,863	3,482,702
Planning and development	1,143,558	1,115,783	821,058
Asset retirement obligations	–	(353,366)	(1,453,100)
Post-retirement benefits actuarial valuation	–	52,350	41,940
	17,881,416	22,852,596	19,196,738
Annual surplus	10,086,845	6,607,352	10,948,403
Accumulated municipal equity, beginning of year	97,956,015	97,956,015	87,007,612
Accumulated municipal equity, end of year	$ 108,042,860	$ 104,563,367	$ 97,956,015

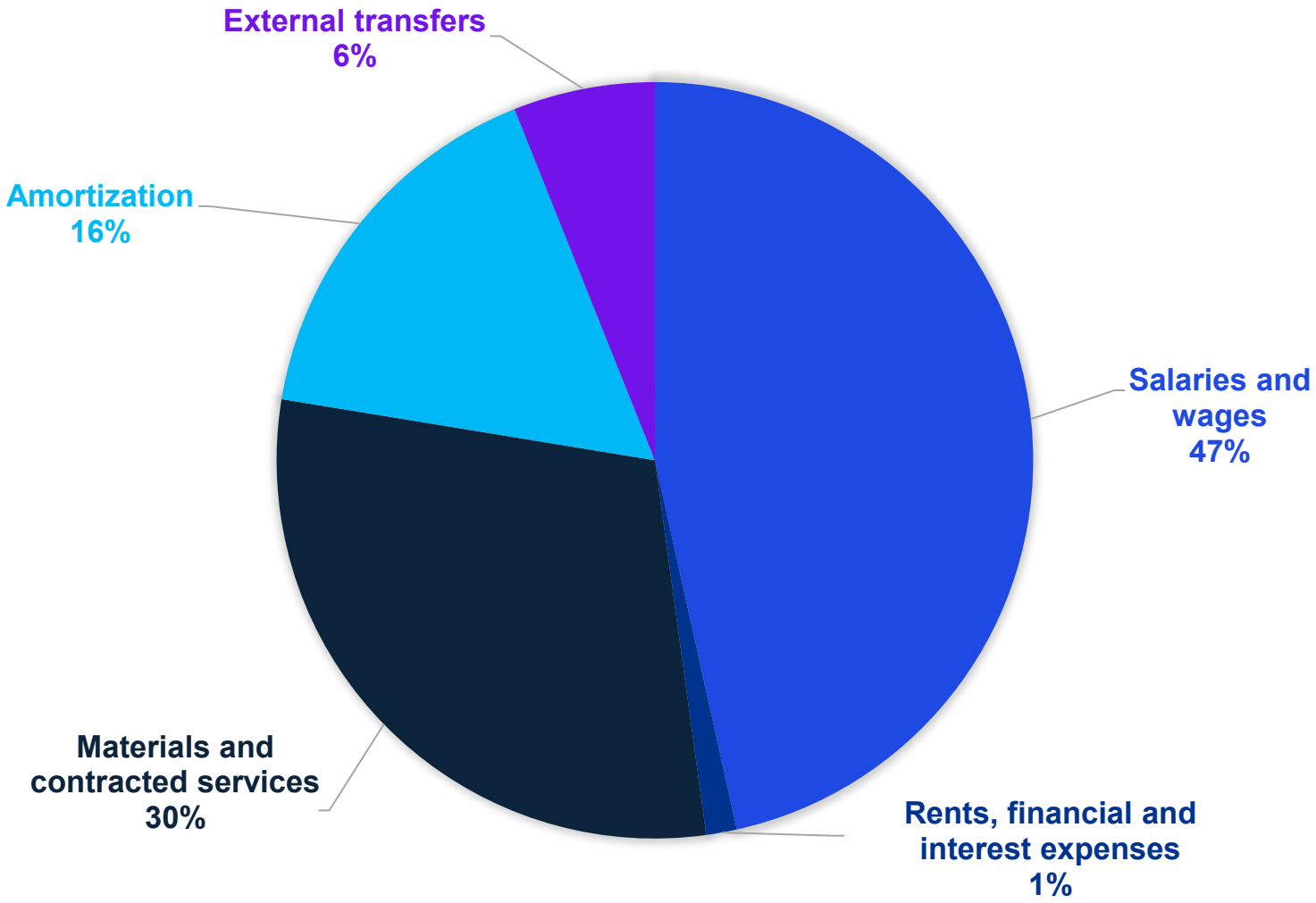
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Financial Highlights:

- Revenue:
  - Increase in taxation aligned with budget
  - Increase in user charges partly due to increase in rates across sewer, dockage as well as ice rentals, with remaining increase attributed to one-time increases such as WSIB rebates
  - Decrease in government transfers attributed to the $2.3million of OCIF and CCBF funding recognized as revenue in prior year owing to Arthur Street Project
  - Decrease in investment income owing to the decline in rates
- Expenses:
  - Normalizing for asset retirement obligation impact, expenses increased $2.5million from the prior year, with largest increase coming from salaries and wages and contracted services, spread across the various departments
  - Refer to Note 17 of the financial statements for a breakdown of expenses by segment
- Reserves:
  - Reserves sit within municipal equity. Year over year, reserves decreased by $0.2M. Refer to Schedule 1 of the financial statements for a breakdown of reserve balances.

Financial Statement Highlights (continued)

Operating expenses



Risk assessment summary

Our planning begins with an assessment of risks of material misstatement in your financial statements.

We draw upon our understanding of the Town and its environment (e.g. the industry, the wider economic environment in which the business operates, etc.), our understanding of the Town's components of its system of internal control, including our business process understanding.

		Risk of fraud	Risk of error	PY risk rating
●	Management Override of Controls (Presumed)	✓		Significant
●	Cash and long-term debt		✓	Base
●	Tangible capital assets		✓	Base
●	Asset retirement obligations		✓	Base
●	Obligatory reserve funds		✓	Base
●	Government grants (including related receivables, payables and deferrals)		✓	Base
●	Operating and payroll expenses (including related accruals)		✓	Base
●	Financial reporting		✓	Base

● PRESUMED RISK OF MATERIAL MISSTATEMENT ● OTHER RISK OF MATERIAL MISTATEMENT

Current year findings
We did not uncover any significant findings as a result of the procedures performed over the areas highlighted above.

Significant risks and results

We highlight our significant findings in respect of **significant risk.**

Management Override of Controls

RISK OF FRAUD

Significant risk	Estimate?	Key audit matter?
Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.	No	No

Our response

- We tested the design and implementation of controls surrounding the review of journal entries and significant unusual transactions.
- Using our KPMG software tools, we analyzed the journal entries posted during the year for completeness.
- In responding to risks of fraud and management override of controls, we set specific criteria to isolate high risk journal entries and adjustments in order to analyze for further insights into our audit procedures and findings.
- We have not identified any specific additional risks of management override relating to this audit.
- There were no significant changes to management's process for making the critical accounting estimates and there were no indicators of possible management bias.

Results

We have no findings to report.

Audit misstatements

Uncorrected misstatements include financial presentation and disclosure omissions.



Impact of uncorrected misstatements – Not material to the financial statements

- The management representation letter includes the Summary of Uncorrected Misstatements, which discloses the impact of all uncorrected misstatements considered to be other than clearly trivial. Refer to Appendix 1b: Management Representation Letter.
    - This includes the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.
- Based on both qualitative and quantitative considerations, management have decided not to correct certain misstatements and represented to us that the misstatements —individually and in the aggregate—are, in their judgment, not material to the financial statements. This management representation is included in the management representation letter.
- We concur with management's representation that the uncorrected misstatements are not material to the financial statements. Accordingly, the uncorrected misstatements have no effect on our auditor's report.

Corrected misstatements include financial presentation and disclosure misstatements.



Impact of corrected misstatements

- We did not identify any misstatements that were communicated to management and subsequently corrected in the financial statements.

Control deficiencies

Consideration of internal control over financial reporting (ICFR)

In planning and performing our audit, we considered ICFR relevant to the Town's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting

A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

We have made observations to management through the course of the audit that have been communicated separately.

Significant deficiencies in internal control over financial reporting

A deficiency, or a combination of deficiencies, in internal control over financial reporting that, in our judgment, is important enough to merit the attention of those charged with governance.

In the prior year, we had identified a significant deficiency in internal control over financial reporting. Based on the results of the audit procedures performed in the current year, KPMG notes that the significant deficiency has been addressed by way of the process and control improvements implemented by management. Refer to page 19 for more information.

Control deficiencies – significant deficiencies

Description	Status	Prior Year Observation	Current Year Update
Financial Reporting	**Remediated** KPMG considers this matter closed	In the prior year's audit, KPMG noted a significant deficiency in internal control over financial reporting and noted the below observations which contributed to the significant deficiency: ➢ During testing of journal entries, KPMG noted that certain journal entries were not reviewed and approved prior to input into the general ledger system. As well, there is currently no formal requirement to document the review of journal entries. KPMG recommended that all journal entries should be approved by a secondary individual prior to input into the general ledger system. At a minimum, unusual entries of a material amount should be reviewed by the Treasurer or CAO.	During the current year audit, KPMG noted that management has implemented a formal review and approval process for journal entries. Journal entries are now subject to secondary review, with evidence of the review and approval maintained through documented sign-off. Based on our current year procedures, the prior-year recommendation has been implemented, and the control deficiency identified in the prior year has been remediated.

Accounting policies and practices

Initial selection

No new significant accounting policies and practices were selected and applied during the period

Revised

No new or revised material or significant accounting policies and practices were selected and applied during the period.

Significant qualitative aspects

Significant accounting policies or practices are disclosed in note 1 to the financial statements.

No matters to report.

Other financial reporting matters

We also highlight the following:

Financial statement presentation - form, arrangement, and content

As disclosed in **Note 12**, the Town is subject to pending legal matters, the outcomes of which are uncertain and may result in future financial obligations. Actual costs may differ from management's estimates as additional information becomes available.

As disclosed in **Note 13**, the measurement of the Town's contaminated sites liability involves significant management judgment and estimation uncertainty, particularly with respect to the nature, extent and expected costs of remediation. Actual costs may differ from management's estimates as additional information becomes available.

As disclosed in **Note 19** to the financial statements, subsequent to year-end, the Town approved the issuance of $12.9 million in long-term financing through Ontario Infrastructure and Lands Corporation.

Concerns regarding application of new accounting pronouncements

The revised Concepts Underlying Financial Performance is effective for fiscal years beginning on or after April 1, 2026. The framework provides the core concepts and objectives underlying Canadian public sector accounting standards.

The proposed section PS 1202 Financial statement presentation will replace the current section PS 1201 Financial statement presentation. PS 1202 Financial statement presentation will apply to fiscal years beginning on or after April 1, 2026, to coincide with the adoption of the revised conceptual framework. Early adoption will be permitted.

Significant qualitative aspects of financial statement presentation and disclosure

No matters to report.

Specific topics

We have highlighted the following that we would like to bring to your attention:

Matter	Finding
Significant matters subject to correspondence with management	No matters to report
Issues with sending external confirmation requests	No matters to report
Concerns about the quality of a component auditor's work	No matters to report
Illegal acts, including noncompliance with laws and regulations, or fraud (identified or suspected)	No matters to report
Other information in documents containing the audited financial statements	Not applicable
Significant difficulties encountered during the audit	No matters to report
Difficult or contentious matters for which the auditor consulted	No matters to report
Management's consultation with other accountants	No matters to report
Disagreements with management	No matters to report
Related parties	No matters to report
Significant issues in connection with our appointment or retention	No matters to report
Other matters that are relevant matters of governance interest	No matters to report

Independence

As a firm, we are committed to being and being seen to be independent. We apply the following ethical requirements, including independence requirements, in:

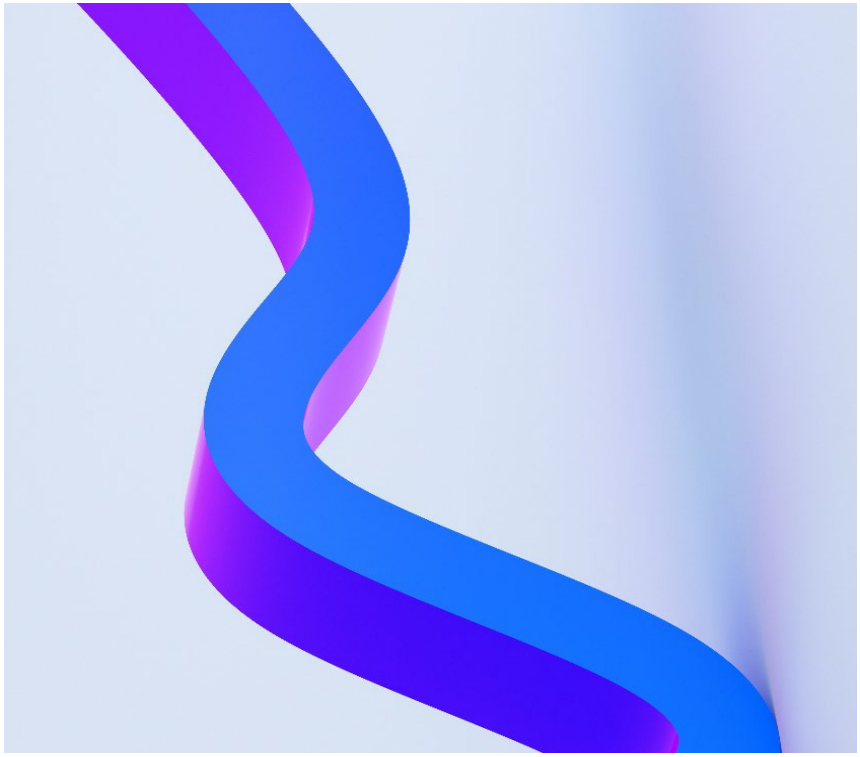
- the rules of professional conduct / code of ethics applicable to the practice of public accounting issued by various professional accounting bodies in Canada("CPA code") that are relevant to audits of financial statements of reporting issuers or listed entities; and
- the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA independence rules") that are relevant to audits of financial statements of public interest entities.

The following processes and procedures have been established by the firm to ensure independence is maintained:

- Dedicated ethics & independence partners
- Process for reporting breaches of professional standards and policy, and documented disciplinary policy
- Ethics, independence and integrity training for all staff
- International proprietary system used to evaluate and document threats to independence and those arising from conflicts of interest
- Operating polices, procedures and guidance contained in our quality & risk management manual
- Mandated procedures for evaluating independence of prospective audit clients
- Restricted investments and relationships
- Annual ethics and independence confirmation for staff

Statement of Compliance

We confirm that, as of the date of this communication, **we are in compliance** with relevant ethical requirements regarding independence in Canada.



Appendices

1. Required communications
2. Audit quality
3. Future changes in accounting standards
4. Newly effective and upcoming changes to auditing standards
5. Audit and assurance insights
6. Technology



Appendix 1: Required communications



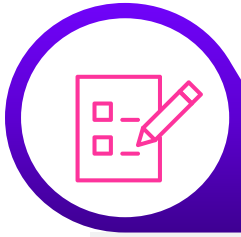
Report

A draft report is provided in Appendix 1a.



Representations of management

We will obtain from management certain representations at the completion of the audit engagement. Refer to Appendix 1b.



Engagement terms

Unless you inform us otherwise, we understand that you acknowledge and agree to the terms of the engagement set out in the engagement letter as included in Appendix 1c.



CPAB communication protocol

CPAB Communications Protocol

The reports available through the following links were published by the Canadian Public Accountability Board (CPAB) to inform Administrative Services Committees and other stakeholders about the results of quality inspections conducted over the past year:

- CPAB Audit Quality Insights Report: 2024 Interim Inspections Results
- CPAB Regulatory Oversight Report: 2024 Annual Inspections Results
- CPAB Audit Quality Insights Report: 2025 Interim Inspections Results
- CPAB Regulatory Oversight Report: 2025 Annual Inspections Results

CPAB Public Inspection Report

The report available through the following link was published by CPAB and includes firm specific inspection results:

- 2025 Public Inspection Report - KPMG LLP

Appendix 1a: Draft auditor's report

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Gananoque

Opinion

We have audited the consolidated financial statements of the Corporation of the Town of Gananoque (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations and accumulated municipal equity for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2025, and its consolidated results of operations, its consolidated changes in net financial assets 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 Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Appendix 1a: Draft auditor's report (continued)

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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.

Appendix 1a: Draft auditor's report (continued)

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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

(Date)

Appendix 1b: Management representation letter

KPMG LLP
Chartered Professional Accountants
863 Princess Street, Suite 400
Kingston, Ontario K7L 5N4
Canada

October 7, 2026

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the consolidated financial statements (hereinafter referred to as "financial statements") of the Corporation of the Town of Gananoque ("the Entity") as at and for the period ended December 31, 2025.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in Attachment I to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

1. We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated July 31, 2026, including for:
   a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
   b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements ("relevant information"), such as financial records, documentation and other matters, including:
      — the names of all related parties and information regarding all relationships and transactions with related parties;
      c) the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of Council and committees of Council that may affect the financial statements. All significant actions are included in such summaries.
   d) providing you with unrestricted access to such relevant information.
   e) providing you with complete responses to all enquiries made by you during the engagement.
   f) providing you with additional information that you may request from us for the purpose of the engagement.
   g) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
   h) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
   i) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.
   j) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that we, and others within the entity, did not intervene in the work the internal auditors performed for you.

Internal control over financial reporting:

2. We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

3. We have disclosed to you:
   a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
   b) all information in relation to fraud or suspected fraud that we are aware of that involves:
      — management;
      — employees who have significant roles in internal control over financial reporting; or
      — others

   where such fraud or suspected fraud could have a material effect on the financial statements.

Appendix 1b: Management representation letter (continued)

c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.

d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.

e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

4. All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

Related parties:

5. We have disclosed to you the identity of the Entity's related parties.
6. We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
7. All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

Estimates:

8. The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Going concern:

9. We have provided you with all information relevant to the use of the going concern assumption in the financial statements.
10. We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Misstatements:

11. The effects of the uncorrected misstatements described in Attachment II are immaterial, both individually and in the aggregate, to the financial statements as a whole.

Non-SEC registrants or non-reporting issuers:

12. We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
13. We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Yours very truly,

CORPORATION OF THE TOWN OF GANANOQUE

_____

By: Mr. John Morrison, Treasurer

_____

By: Ms. Melanie Kirkby, CAO

Appendix 1b: Management representation letter (continued)

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances, and are affected by perception of the needs of, or the characteristics of, the users of the financial statements and, the size or nature of a misstatement, or a combination of both while also considering the entity's own circumstances.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Attachment II – Summary of Audit Misstatements Schedule

Summary of Uncorrected Audit Misstatements

Description	Statement of Financial Position effect[1] Assets $	Liabilities $	Municipal Equity $	Statement of Operations effect[1] $
Audit misstatements greater than $29,200 individually				
Dr. Opening municipal equity			119,550	
Cr. Salaries and wages			(63,000)	(63,000)
Cr. Revenue			(56,550)	(56,550)
To adjust for the reversing impact of prior year's uncorrected misstatements				
Dr. Accounts receivable	90,343			
Cr. Materials expense			(90,343)	(90,343)
To adjust for revised AFDA assessment				
Dr. Asset retirement obligations		60,829		
Cr. Materials expense			(60,829)	(60,829)
To adjust for revision to ARO from estimate to actual				
Dr. Revenue			69,471	69,471
Cr. Opening municipal equity			(69,471)	
To adjust grant funding related to fiscal 2024 recorded in fiscal 2025				
TOTAL UNCORRECTED AUDIT MISSTATEMENTS	90,343	60,829	(151,172)	(201,251)

[1] Debit (Credit)

Appendix 1c: Engagement letter

KPMG LLP
863 Princess Street, Suite 400
Kingston ON K7L 5N4
Canada
Telephone 613-549-1550
Fax 613-549-6349

Melanie Kirkby
Chief Administrative Officer
Corporation of the Town of Gananoque
30 King Street East
Gananoque, ON, K7G 2T6

July 31, 2026

The purpose of this letter is to outline the terms of our engagement to audit the consolidated annual financial statements ("financial statements") of the Corporation of the Town of Gananoque ("the Entity") commencing for the year ending December 31, 2025, and in the future.

This letter supersedes our previous letter to the Entity dated March 7, 2025.

The terms of the engagement outlined in this letter will continue in effect from period to period, unless amended or terminated in writing. The attached Assurance Terms and Conditions and any exhibits, attachments and appendices hereto and subsequent amendments form an integral part of the terms of this engagement and are incorporated herein by reference (collectively the "Engagement Letter").

Financial Reporting Framework for the Financial Statements

The financial statements will be prepared and presented in accordance with Canadian public sector accounting standards (hereinafter referred to as the "financial reporting framework").

The financial statements will include an adequate description of the financial reporting framework.

Management's Responsibilities

Group management's responsibilities are described in *Appendix A – Management's Responsibilities*.

An audit does not relieve management or those charged with governance of their responsibilities.

Auditor's Responsibilities

We apply the following ethical requirements, including independence requirements, in:

- the rules of professional conduct / code of ethics applicable to the practice of public accounting issued by various professional accounting bodies in Canada ("CPA Code") that are relevant to audits of financial statements; and

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
KPMG Canada provides services to KPMG LLP.

- the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants that are relevant to audits of financial statements.

Our responsibilities are described in *Appendix B – Auditor's Responsibilities*.

If management does not fulfill the responsibilities above, we cannot complete our audit.

Additional Responsibilities regarding "Other Information"

"Other information" is defined in professional standards to be the financial or non-financial information (other than the financial statements and the auditor's report thereon) included in the "annual report". An "annual report" is defined in professional standards to comprise a document or combination of documents. Professional standards also indicate that:

- an annual report is prepared typically on an annual basis in accordance with law, regulation or custom (i.e., is reoccurring)
- an annual report contains or accompanies the financial statements and the auditor's report thereon
- an annual report's purpose is to provide owners (or similar stakeholders) with information on:
  - operations; and/or
  - financial results and financial position as set out in the financial statements.

Based on discussions with management, there are no documents, or combination of documents, expected to meet the definition of an "annual report" under professional standards.

Auditor's Deliverables

Unless otherwise specified, our report(s) will be in writing and the expected content of our report(s) are provided in *Appendix C – Expected Form of Report*. However, there may be circumstances in which a report may differ from its expected form and content.

In addition, if we become aware of information that relates to the information we reported on after we have issued our report, but which was not known to us at the date of our report, and which is of such a nature and from such a source that we would have investigated that information had it come to our attention during the course of our engagement, we will, as soon as practicable: (1) communicate such an occurrence to those charged with governance; and (2) undertake an investigation to determine whether the information is reliable and whether the facts existed at the date of our report. Further, management agrees that in conducting that investigation, we will have the full cooperation of the Entity's personnel. If the subsequently discovered information is found to be of such a nature that: (a) our report would have been affected if the information had been known as of the date of our report; and (b) we believe that the report may have been distributed to someone who would attach importance to the information, appropriate steps will be taken by KPMG, and appropriate steps will also be taken by the Entity to advise of the newly discovered facts and the impact to the information we reported on.

Appendix 1c: Engagement letter (continued)

Non-Audit Service – Certain Assistance Relating to Word Processing and/or Preparation of Financial Statements

Word Processing

We will assist management by providing word processing for the Entity's financial statements and related notes.

Assistance in Preparing Financial Statements

We will assist management in preparing the financial statements and related notes in accordance with the financial reporting framework.

We will use information from the trial balance and/or other source documents provided by management to assist management in preparing the financial statements and related notes. We may also provide advice and recommendations to assist management of the Entity in performing its responsibilities.

We will not assume management responsibilities on behalf of the Entity.

The Entity agrees to:

- Assume all management responsibilities, including determining the accuracy and completeness of the financial statements and notes.
- Assign a suitable employee with appropriate skills, knowledge and/or experience to oversee the financial statement preparation assistance and evaluate the adequacy and results of the services.
- Accept responsibility for the results of the financial statement preparation assistance.

Income Tax Compliance and Advisory Services

Tax compliance and advisory services are outside the scope of this letter. These services will be subject to the terms and conditions of a separate engagement letter.

Use of KPMG Clara

The terms and conditions for use of KPMG Clara apply to the use of the collaboration tool and can be found here.

Fees

Appendix D – Fees for Professional Services to this letter lists our fees for professional services to be performed under this Engagement Letter.

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3

We are available to provide a wide range of services beyond those outlined above. Additional services are subject to separate terms and arrangements.

We are proud to provide you with the services outlined above and we appreciate your confidence in our work. We shall be pleased to discuss this letter with you at any time. If the arrangements and terms are acceptable, please sign the duplicate of this letter in the space provided and return it to us.

Yours very truly,

KPMG LLP

Katie Mahon, CPA, CA, Licensed Public Accountant
Partner, responsible for the engagement and its performance, and for the report that is issued on behalf of KPMG LLP, and who, where required, has the appropriate authority from a professional, legal or regulatory body
613-541-7340

Enclosure

****

The terms of the engagement set out are as agreed:

Melanie Kirkby, Chief Administrative Officer
(having the appropriate authority to engage the Entity)

Date (DD/MM/YYYY)

4

Appendix 1c: Engagement letter (continued)

KPMG

Appendix A – Management's Responsibilities

Management responsibilities

Group management acknowledges and understands that they are responsible for:

(a) the preparation and fair presentation of the financial statements in accordance with the financial reporting framework referred to above

(b) providing us with all information of which group management is aware that is relevant to the preparation of the group financial statements ("relevant information") such as financial records, documentation and other matters, including:

- the names of all related parties and information regarding all relationships and transactions with related parties
- the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors, and committees of the board of directors that may affect the financial statements. All significant actions are to be included in such summaries.

(c) providing us with unrestricted access to such relevant information.

(d) providing us with complete responses to all enquiries made by us during the engagement.

(e) providing us with additional information that we may request from group management for the purpose of the engagement

(f) providing us with unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence

(g) such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Management also acknowledges and understands that they are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.

(h) ensuring that all transactions have been recorded and are reflected in the financial statements.

(i) ensuring that internal auditors providing direct assistance to us, if any, will be instructed to follow our instructions and that management, and others within the Entity, will not intervene in the work the internal auditors perform for us.

(j) providing us with written representations required to be obtained under professional standards and written representations that we determine are necessary. Management also acknowledges and understands that, as required by professional standards, we may disclaim an audit opinion when management does not provide certain written representations required.

KPMG

Appendix B – Auditor's Responsibilities

Auditor's responsibilities regarding the audit of the financial statements

Our function as auditors of the Entity is:

- to express an opinion on whether the Entity's financial statements, prepared by management with the oversight of those charged with governance, are, in all material respects, in accordance with the financial reporting framework referred to above
- to report on the financial statements

We will conduct the audit of the Entity's financial statements in accordance with Canadian generally accepted auditing standards and relevant ethical requirements, including those pertaining to independence (hereinafter referred to as applicable "professional standards").

We will plan and perform the audit to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. Accordingly, we will, among other things:

- identify and assess risks of material misstatement, whether due to fraud or error, based on an understanding of the Entity and its environment, including the Entity's internal control. In making those risk assessments, we consider internal control relevant to the Entity's preparation of the financial statements 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 Entity's internal control
- obtain sufficient appropriate audit evidence about whether material misstatements exist, through designing and implementing appropriate responses to the assessed risks
- form an opinion on the Entity' s financial statements based on conclusions drawn from the audit evidence obtained
- communicate matters required by professional standards, to the extent that such matters come to our attention, to the appropriate level of management, those charged with governance and/or the board of directors. The form (oral or in writing) and the timing will depend on the importance of the matter and the requirements under professional standards.

Appendix 1c: Engagement letter (continued)

Appendix C – Expected Form of Report

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Gananoque

Opinion

We have audited the consolidated financial statements of the Corporation of the Town of Gananoque (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations and accumulated municipal equity for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2025, and its consolidated results of operations, its consolidated changes in net financial assets 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 Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease

operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Appendix 1c: Engagement letter (continued)

- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

(Date)

Appendix D – Fees for Professional Services

Regarding our audit of the annual financial statements as described in this letter, the Entity and KPMG agree to an estimated fee as outlined in our proposal dated September 1, 2021.

Service	Estimated Fee
Audit and preparation of the annual consolidated financial statements	$28,000
Ongoing impacts of mandatory adoptions of accounting and auditing standards since proposal date*	$5,000
Preparation of the Municipal Financial Information Return (FIR)	$1,700

**In response to the new accounting standards that were applicable in fiscal 2023 and 2024 related to Asset Retirement Obligations, Financial Instruments and Revenue, there will continue to be additional fees based on the incremental time incurred related to the audit work required in response to the re-measurement of these standards at each period-end.*

Our fees will be billed as the work progresses for this service.

Interest on overdue invoices as described in the Assurance Terms and Conditions ("Fee and Other Arrangements") shall be (1)% per month, calculated and compounded monthly (effective annual rate of (12.683)%).

Assumptions

Our proposed professional fees are based on the assumption that management and employees are fully available throughout the audit period, that all necessary information is provided at the beginning of the first day of the audit work as agreed upon with management, and that this information is appropriate for us to perform our audit under Canadian Auditing Standards. Furthermore, these proposed professional fees assume the following:

- The assets, liabilities, revenues and expenses reported on the financial statements and other schedules to be audited will not change significantly from the prior year;
- There are no retroactive changes required to the prior year financial statements;
- We are not required to provide accounting assistance, preparation of correcting accounting entries or accounting advisory services;
- Your financial records are in good order, are appropriately adjusted at the start of the audit, and are prepared in accordance with the appropriate accounting framework;
- Your internal controls around financial reporting operated effectively throughout the fiscal year under audit;
- There are no changes to Accounting Standards, or Canadian Auditing Standards (CAS) requirements that significantly impact the financial statements; and
- There are no impairment issues nor adjustment on any investments or capital assets.

If these assumptions are not met, our professional fees will be subject to revision and will be discussed with management during the audit process.

Appendix 1c: Engagement letter (continued)

KPMG

Terms and Conditions for Assurance Engagements (Private Company Clients)

These Terms and Conditions are an integral part of the Engagement Letter. In the event of conflict between the Engagement Letter and these Terms and Conditions, these Terms and Conditions shall prevail unless specific reference to a provision of the Terms and Conditions being varied is made in the Engagement Letter.

1. **Definitions.**

"**Agreement**" means the contract formed by the Engagement Letter and any attachments thereto, including these Terms and Conditions.

"**Claims**" means actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses.

"**Confidential Information**" means any information made available, directly or indirectly, by one party to the other in connection with the Services or otherwise pursuant to this Agreement that is marked or communicated as confidential or that due to its nature a reasonable person under like circumstances would consider it confidential. Confidential Information includes, without limitation, Personal Information, business plans, proprietary software code and specifications, information about a party's products, processes, services, finances and customers, and the terms of this Agreement, except (but not as regards Personal Information) to the extent such information: (i) is or hereafter enters the public domain through no fault of the receiving party; (ii) is already or hereafter becomes known to the receiving party free of any obligation of confidence; or (iii) is developed by the receiving party independently of the disclosing party's Confidential Information.

"**Engagement Letter**" means the engagement letter or other document referencing these Terms and Conditions.

"**Entity**" has the meaning set out in the Engagement Letter.

"**KPMG**" means the KPMG entity that issued the Engagement Letter.

"**KPMG Parties**" means KPMG, other Member Firms, the legal entities comprising KPMG International (which do not provide services to clients) and their respective partners, directors, officers, employees, agents, subsidiaries, affiliates and related entities. KPMG Parties may be in or outside of Canada.

"**KPMG Resources**" means KPMG, other Member Firms and third-party contractors and suppliers engaged by KPMG or a Member Firm. KPMG Resources may be in or outside of Canada.

"**Legal Demand**" means a demand, request, subpoena or other legal process issued by a legal, regulatory, professional or government authority having jurisdiction.

"**Management**" means the management of Entity.

"**Member Firms**" means the members of the KPMG international network of independent firms and entities controlled by, or under common control with, one or more of such members.

"**Personal Information**" means any information supplied by or on behalf of Entity that meets the definition given to that term or analogous terms under Privacy Laws.

"**Privacy Laws**" means, in respect of a party, all privacy legislation and regulation applicable to such party, in each case as may be updated, amended or replaced from time to time.

"**Report**" means the report(s) issued by KPMG pursuant to this Agreement, as set out in the Engagement Letter.

"**Services**" means the services to be provided by KPMG as set out in the Engagement Letter.

"**Terms and Conditions**" means these Terms and Conditions for Assurance Engagements.

Other capitalized words in these Terms and Conditions shall have the meanings given to them in the Engagement Letter.

2. **Services.**

a. KPMG may engage other KPMG Resources to assist KPMG in the performance of the Services, provided that KPMG remains responsible to Entity for the performance of any Services by KPMG Resources. Entity agrees that any Claim relating to the Services, the Report or this Agreement may only be made against KPMG and not against any other KPMG Resources.

b. All working papers, files, correspondence and other internal materials created or produced by KPMG in relation to the engagement, and all methodologies, know-how and technologies licensed or owned by KPMG and used or developed by KPMG in the performance of the Services, including in each case all intellectual property rights therein, are and shall remain the property of KPMG.

3. **Entity Responsibilities.**

a. All management responsibilities will be performed by Entity and all management decisions will be made by Entity, and not by KPMG. Entity shall provide KPMG with timely access to and use of Entity's equipment, systems, data, information, materials, personnel and facilities as necessary for KPMG to perform the Services. The Engagement Letter sets forth additional responsibilities of Entity in connection with the engagement. Entity acknowledges that Entity's failure to perform its obligations under this Agreement could adversely impact KPMG's ability to perform the Services, and/or to perform them in accordance with the fees and timelines set out in the Engagement Letter.

b. Management agrees to promptly provide KPMG with a copy of any comment letter or request for information issued by any securities or other regulatory authority in respect of information on which KPMG reported or will report, including without limitation any continuous disclosure filings.

c. Entity agrees to notify KPMG promptly of any request received by Entity from any third party with respect to the Services, KPMG's Confidential Information, KPMG's advice or Report or any related document.

d. Entity understands and acknowledges that KPMG's independence may be impaired if any KPMG partner, employee or contractor accepts any offer of employment from Entity.

4. **Use of Report.**

a. Except as otherwise specifically agreed in the Engagement Letter, KPMG does not consent to:
   i. the use of the Report in connection with an offering document or other securities filing, including continuous disclosure filings; or

KPMG

Terms and Conditions for Assurance Engagements (Private Company Clients)

   ii. the use of KPMG's interim review report, unless such interim review report is in writing and contains a modified conclusion, in which case our interim review report will accompany the interim financial statements.

Where KPMG's consent is sought, KPMG will be required to perform procedures as required by applicable professional standards, and such procedures would be the subject of a separate engagement letter.

b. KPMG does not assume any responsibility to any party other than Entity in respect of the Services or Report. Accordingly, in the event of a Claim by any third party (including any Entity affiliate) against KPMG that arises out of or relates to the Services or Report, Entity will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees. For purposes of this Section 4(b), the term KPMG shall include KPMG Parties.

c. Where Entity discloses the Report to third parties, it may only be disclosed in whole, unless otherwise agreed to or required by KPMG. Reports may not be modified or translated into another language.

5. **Confidentiality.**

a. Except with the disclosing party's prior written consent, or as otherwise expressly provided in this Agreement, each party will hold the other party's Confidential Information in confidence and use it only to perform or receive the Services, as applicable, or to exercise its rights and perform its obligations under this Agreement. The receiving party shall protect the disclosing party's Confidential Information as it protects its own Confidential Information, but in no event shall exercise less than reasonable care.

b. KPMG may share Confidential Information of Entity with other KPMG Resources who are assisting KPMG in the performance of the Services.

c. The receiving party may disclose Confidential Information of the disclosing party: (i) to the extent required by law or professional standards or otherwise pursuant to a Legal Demand; and (ii) to its professional advisors and insurers in relation to any Claim or Legal Demand concerning the Services or this Agreement, provided in each case that the receiving party will exercise commercially reasonable efforts to afford the Confidential Information available confidentiality protections.

d. KPMG is regulated by various professional and regulatory bodies both in Canada and abroad, such as the Canadian Public Accountability Board (CPAB), the Public Company Accounting Oversight Board, securities regulators, and provincial CPA bodies. KPMG may receive requests or orders from these bodies to access or obtain documents and information in KPMG's files, and/or the files of any foreign component auditor, related to the Services. Entity acknowledges, on its own behalf and on behalf of its subsidiaries and affiliates, that such documents and information will be disclosed by KPMG or the foreign component auditor to these bodies without further notice to Entity. If applicable, pursuant to National Instrument 52-108, Entity agrees, and will cause its subsidiaries and affiliates to agree, that a component auditor may enter into a "CPAB access agreement" if requested by CPAB.

e. KPMG will use reasonable efforts to withhold from disclosure under Section 5(c)(i) or 5(d) any documents which, at the time of their provision to KPMG, are marked by Entity as "privileged".

f. Each party may share Confidential Information of the other party (in the case of KPMG, with other KPMG Resources and KPMG Parties, and in the case of Entity, with third parties engaged by Entity), as reasonably required to facilitate the operation of its business or support its infrastructure, including for the performance of administrative, clerical and technological operations and functions, to manage its relationship with the other party and, in the case of KPMG, to comply with its professional obligations and standards (including for quality assurance and risk management purposes). Any such disclosure shall be under obligations of confidentiality to the same or similar extent as the parties have agreed to hereunder, and each party shall be responsible to the other for any failure to comply with such conditions of confidentiality.

g. KPMG Parties and KPMG Resources may use information obtained while performing engagements for business-related purposes including developing new or improving existing services, technologies, data sets and benchmarks, conducting analytics and training cognitive systems. Where this involves Confidential Information of Entity, it will not be disclosed to other third parties unless de-identified, anonymized and/or aggregated so as not to be attributable to Entity.

h. KPMG may disclose the general nature of its engagement for Entity as reasonably required in order to assess and address conflicts of interest.

6. **Privacy.**

a. Each party will comply with Privacy Laws in connection with the engagement. Additionally, KPMG shall process Personal Information in accordance with this Agreement and KPMG's Privacy Policy available at www.kpmg.ca. Entity will provide all notifications and obtain all consents required by Privacy Laws to permit KPMG Resources and KPMG Parties to process such Personal Information in connection with the engagement. Upon request, each party shall provide the other with information and co-operation relating to its processing of Personal Information as reasonably required in order for the other to satisfy its obligations under Privacy Laws.

b. KPMG will use reasonable technical and organizational measures to protect against unauthorized or unlawful processing of Personal Information and accidental loss or destruction of, or damage to, Personal Information. Subject to each party's standard internal archival and information back-up processes and except as required to comply with applicable laws or professional standards, each party will destroy Personal Information when no longer needed for the uses set out in this Agreement.

7. **Fees.**

a. KPMG's estimated fee is based in part on the quality of Entity's records, the agreed-upon level of preparation and assistance from Entity's personnel, and adherence by Entity to the agreed-upon timetable. KPMG's estimated fee also assumes that Entity's financial statements and/or other financial information, as applicable, are prepared in accordance with the relevant financial reporting framework or the relevant criteria, as applicable, and that there are no significant changes to the relevant financial reporting framework or the relevant criteria, as applicable; no significant new or changed accounting policies; no significant changes to internal control; and no other significant issues. Additional time may be incurred for such matters as significant issues, significant unusual and/or complex transactions, informing Management about new professional standards, and any related accounting advice. Where these matters arise and require research, consultation and work beyond that included in the estimated fee, Entity and KPMG agree to revise the estimated fee.

b. KPMG's professional fees are subject to an additional technology and support charge which covers costs such as client service personnel computer hardware and customized KPMG software, telecommunications equipment, client service professional administrative support, IT programming,

Appendix 1c: Engagement letter (continued)

professional services and other client support services. CPAB participation fees, when applicable, are also charged to Entity based on the annual fees levied by CPAB. Other direct out-of-pocket costs and expenses, such as travel, will be charged separately based on actual costs. KPMG's professional fees and other charges do not include any applicable federal, provincial or other sales taxes, tariffs or duties, which shall be added to the invoice and paid by Entity.

c. Invoices will be rendered on a regular basis or otherwise specified in the Engagement Letter. Accounts are due when rendered. In order to avoid the possible implication that unpaid fees might be viewed as creating a threat to KPMG's independence, it is important that KPMG's bills be paid promptly when rendered. If a situation arises in which it may appear that KPMG's independence is threatened because of significant unpaid bills, KPMG may be prohibited from signing any applicable report and/or consent.

d. KPMG may be requested by Entity or be subject to a Legal Demand to produce documents or personnel as witnesses or for interviews in a proceeding or investigation. Where KPMG is not a named party in such proceeding or investigation, KPMG may charge Entity at its standard billing rates for professional time and expenses, including reasonable legal fees, incurred in responding to such request or Legal Demand.

8. Limitation on Liability.

a. KPMG shall not be liable to Entity for any Claims in any way arising out of, or in any way relating to, the performance of the Services, including without limitation the termination thereof, for an aggregate amount in excess of the lesser of one million dollars ($1,000,000) and two times the fees paid by Entity to KPMG under the engagement, except to the extent finally determined to have resulted from KPMG's fraud or wilful misconduct. On a multi-year engagement, KPMG's liability shall be based on the amount actually paid to KPMG for the particular work that gives rise to the Claim.

b. KPMG shall not be liable to Entity for consequential, special, indirect, incidental, punitive or exemplary damages, or any loss of revenue or profit or other commercial or economic loss, even if advised of the possibility thereof.

c. Where Entity has suffered a Claim in relation to the Services and parties other than KPMG Resources are partially responsible for such Claim, then KPMG is only liable for, and Entity may only claim from KPMG, KPMG's share of the total liability based on degree of fault or negligence, subject to the limitations set out in Sections 8(a) and (b) above.

d. For purposes of this Section 8, the term KPMG shall include KPMG Parties. The provisions of this Section 8 shall apply regardless of the form of claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

9. Termination and Survival.

a. KPMG may terminate this Agreement upon written notice to Entity if there is a change of laws or professional standards or a change in circumstances or information that would, in KPMG's opinion, cause the continued provision of Services to violate such laws or professional standards. Except where prohibited by professional standards, KPMG may also terminate this Agreement for any reason upon 30 days written notice to Entity.

b. Entity may terminate the engagement at any time upon written notice to KPMG. Upon termination of the engagement prior to its completion, Entity shall be responsible for the payment of KPMG's time and expenses incurred up to the effective date of termination, as well as reasonable time and expenses to bring the engagement to a close in a prompt and orderly manner. Otherwise, neither party will be responsible for any loss, cost or expense resulting from termination of this Agreement in accordance with its terms.

c. These Terms and Conditions, other than Section 10, shall survive the expiration or termination of the engagement and this Agreement.

10. Force Majeure.

Neither party shall be liable for any delays in the performance of its obligations hereunder, other than payment obligations, arising out of or caused by, directly or indirectly, circumstances or causes beyond its control, including, without limitation, fire or other casualty, strike or labour dispute, war or other violence, any law, order or requirement of any governmental agency or authority, or any epidemic, pandemic or quarantine.

11. Conflicts of Interest.

In accordance with applicable professional standards, based upon the information provided by Entity, KPMG performs a search for any conflicts of interest in connection with the Services. Where such a conflict of interest is identified, KPMG will, subject to confidentiality, disclose the nature of the conflict to Entity, the ethical dividers and other safeguards to be implemented, and seek Entity's consent. Notwithstanding the foregoing, KPMG may advise any other client making a competing bid or proposal to Entity, whether or not KPMG is advising Entity in respect of Entity's bid or proposal. For certainty, a conflict of interest does not arise solely because KPMG or another Member Firm is, was or will be engaged by another client who is a business competitor, customer or supplier of Entity.

12. Publicity and Use of Logo.

Neither party shall acquire any right to use the name or logo (or any part thereof) of the other party in any manner or medium, except that Entity gives KPMG a limited, revocable, non-exclusive, paid-up, royalty free right to use Entity's name and logo in presentations and reports to Entity and for internal KPMG presentations and intranet sites. KPMG may also reference Entity's name as a customer in KPMG proposals and marketing materials, including KPMG websites and social media, indicating the general services rendered.

13. Miscellaneous.

a. Entity acknowledges that it has had the opportunity to obtain legal advice with respect to Entity's rights and obligations under this Agreement.

b. The parties consent and agree to the use of electronic signatures with respect to this Agreement and any other agreements, notices or communications contemplated hereby, where permissible by law.

c. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors, executors, administrators, heirs and permitted assigns, as applicable. Except as expressly provided herein, neither party may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party. KPMG may assign its rights and obligations hereunder to any affiliate or successor in interest to all or substantially all of the assets or business of the relevant KPMG practice, without the consent of Entity.

d. The provisions of this Agreement shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of these provisions shall be held to be invalid, void or unenforceable, the remaining provisions shall not be affected, impaired or invalidated, and each such provision shall be valid and enforceable to the fullest extent permitted by law.

e. KPMG is a registered limited liability partnership (LLP) established under Ontario laws. A partner in an LLP is not personally liable for any debts, obligations or liabilities of the LLP, including those that arise from any negligent act or omission by another partner or by any person under that other partner's direct supervision or control. Partners of an LLP are personally liable only for their own actions and omissions, and for the actions and omissions of those they directly supervise or control.

14. Entire Agreement.

This Agreement constitutes the entire agreement between KPMG and Entity with respect to the engagement and supersedes all other oral and written representations, understandings or agreements relating to the Services. Except as expressly stated in this Agreement, KPMG expressly disclaims and makes no representations, conditions or warranties of any kind or nature with respect to the Services or Reports, express or implied, including warranties of merchantability, fitness for a particular purpose or use, or non-infringement. Any changes to this Agreement must reference this Agreement, be in writing and be signed by an authorized signatory of each party.

15. Governing Law and Disputes.

a. This Agreement shall be subject to and governed by the laws of the Province in which KPMG's principal Canadian office performing the engagement is located (without regard to such Province's rules on conflicts of law).

b. All disputes arising out of or in connection with this Agreement or the Services, or in respect of any legal relationship associated with or derived from this Agreement, shall be finally resolved by arbitration under the Arbitration Rules of the ADR Institute of Canada, Inc. The seat of arbitration will be the city in Canada in which KPMG's principal office performing the Services is located. The arbitration shall be conducted in English.

Appendix 2: Audit quality

Our commitment to delivering audit quality

We define '**audit quality**' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics** and **integrity**.

KPMG is committed to fulfilling our public interest role in providing robust assurance that can benefit investors and other stakeholders.

Businesses are integrating technology in ways once unimaginable. Geopolitical changes and inflationary pressures continue to drive uncertainty, and businesses need to take action to respond to societal threats like climate change.

The pace and scale of change only strengthens our resolve to ensure the quality, consistency and adaptability of our services are fit for this new future. Audit and assurance quality remains the highest priority at KPMG.

Through sustained innovation, we aim to consistently deliver superior audit quality. Across the global organization:

- KPMG firms have implemented a consistent risk-based approach to our system of quality management to drive audit and assurance quality, enabling us to meet the requirements of the International Standard on Quality Management 1 (ISQM 1).
- We are utilising powerful technologies on audit and assurance engagements, including artificial intelligence, and leveraging our alliances with technology leaders such as Microsoft to further enhance quality and provide even more value through deeper analysis of businesses, no matter their size.
- We believe the same level of rigour, quality, consistency and trust that is applied to financial statement information by companies should also apply to ESG reporting. Therefore, across the global organization we have deployed an assurance methodology, KPMG Clara workflow and learning tools to upskill and build teams to provide assurance on ESG reporting that helps our clients build a more sustainable future.

We encourage you to read our Transparency Report to learn more about our system of quality management and our firm's statement on the effectiveness of our SoQM:

KPMG Canada Transparency Report

Appendix 2: Audit quality (continued)

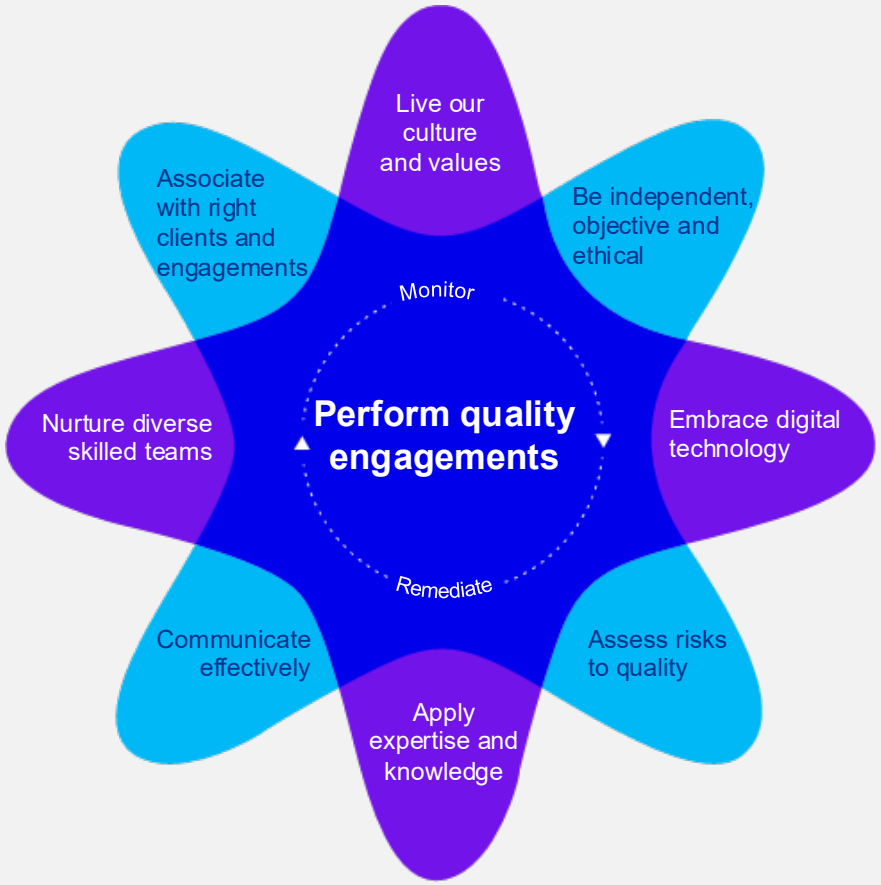
How do we deliver audit quality?

Quality essentially means doing the right thing and remains our highest priority. We have strengthened the consistency and robustness of our system of quality management to meet the requirements of ISQM 1 (CSQM 1), issued by the International Audit and Assurance Standards Board. Foundational for quality management, KPMG's globally consistent approach to ISQM 1 drives compliance with the standard and our efforts to strengthen trust and transparency with clients, the capital markets and the public we serve.

Aligned with ISQM 1 (CSQM 1), our SoQM meets the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements.

Our **Global Quality Framework** outlines how we deliver quality and how every KPMG professional contributes to its delivery.

- **'Perform quality engagements'** sits at the core, along with our commitment to continually monitor and remediate to fulfil our quality drivers.
- Our **quality value drivers** are the cornerstones to our approach underpinned by the **supporting drivers** and give clear direction to encourage the right behaviours in delivering audit quality.



Doing the right thing. Always.

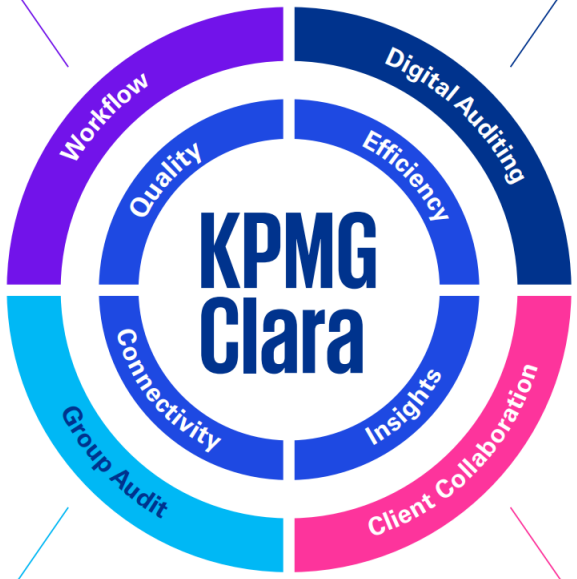
Appendix 2: Audit quality (continued)

The KPMG Audit

Globally consistent audit and assurance methodology and tools

As a scalable, intuitive cloud-based platform, KPMG Clara is driving globally consistent execution across all KPMG member firms. It enables delivery of KPMG audit and assurance methodologies through data-enabled workflows, which align with the applicable audit and assurance standards and provide an improved experience to audit and assurance professionals.

- Data and AI-driven
- Audit & Assurance including ESG
- Global, risk-based methodology



- "Risk-to-response" analytics
- Gen AI integration
- Search knowledge base

- Enhanced two-way communication
- Tailored scoping
- Group audit connectivity

- Real-time alerts and task tracking
- Interaction with audit team
- Access to insights

- Methodology aligned with professional standards, laws and regulations
- Standardised methodology and guidance
- Deep technical expertise and knowledge
- Quality and risk management policies

- Meeting the applicable standards, including International Standards on Auditing (ISA), standards issued by the Public Company Accounting Oversight Board (PCAOB) and the American Institute of CPAs (AICPA) – supplemented by KPMG firms to comply with additional local auditing standards and regulatory or statutory requirements.
- Identifying risks of material misstatements and the necessary audit response.

Appendix 2: Audit quality (continued)

Indicators of audit quality (AQIs)

The objective of these measures is to provide the Finance Working Group and management with more in-depth information about factors that influence audit quality within an audit process. Below you will find the current status of the AQIs that are relevant for the audit.

Team composition

- Experience, commitment and knowledge of the broader public sector
- A combination of continuity and fresh perspectives
- Access to specialist resources with public sector experience

Technology in the audit

- Increase in use of technology in the audit year over year
- Use of secure KPMG portal for transfer of electronic documents

Independence

- We will not put ourselves in a situation where we would audit our own work.
- We apply the most rigorous standards to our professional services in order to ensure our continued independence in our role.

Timing of prepared by client (PBC) items

- Key financial records and working papers were available to the audit team on the first day of audit

Finance Working Group

- Members participate fully in the discussion with auditors
- KPMG provides current industry trends and updates to accounting and audit standards

Nothing to report

Some matters to report

Specific matters to report

Appendix 3: Future changes in accounting standards

Conceptual Framework for Financial Reporting in the Public Sector

Effective for years commencing on or after April 1, 2026, with early adoption permitted.

- The framework provides the core concepts and objectives underlying Canadian public sector accounting standards.
- The ten-chapter conceptual framework defines and elaborates on the characteristics of public sector entities and their financial reporting objectives. Additional information is provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts are introduced.

Financial Statement Presentation

Effective for years commencing on or after April 1, 2026, with early adoption permitted.

- The proposed section PS 1202 *Financial statement presentation* will replace the current section PS 1201 *Financial statement presentation*. PS 1202 *Financial statement presentation*.
- The proposed section includes the following:
  - Relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained.
  - Separating liabilities into financial liabilities and non-financial liabilities.
  - Restructuring the statement of financial position to present total assets followed by total liabilities.
  - Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities).
  - Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities), including a new component called “accumulated other”.
  - A new provision whereby an entity can use an amended budget in certain circumstances.
  - Inclusion of disclosures related to risks and uncertainties that could affect the entity’s financial position.

Example of a Typical Implementation Approach

Phase 1

- Understand the existing financial reporting processes.
- Examine chart of accounts and trial balance.
- Review accounting policy.
- Gap assessment and implementation plan.

Phase 2

- Data gathering and financial data analysis.
- Budget and performance reporting.
- System and software impacts.
- Implementation and compliance adjustments

Appendix 3: Future changes in accounting standards (continued)

Employee Benefits

Effective for years commencing on or after April 1, 2029 with early adoption permitted.

- The Public Sector Accounting Board has issued a new standard PS 3251 *Employee benefits* which will replace the current sections PS 3250 *Retirement benefits* and PS 3255 *Post-employment benefits, compensated absences and termination benefits*.
- The standard uses principles from International Public Sector Accounting Standard 39 *Employee benefits* as a basis for the Canadian standard.
- The standard results in public sector entities recognizing the impact of revaluations of the net defined benefit liability (asset) immediately on the statement of financial position.
- The standard also requires that fully funded post-employment benefit plans use a discount rate based on the expected market-based return of plan assets and underfunded plans use a discount rate based on the market yield of government bonds, high-quality corporate bonds or another appropriate financial instrument. A simplified approach to determining a plan's funding status is provided.
- The standard also requires that:
  - Deferral provisions – Remeasurement gains and losses are presented as part of accumulated remeasurement gains and losses.
  - Valuation of plan assets – Upon adoption, public sector entities may continue to recognize non-transferable financial instruments balances that meet the definition of plan assets under existing PS 3250 guidance. This transitional provision does not permit the recognition of additional amount after adoption that do not meet the revised definition of plan assets.
  - Joint defined benefit plans – Defined benefit accounting is used for measurement of the proportionate share of the plan, instead of previously proposed multi-employer plan accounting which permitted accounting based on defined contribution concepts where insufficient information exists to use defined benefit accounting.
  - Disclosure of other long-term employee benefits and termination benefits – The standard does not include prescriptive disclosure requirements for other long-term employee benefits and termination benefits.
- The standard's guidance will be applied retroactively, with or without prior period restatement.

Appendix 3: Future changes in accounting standards (continued)

Intangible Assets

Proposed to be effective for years commencing on or after April 1, 2030 with early adoption permitted.

- The Public Sector Accounting Standards Board has issued proposed new standard PS 3155 *Intangible Assets* which would replace Public Sector Guideline 8 *Purchased Intangibles*.
- The standard will include foundational guidance on acquired and internally generated intangibles. It excludes intangible assets addressed in other public sector accounting standards and other intangible items such as exploration and extraction costs for non-renewable resources or intangible assets related to insurance contracts.
- The definition of “intangible assets” requires an intangible resource to be separate and identifiable from goodwill. It also requires that the entity has control over the intangible resource, future economic benefits flow from the intangible resource, and the intangible resource is the result of a past transaction and/or other events.
- Internally generated goodwill is not permitted to be recognized as an asset.
- An intangible resource is recognized when it meets the definition of an intangible asset and the asset’s cost can be measured in a faithfully representative way. The generation of the asset is classified into a research phase and a development phase. Expenditures from the research phase of an internally generated project are expensed. An intangible asset arising from the development phase can be recognized if it meets certain requirements.
- Intangible assets are initially measured at cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets acquired through a non-exchange transaction are measured at fair value as of the date it is acquired.

Cloud Computing Arrangements

- As part of its intangible assets project, the Public Sector Accounting Standards Board is also developing guidance on cloud computing arrangements. To ensure the development of this accounting guidance reflects current practices and needs, a survey was used to gather insights. The survey will inform the Public Sector Accounting Board about the types of cloud computing arrangements being encountered, magnitude of costs, key arrangement terms, current accounting policies and unique challenges in practice.

Appendix 4: Newly effective and upcoming changes to auditing standards

Effective for periods beginning on or after December 15, 2024 (for the year ended December 31, 2025)

ISA 260/CAS 260

Communications with those charged with governance

Summary of Changes:

New requirements for the auditor to communicate:

- about the relevant ethical requirements, including those related to independence, that the auditor applied to the audit of the financial statements; and
- any enhanced independence requirement that the auditor applied specific to the audit of financial statements of certain entities.

Appendix 4: Newly effective and upcoming changes to auditing standards (continued)

Effective for periods beginning on or after December 15, 2026 (for the year ending December 31, 2027)

Revised CAS 570, Going Concern

Enhance Auditor's responsibilities in the audit of financial statements related to going concern

A key change in the revised CAS 570 is the commencement date of the 12-month period of management's going concern assessment, shifting from the date of the balance sheet to the date of approval of the financial statements. What has not changed is the minimum period to be covered, which remains 12 months.

Amendments to CAS 240, The Auditor's Responsibilities Relating to Fraud in an Audit of the Financial statement

The key changes will clarify the auditors' responsibilities regarding fraud in financial statement audits, strengthen procedures and include additional details about fraud in the Auditors' Report.

Appendix 5: Audit and assurance insights

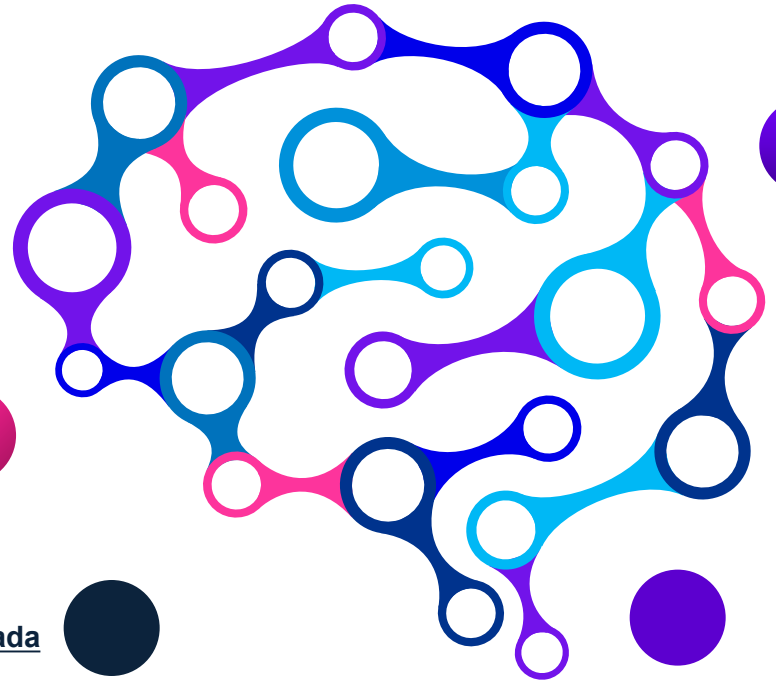
Our latest thinking on the issues that matter most to the Finance Working Group, Council and management.

KPMG Audit & Assurance Insights
Curated research and insights for audit committees and boards.

Board Leadership Centre
Leading insights to help board members maximize boardroom opportunities

Current Developments
Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Assurance & Related Services, Canadian Securities Matters, and US Outlook reports.

Insights - KPMG Canada



Sustainability Reporting
Resource centre on implementing the new Canadian reporting standards

IFRS Breaking News
A monthly Canadian newsletter that provides the latest insights on accounting, financial reporting and sustainability reporting.

Audit Committee Guide – Canadian Edition
A practical guide providing insight into current challenges and leading practices shaping Audit Committee effectiveness in Canada.

Accelerate 2026
Discover the most pressing risks and opportunities that face audit committee, boards and management teams.

Appendix 6: Technology
Continuous evolution

Our investment:
We are in the midst of a five-year investment to develop our people, digital capabilities, and advanced technology.

Responsive delivery model
Tailored to you to drive impactful outcomes around the quality and effectiveness of our audits.

Result: A better experience
Enhanced quality, reduced disruption, increased focus on areas of higher risk, and deeper insights into your business.



Appendix 6: Technology (continued)

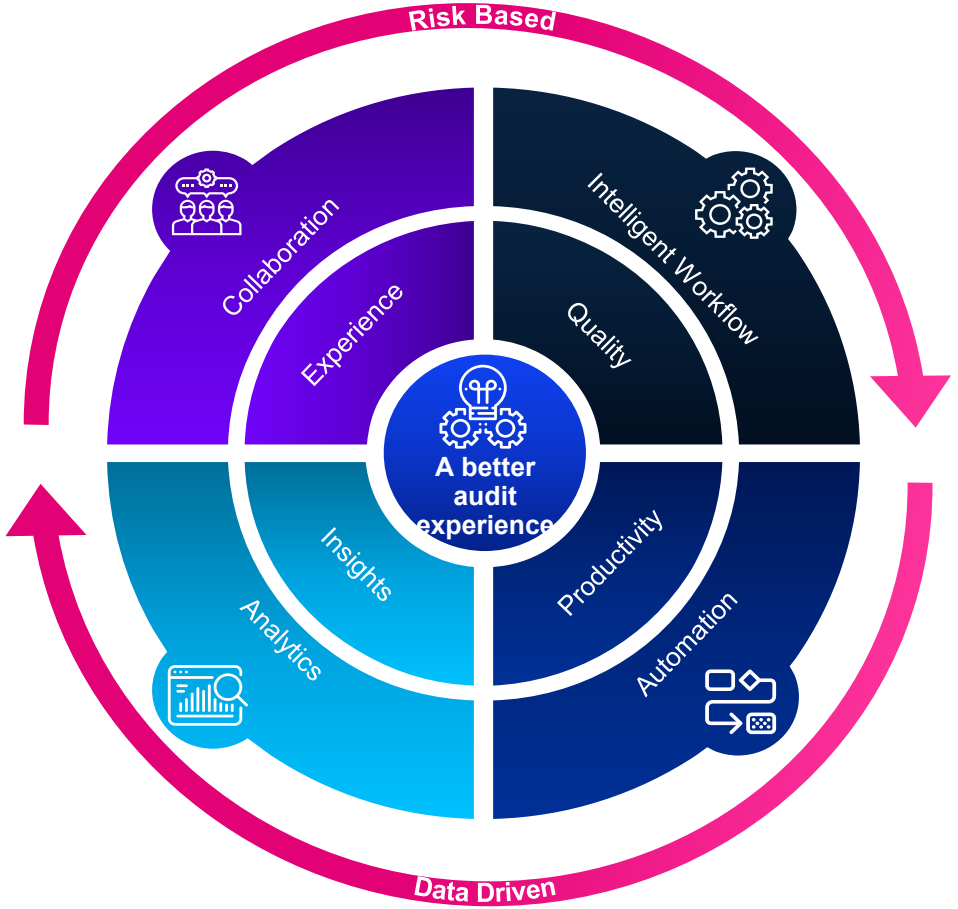
Our technology story

Streamlined client experience
And deeper insights into your business, translating to a better audit experience.

Secure
A secure client portal provides centralized, efficient coordination with your audit team.

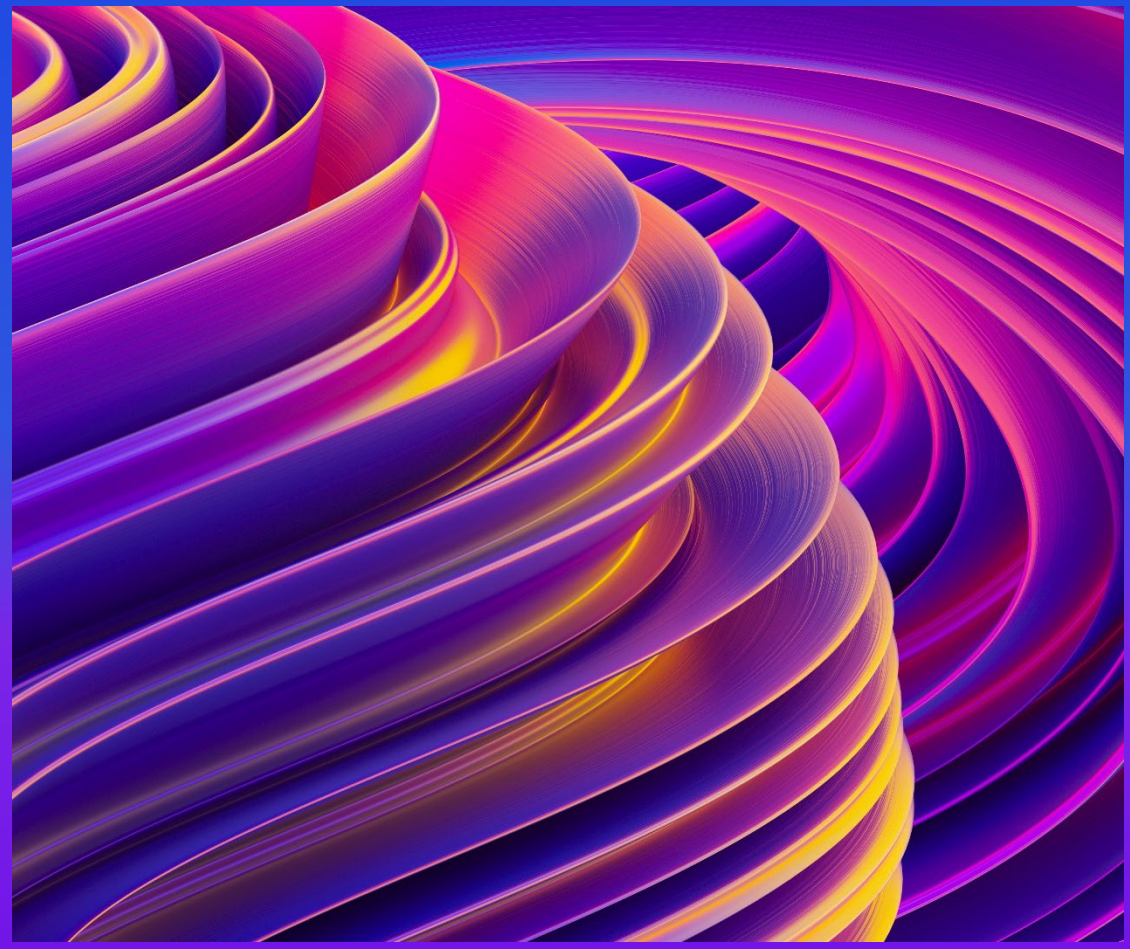
Intelligent workflow
An intelligent workflow guides audit teams through the audit.

Increased precision
Advanced data analytics and automation facilitate a risk-based audit approach, increasing precision and reducing your burden.



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Consolidated Financial Statements of

CORPORATION OF THE TOWN OF GANANOQUE

Year ended December 31, 2025

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CORPORATION OF THE TOWN OF GANANOQUE

Consolidated Financial Statements

Year ended December 31, 2025

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Corporation of the Town of Gananoque (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of consolidated financial statements. These systems are monitored and evaluated by management.

Management meets with the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to Council approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

Melanie Kirkby
Chief Administrative Officer

John Morrison, BA, CPA, CGA
Director of Finance/Treasurer

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Gananoque

Opinion

We have audited the consolidated financial statements of the Corporation of the Town of Gananoque (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations and accumulated municipal equity for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2025, and its consolidated results of operations, its consolidated changes in net financial assets 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 Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Entity's internal control.

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- 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

(date)

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CORPORATION OF THE TOWN OF GANANOQUE

Consolidated Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Financial assets:		
Cash	$ 27,207,490	$ 24,235,816
Taxes receivable	623,022	832,791
User charges receivable	1,702,634	1,681,048
Accounts receivable	1,109,825	2,159,338
Investments (note 3)	1,016,397	1,056,200
	31,659,368	29,965,193
Financial liabilities:		
Accounts payable and accrued liabilities	5,675,417	3,960,155
Other current liabilities	1,047,254	955,003
Employee future benefit obligation (note 5)	1,353,044	1,300,694
Asset retirement obligations (note 6)	1,330,482	1,683,848
Deferred revenue (note 7)	110,021	264,666
Long-term liabilities (note 8)	6,023,014	5,087,163
	15,539,232	13,251,529
Net financial assets	16,120,136	16,713,664
Non-financial assets:		
Tangible capital assets (note 15)	88,000,368	80,763,071
Inventories	97,868	79,147
Prepaid expenses	344,995	400,133
Total non-financial assets	88,443,231	81,242,351
Contingent liabilities (note 12)		
Contaminated sites (note 13)		
Commitments (note 14)		
Subsequent event (note 19)		
Accumulated municipal equity (note 9)	$ 104,563,367	$ 97,956,015

The accompanying notes are an integral part of these consolidated financial statements.

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CORPORATION OF THE TOWN OF GANANOQUE

Consolidated Statement of Operations and Accumulated Municipal Equity

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (note 18)	2025 Actual	2024 Actual
Revenue:			
Taxation	$ 11,813,742	$ 11,750,076	$ 10,878,069
User charges	8,933,177	10,146,158	9,110,344
Government transfers	4,040,027	4,098,852	6,087,188
Casino revenues	1,200,000	886,731	961,005
Investment income	685,530	846,779	1,301,230
Municipal accommodation tax	415,000	459,137	348,362
Licences and permits	209,640	256,133	250,564
Contribution from developers	–	186,489	462,440
Other municipalities	183,853	174,920	171,644
Penalties and interest on taxes	120,000	130,687	128,541
Loss on disposal of tangible capital assets	–	(323,969)	–
Other:			
Rental and other income	271,592	249,802	287,272
Donations	62,700	557,270	116,318
Sales	8,000	14,550	8,545
Fines	25,000	26,333	33,619
	27,968,261	29,459,948	30,145,141
Expenses (note 17):			
General government	1,800,904	2,375,507	1,845,298
Protection to persons and property	6,047,723	6,404,842	6,081,247
Transportation services	2,007,855	4,191,856	3,099,410
Environmental services	2,768,130	4,196,298	3,950,511
Health services	803,864	848,380	737,481
Social and family services	501,719	530,083	590,191
Recreation and cultural services	2,807,663	3,490,863	3,482,702
Planning and development	1,143,558	1,115,783	821,058
Asset retirement obligations	–	(353,366)	(1,453,100)
Post-retirement benefits actuarial valuation	–	52,350	41,940
	17,881,416	22,852,596	19,196,738
Annual surplus	10,086,845	6,607,352	10,948,403
Accumulated municipal equity, beginning of year	97,956,015	97,956,015	87,007,612
Accumulated municipal equity, end of year	$ 108,042,860	$ 104,563,367	$ 97,956,015

The accompanying notes are an integral part of these consolidated financial statements.

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CORPORATION OF THE TOWN OF GANANOQUE

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (note 18)	2025 Actual	2024 Actual
Annual surplus	$ 10,086,845	$ 6,607,352	$ 10,948,403
Amortization of tangible capital assets	–	3,739,065	3,380,501
Acquisition of tangible capital assets	(19,366,268)	(11,113,851)	(8,678,548)
Contributed tangible capital assets	–	(186,489)	(462,440)
Increase in tangible capital assets for asset retirement obligations	–	–	(22,593)
Loss on disposal of tangible capital assets	–	323,978	–
Acquisition of inventories	–	(18,721)	(34,433)
Utilization (acquisition) of prepaid expenses	–	55,138	(97,563)
	(19,366,268)	(7,200,880)	(5,915,076)
Increase (decrease) in net financial assets	(9,279,423)	(593,528)	5,033,327
Net financial assets, beginning of year	16,713,664	16,713,664	11,680,337
Net financial assets, end of year	$ 7,434,241	$ 16,120,136	$ 16,713,664

The accompanying notes are an integral part of these consolidated financial statements.

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CORPORATION OF THE TOWN OF GANANOQUE

Consolidated Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Operating activities:		
Annual surplus	$ 6,607,352	$ 10,948,403
Item not involving cash:		
Amortization of tangible capital assets	3,739,065	3,380,501
Employee future benefit obligation	52,350	41,940
Change in asset retirement obligations	(353,366)	(1,430,506)
Change in tangible capital assets for asset retirement	–	(22,593)
Loss on disposal of tangible capital assets	323,978	–
Changes in non-cash operating working capital:		
Taxes receivable	209,769	(102,515)
User charges receivable	(21,586)	(95,834)
Accounts receivable	1,049,513	(423,540)
Accounts payable and accrued liabilities	1,715,262	1,554,067
Other current liabilities	92,251	(73,556)
Deferred revenue	(154,645)	(1,307,130)
Inventories	(18,721)	(34,433)
Prepaid expenses	55,138	(97,563)
	13,296,360	12,337,241
Capital activities:		
Acquisition of tangible capital assets	(11,113,851)	(8,678,548)
Contributed tangible capital assets	(186,489)	(462,440)
	(11,300,340)	(9,140,988)
Investing activities:		
Decrease in investments	39,803	2,943,800
Financing activities:		
Debt proceeds	1,300,000	–
Debt principal repayments	(364,149)	(362,957)
	935,851	(362,957)
Increase in cash	2,971,674	5,777,096
Cash, beginning of year	24,235,816	18,458,720
Cash, end of year	$ 27,207,490	$ 24,235,816

The accompanying notes are an integral part of these consolidated financial statements.

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The Corporation of the Town of Gananoque (the "Town") was incorporated in 1890. The Town operates as a single tier government in the United Counties of Leeds and Grenville, in the Province of Ontario, Canada and provides municipal services such as police, fire, public works, planning, parks and recreation, library and other general government operations.

1. Significant accounting policies:

The consolidated financial statements of the Corporation of the Town of Gananoque are the representations of management and have been prepared in all material respects in accordance with Canadian Public Sector Accounting Standards. Significant aspects of the accounting policies by the Town are as follows:

(a) Reporting entity:

The consolidated financial statements reflect financial assets, liabilities, operating revenues and expenses, reserves, reserve funds and changes in investment in tangible capital assets of the Town. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Town and which are owned or controlled by the Town. Interdepartmental and inter-organizational transactions and balances between these organizations are eliminated. These consolidated financial statements include:

- Public Library Board
- Business Improvement Area Committee

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these consolidated financial statements. Over levies (under levies) are reported on the Consolidated Statement of Financial Position.

(b) Basis of accounting:

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.

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

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1. Significant accounting policies (continued):

(c) Taxation and related revenues:

Property tax billings are prepared by the Town based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established by the Town Council, incorporating amounts to be raised for local services, and amounts the Town is required to collect on behalf of the Province of Ontario in respect of education taxes. Taxation revenues are recorded at the time tax billings are issued. Adjustments to taxation revenue can occur during the year related to the issuance of supplementary tax billings and/or assessment appeals. These adjustments are recorded when the amount of the adjustments can be quantified. The Town is entitled to collect interest and penalties on overdue taxes. These revenues are recorded in the period in which the interest and penalties are applied.

(d) Financial instruments:

The Town records derivatives and portfolio investments in equity instruments that are quoted in an active market at fair value. All other financial instruments will generally be measured at cost or amortized cost.

Management has not elected to record any investments at fair value as they are not managed and evaluated on a fair value basis.

Unrealized gains and losses arising from changes in fair value are presented in the Consolidated Statement of Remeasurement Gains and Losses which records the remeasurement gains and losses for financial instruments measured at fair value. Unrealized gains and losses are realized upon settlement of the financial instrument when the financial instrument is sold or reaches maturity through the Consolidated Statement of Operations and Accumulated Municipal Equity. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the Consolidated Statement of Operations and Accumulated Municipal Equity.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the Consolidated Statement of Operations and Accumulated Municipal Equity and any unrealized gain or loss is adjusted through the Consolidated Statement of Remeasurement Gains and Losses.

Long-term debt is recorded at amortized cost.

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1. Significant accounting policies (continued):

(d) Financial instruments (continued):

Establishing fair value:

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date. In situations in which there is no market for these guarantees, and they were issued without explicit costs, it is not practicable to determine their fair value with sufficient reliability (if applicable).

Fair value hierarchy:

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. derived from prices); and
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

(e) Foreign currency

Foreign currency transactions are recorded at the exchange rate at the time of the transaction.

Assets and liabilities denominated in foreign currencies are recorded at fair value using the exchange rate at the financial statement date. Unrealized foreign exchange gains and losses are recognized in the Consolidated Statement of Remeasurement Gains and Losses. In the period of settlement, the realized foreign exchange gains and losses are recognized in the Consolidated Statement of Operations and Accumulated Municipal Equity and the unrealized balances are reversed from the Consolidated Statement of Remeasurement Gains and Losses.

(f) Consolidated Statement of Remeasurement Gains and Losses:

A Consolidated Statement of Remeasurement Gains and Losses has not been provided as there are no significant unrealized gains or losses at December 31, 2025 or 2024.

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1. Significant accounting policies (continued):

(g) Tangible capital assets:

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

Asset	Useful Life - Years
Land improvements	30
Buildings	40
Buildings – water treatment	40
Boat docks	15 - 50
Furniture and equipment	5 - 15
Vehicles	5 - 15
Roads	60
Bridges	60
Sidewalks	20
Traffic lights	15
Street lights	15
Sanitary sewer	60
Storm sewer	60
Water lines	60

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

The Town has a capitalization threshold of $10,000 for vehicles and equipment and $50,000 for linear assets and buildings so that individual capital assets of lesser value are expensed.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue.

When tangible capital assets are disposed of, either by way of a sale, destruction or loss, or abandonment of the asset, the asset's net book value, historical cost less accumulated amortization, is written off. Any resulting gain or loss, equal to the proceeds on disposal less the asset's net book value, is reported on the Consolidated Statement of Operations and Accumulated Municipal Equity in the year of disposal. Transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

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1. Significant accounting policies (continued):

(g) Tangible capital assets (continued):

When conditions indicate that a tangible capital asset no longer contributes to the Town's ability to provide services or the value of the future economic benefits associated with the tangible capital asset are less than its net book value, and the decline is expected to be permanent, the cost and accumulated amortization of the asset are reduced to reflect the revised estimate of the value of the asset's remaining service potential. The resulting net adjustment is reported as an expense on the Consolidated Statement of Operations and Accumulated Municipal Equity.

(h) 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.

(i) Inventories and prepaid expenses:

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

(j) Employee future benefit obligations:

The Town accounts for its participation in the Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by employees based on length of service and pay rates.

Employee benefits include vacation entitlement, sick leave benefits and benefits under the Workplace Safety and Insurance Board Act. Vacation entitlements are accrued as entitlements are earned. Sick leave benefits are accrued in accordance with the Town's policy.

(k) Pension and employee benefits :

The Town accrues its obligation for employee benefit plans which will require funding in future period. The cost of post-retirement benefits earned by employees is actuarially determined using the projected benefit method pro-rated on services and management's best estimate of salary escalation, retirement ages of employees and expected health care costs.

Actuarial gains (losses) which can arise from changes in the actuarial assumptions used to determine the accrued benefit obligation will be amortized over the average remaining service period of active employees.

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1. Significant accounting policies (continued):

(l) Revenue recognition:

Government transfers and funding for projects are recognized in the consolidated financial statements as revenue when the transfer is authorized, any eligible criteria has been met and the amount can be reasonably estimated, except when and to the extent that stipulations by the transferor give rise to an obligation that meets the definition of a liability. Town generated funds, generally consisting of user fees, licenses and permits, are recognized when the goods are sold or the services are provided, performance obligations fulfilled, and future economic benefits are measurable and expected to be obtained. Other restricted contributions received in advance of the related expenditure are deferred until the related expenditure is incurred.

(m) Deferred revenue:

The Town defers recognition of user charges and fees which have been collected but for which the related services have yet to be performed. Government transfers of gas taxes, development charges collected under the Development Charges Act, 1997, and recreational land collected under the Planning Act are reported as deferred revenues in the Consolidated Statement of Financial Position. These amounts will be recognized as revenues in the fiscal year the services are performed.

The Town receives restricted contributions under the authority of Federal and Provincial legislation and Town by-laws. These funds by their nature are restricted in their use and until applied to applicable costs are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

Deferred revenue represents certain user charges and fees which have been collected but for which the related services have yet to be performed. Deferred revenue also represents contributions that the Town has received pursuant to legislation, regulation or agreement that may only be used for certain programs or in the completion of specific work. These amounts are recognized as revenue in the fiscal year the services are performed or related expenses incurred.

(n) Asset retirement obligations:

An asset retirement obligation (“ARO”) is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

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1. Significant accounting policies (continued):

(n) Asset retirement obligations (continued):

The liability for the removal of asbestos in several of the buildings owned by the Town has been recognized based on estimated undiscounted future expenses. Assumptions used in the calculations are revised yearly.

Actual remediation costs incurred are charged against the ARO to the extent of the liability recorded. Differences between the actual remediation costs incurred and the associated liabilities are recognized in the Consolidated Statement of Operations and Accumulated Municipal Equity at the time of remediation.

The recognition of the ARO liability resulted in an accompanying increase to the respective tangible capital assets. Building tangible capital assets affected by the asbestos liability are being amortized with the building following the amortization accounting policies outlined in Note 1(g).

(o) Liability for contaminated sites:

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

(i) an environmental standard exists;

(ii) contamination exceeds the environmental standard;

(iii) the Town:

a. is directly responsible; or

b. accepts responsibility

(iv) it is expected that future economic benefit will be given up; and

(v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

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1. Significant accounting policies (continued):

(p) Use of estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. Significant areas requiring the use of management's estimates include the actuarial assumptions used to develop the employee future benefit obligation, asset retirement obligations and the carrying value of tangible capital assets. Actual results could differ from these estimates.

2. Operations of the school boards:

The Town collected and made property tax transfers including payments in lieu of property taxes, to the School Boards as follows:

	2025	2024
Property taxes	$ 1,571,332	$ 1,579,559

3. Long-term investments:

Long term investments are comprised of the following:

	Level	2025	2024
Guaranteed investment certificate with interest rate of 2.85%, maturing June 2, 2026	1	$ 1,016,397	$ 1,056,200

Subsequent to the year-end, the guaranteed investment certificate was reinvested at 2.85%, maturing June 2027.

4. Bank indebtedness:

The Town's financial agreement with its bank provides for an operating credit facility of up to $2,000,000 to finance expenses, pending receipt of property taxes and other income. Interest on funds drawn is charged at the Bank of Montreal's prime rate. As at December 31, 2025, there was $Nil (2024 - $Nil) drawn on the facility.

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5. Employee future benefit obligations:

The Town provides non-pension retirement benefits for extended health care, dental and other benefits to specific groups of employees. Eligibility is based upon unreduced retirement until age 65. The Town's cost is 100% of the monthly premium for non union, police and fire employees and 50% for CUPE members.

An independent actuarial study of the employee non-pension benefits has been undertaken. The most recent valuation of the employee future benefit was effective January 1, 2023.

Effective January 1, 2021, post retirement extended health coverage and dental coverage was extended to age 70 for police members (previously 65) retiring after January 1, 2021 and a health care spending account will be provided up to $2,200 per calendar year from age of 70 to 75 for police members.

Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups, which is estimated to be 9.6 years (2024 - 10.6 years)

The accrued benefit obligation relating to the employee non-pension retirement benefits has been actuarially determined using the projected benefit method pro-rated on services. At December 31, 2025, based on actuarial update, the accrued benefit liability was $1,353,044 (2024 - $1,300,694).

The significant actuarial assumptions adopted in estimating the Town's accrued benefit obligation are as follows:

Discount rate	4.25% (2024 - 4.25%)
Trend rates	7.50% decreasing by 0.50% annually to 4.00%
Employee Turnover	4.50% decreasing to 1.00% after 25 years of service, none after age 55 (50 for Police and Fire)
Retirement age	Earlier of age 62 or age plus service totals 90 with at least 30 years of service (age 60 or 85 with at least 20 years of service for Police and Fire)

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5. Employee future benefit obligations (continued):

The continuity of post employment benefit liability is as follows:

	2025	2024
Balance, beginning of year	$ 1,300,694	$ 1,258,754
Current service costs	68,534	65,740
Interest cost	44,456	41,344
Benefits paid	(33,700)	(36,800)
Amortized actuarial gain	(26,940)	(28,344)
Balance, end of year	$ 1,353,044	$ 1,300,694

The accrued benefit liability at December 31, includes the following:

	2025	2024
Accrued benefit obligation	$ 1,107,892	$ 1,028,603
Unamortized actuarial gain	245,152	272,091
Balance, end of year	$ 1,353,044	$ 1,300,694

	Gross	Funded	2025 Unfunded
Health benefits	$ 1,353,044	$ –	$ 1,353,044

	Gross	Funded	2024 Unfunded
Health benefits	$ 1,300,694	$ –	$ 1,300,694

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6. Asset retirement obligations:

The Town's asset retirement obligations consist of the following:

(a) Asbestos obligation:

The Town owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of PS 3280 *Asset Retirement Obligations*, the Town assessed an obligation relating to the removal and post-removal care of the asbestos in these buildings. Post-closure care is estimated to extend for up to a year post the closure of the building, while demolition and construction continues. Estimated costs have not been discounted as the date of demolition is unknown.

The change in the estimated obligation during the year consists of the following:

Asbestos and other removal	2025	2024
Opening balance, January 1	$ 1,683,848	$ 3,114,354
Adjustments:		
Tangible capital asset additions	–	22,594
Settlements and remediations	(353,366)	–
Change in measurement rate:		
Estimated	–	(2,250,000)
Actual costs incurred	–	796,900
Closing balance, December 31	$ 1,330,482	$ 1,683,848

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7. Deferred revenue:

A requirement of public sector accounting standards of the Chartered Professional Accountants of Canada is that obligatory reserve funds be reported as deferred revenue. This requirement is in place as Provincial legislation restricts how these funds may be used and under certain circumstances these funds may possibly be refunded.

The transactions for the year are summarized below:

	Parkland	Canada Community Building Fund	OCIF	Building permits	Development charges	Total
January 1, 2025	$ 45,821	$ –	$ –	$ 32,463	$ 186,382	$ 264,666
Contributions from developers	2,330	–	–	–	55,734	58,064
Government grants	–	352,588	614,887	–	–	967,475
Interest	–	–	–	–	6,243	6,243
Transfer to capital acquisitions	–	(352,588)	(614,887)	–	(186,489)	(1,153,964)
Transfer to operations	–	–	–	(32,463)	–	(32,463)
December 31, 2025	$ 48,151	$ –	$ –	$ –	$ 61,870	$ 110,021

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8. Long-term liabilities:

(a) The balance of long-term liabilities reported on the Consolidated Statement of Financial Position is comprised of the following:

	2025	2024
Ontario Infrastructure Projects Corporation with maturity dates between 2027 and 2047 and interest rates between 2.640% and 5.606%.	$ 6,023,014	$ 5,087,163

(b) Principal payments fall due as follows:

	Water and sewer rates	General revenues	Total
2026	$ 148,755	$ 301,004	$ 449,759
2027	154,104	275,245	429,349
2028	159,649	248,400	408,049
2029	165,396	257,148	422,544
2030	171,353	266,204	437,557
2031 to 2035	543,425	1,885,302	2,428,727
2036 and thereafter	508,950	938,079	1,447,029
	$ 1,851,632	$ 4,171,382	$ 6,023,014

(c) Interest expense on long-term liabilities in 2025 amounted to $174,668 (2024 - $170,137).

(d) These payments are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

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9. Accumulated municipal equity:

	2025	2024
Investment in tangible capital assets:		
Tangible capital assets	$ 88,000,368	$ 80,763,071
Long-term debt	(6,023,014)	(5,087,163)
	81,977,354	75,675,908
Unrestricted surplus:		
Year-end surplus	209,297	–
Invested inventory	97,868	79,147
	307,165	79,147
Unfunded future employee benefits	(1,353,044)	(1,300,694)
Unfunded asset retirement obligations	(1,330,482)	(1,683,848)
Reserves (Schedule 1)	24,962,374	25,185,502
Accumulated municipal equity	$ 104,563,367	$ 97,956,015

10. Pension contributions:

The Town makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all permanent members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employers and employees contribute to the plan. Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the Town does not recognize any share of the OMERS pension surplus or deficit in these consolidated financial statements.

The last available report was at December 31, 2025 and at that time, the plan reported a $1.3 billion actuarial deficit (2024 - $2.9 billion actuarial deficit).

The amount contributed to OMERS was $665,439 (2024 - $568,142) for current services and is included as an expense on the Consolidated Statement of Operations and Accumulated Municipal Equity classified under the appropriate functional expenditure.

11. Provincial Offences Administration (POA):

The United Counties of Leeds and Grenville has assumed the administration of the Provincial Offences office for all County of Leeds and Grenville resident municipalities. The transfer of administration from the Ministry of the Attorney General to the United Counties of Leeds and Grenville was a result of the Provincial Offences Act (POA) 1997, which provides the framework for the transfer of responsibility and administration of POA courts.

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11. Provincial Offences Administration (POA) (continued):

The POA is a procedural law for administering and prosecuting provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor Licence Act, Municipal By-Laws and minor federal offences. The POA governs all aspects of legal process from serving notice to a defendant, to conducting trials, including sentencing and appeals.

The Town's share of net revenues arising from operation of the POA office have been included with these consolidated financial statements. The revenue of the court office consists of fines levied under Parts I and III (including delay penalties) for POA charges filed in court.

If fines are paid at other court offices, the receipt is recorded in the Integrated Courts Operation Network System ("ICON") operated by the Province of Ontario. Revenue is recognized when receipt of funds is recorded by the provincial ICON system regardless of the location where payment is made.

The Town shares net POA revenues based on weighted assessment, population, households and the number of tickets collected.

12. Contingent liabilities:

The nature of municipal activities is such that there may be litigation pending or in prospect at any time. With respect to claims as at December 31, 2025, management believes that the Town has valid defences and appropriate insurance coverages in place.

In the event any claims are successful, the amount of any potential liability is not determinable, therefore, no amount has been accrued in the consolidated financial statements.

13. Contaminated sites:

The Town has identified a potential liability for two contaminated sites. One site was previously used as a municipal landfill and the other attached to an industrial property with environmental issues.

(a) The Town has completed environmental assessments on the industrial site. An estimate of the liability for the contaminated site could not be reasonably estimated. The site is currently vacant. A liability for the contaminated site will be recognized in the consolidated financial statements, if required, when a future use of the site is known.

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13. Contaminated sites (continued):

(b) The Town owns land historically used as a municipal landfill and currently used as a Public Works Yard. During 2025, the Ministry of the Environment, Conservation and Parks ("MECP") identified certain environmental and regulatory compliance matters at the site and required the Town to undertake additional assessment and corrective actions. The Town continues to assess the extent of contamination and any resulting remediation requirements. As at December 31, 2025, the nature, extent and cost of any additional remediation obligation could not be reasonably estimated. Accordingly, no liability has been recorded in the consolidated financial statements. Subsequent to year-end, certain contaminated soil was identified and removed from the site, and the Town continues to work with MECP regarding any further requirements.

14. Commitments:

(a) The Town has entered into a contractual obligation with E360 Solutions for the collection and disposal of solid waste. Fees are based on tonnage and are adjusted for a fuel surcharge and annually for inflation. The contract begins January 2026 and expires December 2030.

(b) The Town has entered into a $6.1 million capital construction agreement with a third party for the Arthur Street Reconstruction Phase II project. The project is expected to be completed in fiscal 2026.

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15. Tangible capital assets:

Cost	Balance at December 31, 2024	Transfers and additions	Disposals and adjustments	Balance at December 31, 2025
Land	$ 5,351,631	$ –	$ –	$ 5,351,631
Land improvements	3,182,587	–	–	3,182,587
Buildings	15,302,176	1,321,449	20,530	16,603,095
Buildings - water treatment	9,131,367	813,312	2,062	9,942,617
Boat docks	8,694,262	187,413	404,440	8,477,235
Furniture and equipment	8,120,938	238,397	280,229	8,079,106
Vehicles	3,537,953	378,020	–	3,915,973
Linear:				
Roads	35,213,141	301,204	–	35,514,345
Bridges	4,897,735	281,649	127,309	5,052,075
Sidewalks	4,473,395	36,291	–	4,509,686
Traffic lights	771,337	–	–	771,337
Streetlights	1,769,199	–	–	1,769,199
Sanitary sewer	22,246,783	33,957	–	22,280,740
Storm sewer	5,351,675	117,408	–	5,469,083
Water	17,398,996	536,513	269,088	17,666,421
Construction in progress	5,298,083	7,054,727	76,697	12,276,113
Total	$ 150,741,258	$ 11,300,340	$ 1,180,355	$ 160,861,243

Accumulated amortization	Balance at December 31, 2024	Amortization	Disposals and adjustments	Balance at December 31, 2025
Land	$ –	$ –	$ –	$ –
Land improvements	897,257	191,083	–	1,088,340
Buildings	6,143,013	333,992	–	6,477,005
Buildings - water treatment	6,253,466	368,557	–	6,622,023
Boat docks	4,967,859	167,725	179,751	4,955,833
Furniture and equipment	2,753,320	633,524	280,229	3,106,615
Vehicles	2,286,244	217,653	–	2,503,897
Linear:				
Roads	16,365,524	709,083	–	17,074,607
Bridges	1,757,638	94,142	127,309	1,724,471
Sidewalks	2,858,831	92,931	–	2,951,762
Traffic lights	729,719	7,877	–	737,596
Streetlights	1,235,282	55,640	–	1,290,922
Sanitary sewer	9,842,281	430,476	–	10,272,757
Storm sewer	3,238,667	72,165	–	3,310,832
Water	10,649,086	364,217	269,088	10,744,215
Construction in progress	–	–	–	–
Total	$ 69,978,187	$ 3,739,065	$ 856,377	$ 72,860,875

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15. Tangible capital assets (continued):

	2025 Net book value	2024 Net book value
Land	$ 5,351,631	$ 5,351,631
Land improvements	2,094,247	2,285,330
Buildings	10,126,090	9,159,163
Buildings - water treatment	3,320,594	2,877,901
Boat docks	3,521,402	3,726,403
Furniture and equipment	4,972,491	5,367,618
Vehicles	1,412,076	1,251,709
Linear:		
Roads	18,439,738	18,847,617
Bridges	3,327,604	3,140,097
Sidewalks	1,557,924	1,614,564
Traffic lights	33,741	41,618
Streetlights	478,277	533,917
Sanitary sewer	12,007,983	12,404,502
Storm sewer	2,158,251	2,113,008
Water	6,922,206	6,749,910
Construction in progress	12,276,113	5,298,083
Total	$ 88,000,368	$ 80,763,071

16. Financial instruments and risk management:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Town is exposed to credit risk with respect to accounts receivables on the Consolidated Statement of Financial Position.

The Town assesses, on a continuous basis, amounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Town at December 31, 2025 is the carrying value of these assets. The carrying amount of amounts receivable is valued with consideration for an allowance for doubtful accounts. The amount of any related impairment loss is recognized in the Consolidated Statement of Operations and Accumulated Municipal Equity. Subsequent recoveries of impairment losses related to accounts receivable are credited to the Consolidated Statement of Operations and Accumulated Municipal Equity.

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16. Financial instruments and risk management (continued):

(a) Credit risk (continued):

	Current	Past due	Gross receivables	Allowances	Net receivables
Taxes receivable	$ 568,372	$ 271,450	$ 839,822	$ 216,800	$ 623,022
Accounts receivable	1,108,666	1,159	1,109,825	–	1,109,825
User charges receivable	1,657,676	44,958	1,702,634	–	1,702,634
Total	$ 3,334,714	$ 317,567	$ 3,652,281	$ 216,800	$ 3,435,481

(b) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates, impact the Town's income or the value of its holdings of financial instruments. Market factors include three types of risk: currency risk, interest rate risk and equity risk.

The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing return on investment.

There have been no significant changes to the market risk exposure from 2024.

(i) Currency risk:

Currency risk arises from the Town's operations in different currencies and converting non-Canadian earnings at different points in time at different foreign currency levels when adverse changes in foreign currency rates occur. The Town does not have any material transactions or financial instruments denominated in foreign currencies.

(ii) Interest rate risk:

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. Financial assets, investments and financial liabilities with variable interest rates expose the Town to cash flow interest rate risk.

The Town's management monitors the interest rate fluctuations on a continuous basis and acts accordingly with regards to long-term debt as described in Note 8. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to the long-term debt.

(iii) Equity risk:

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The Town is not exposed to this risk based on the current investment portfolio.

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16. Financial instruments and risk management (continued):

(c) Liquidity risk:

Liquidity risk is the risk that the Town will not be able to meet all of its cash outflow obligations as they come due. The Town mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. Accounts payable are all current and the terms of the long-term debt are disclosed in Note 8.

17. Segmented information:

The Town is a diversified municipal government that provides a wide range of services to its citizens. The services are provided by departments and their activities are reported in the Consolidated Statement of Operations and Accumulated Municipal Equity.

Departments have been separately disclosed in the segmented information, along with the service they provide, are set out in the schedule below.

For each reported segment, expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

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17. Segmented information (continued):

2025	General Government	Protection Persons and Property	Transportation Services	Environmental Services	Water and Sewer Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Asset Retirement Obligations	Post Retirement Benefits	2025 Total
Revenue:												
Taxation	$ 11,750,076											$ 11,750,076
User fees and service charges	402,102	1,188,155	311,364	258,197	6,181,024	-	-	1,653,315	152,001	-	-	10,146,158
Government transfers	1,195,500	353,984	-	69,471	2,410,471	-	17,443	33,408	18,575	-	-	4,098,852
Casino revenues	886,731	-	-	-	-	-	-	-	-	-	-	886,731
Investment income	327,755	-	-	-	519,024	-	-	-	-	-	-	846,779
Municipal Accommodation Tax	459,137	-	-	-	-	-	-	-	-	-	-	459,137
Other municipalities	-	-	-	-	-	-	-	161,500	13,420	-	-	174,920
Licenses and permits	21,182	220,159	-	-	-	-	-	-	14,792	-	-	256,133
Penalties and interest on taxes	130,687	-	-	-	-	-	-	-	-	-	-	130,687
Contribution from developers	-	-	-	-	186,489	-	-	-	-	-	-	186,489
Loss on writedown of tangible capital assets	-	-	(76,696)	-	-	-	-	(247,282)	-	-	-	(323,978)
Other:												
Rental and other income	68,650	31,919	-	-	-	-	-	143,702	5,531	-	-	249,802
Donations	468,000	7,500	-	-	-	-	-	41,779	40,000	-	-	557,279
Sales	-	2,853	-	-	-	-	-	-	11,697	-	-	14,550
Fines	-	-	26,333	-	-	-	-	-	-	-	-	26,333
	15,709,820	1,804,570	261,001	327,668	9,297,008	-	17,443	1,786,422	256,016	-	-	29,459,948
Expenses:												
Salaries, wages and employee benefits	1,217,056	4,768,799	1,137,844	72,933	1,414,679	51,053	-	1,480,195	437,011	-	52,350	10,631,920
Amortization of tangible capital assets	130,950	399,255	1,208,266	-	1,340,507	-	14,206	645,881		-	-	3,739,065
Materials	444,637	828,534	929,016	22,224	702,567	3,690	-	901,234	191,747	-	-	4,023,649
Contracted services	518,805	299,368	873,115	339,173	294,163	76,313	-	250,273	307,652	(353,366)	-	2,605,496
External transfers	-	55,086	-	-	-	659,741	515,324	153,231	170,000	-	-	1,553,382
Rents and financial expenses	9,270	13,100	4,290	-	6,148	57,583	-	24,652	9,373	-	-	124,416
Interest on long-term liabilities	54,789	-	39,325	-	44,604	-	553	35,397	-	-	-	174,668
Internal transfers	-	40,700	-	-	(40,700)	-	-	-	-	-		-
	2,375,507	6,404,842	4,191,856	434,330	3,761,968	848,380	530,083	3,490,863	1,115,783	(353,366)	52,350	22,852,596
Annual surplus (deficit)	$ 13,334,313	$ (4,600,272)	$ (3,930,855)	$ (106,662)	$ 5,535,040	$ (848,380)	$ (512,640)	$ (1,704,441)	$ (859,767)	$ 353,366	$ (52,350)	$ 6,607,352

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17. Segmented information (continued):

2024	General Government	Protection Persons and Property	Transportation Services	Environmental Services	Water and Sewer Services	Health Services	Social and Family Services	Recreation and Cultural Services	Planning and Development	Asset Retirement Obligations	Post Retirement Benefits	2024 Total
Revenue:												
Taxation	$ 10,878,069	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,878,069
User fees and service charges	57,509	1,094,683	147,254	301,385	5,976,504	9,633	-	1,405,737	117,639	-	-	9,110,344
Government transfers	1,177,500	2,257,579	2,113,973	-	396,466	-	17,729	80,709	43,232	-	-	6,087,188
Casino revenues	961,005	-	-	-	-	-	-	-	-	-	-	961,005
Investment income	651,777	-	68,576	-	568,665	-	-	12,212	-	-	-	1,301,230
Municipal Accommodation Tax	348,362	-	-	-	-	-	-	-	-	-	-	348,362
Other municipalities	-	-	-	-	-	-	-	158,500	13,144	-	-	171,644
Licenses and permits	17,383	217,294	-	-	-	-	-	-	15,887	-	-	250,564
Penalties and interest on taxes	128,541	-	-	-	-	-	-	-	-	-	-	128,541
Contribution from developers	-	-	462,440	-	-	-	-	-	-	-	-	462,440
Other:												
Rental and other income	76,527	58,984	-	-	-	-	-	146,874	4,887	-	-	287,272
Donations	12,740	-	-	-	-	-	-	63,578	40,000	-	-	116,318
Sales	-	-	-	-	-	-	-	-	8,545	-	-	8,545
Fines	-	33,619	-	-	-	-	-	-	-	-	-	33,619
	14,309,413	3,662,159	2,792,243	301,385	6,941,635	9,633	17,729	1,867,610	243,334	-	-	30,145,141
Expenses:												
Salaries, wages and employee benefits	929,094	4,509,605	829,693	117,771	1,140,969	40,010	-	1,276,263	406,828	-	41,940	9,292,173
Amortization of tangible capital assets	126,541	249,255	1,106,065	-	1,254,699	-	14,206	629,735	-	-	-	3,380,501
Materials	432,502	963,163	537,126	39,605	668,986	490	-	892,050	355,500	-	-	3,889,422
Contracted services	290,775	259,144	574,979	406,336	258,814	57,533	-	320,258	214,270	(1,453,100)	-	929,009
External transfers	-	52,265	-	-	-	582,585	573,859	158,957	-	-	-	1,367,666
Rents and financial expenses	8,767	12,072	4,261	-	58,832	56,863	-	22,780	4,255	-	-	167,830
Interest on long-term liabilities	57,619	-	41,729	-	45,799	-	2,126	22,864	-	-	-	170,137
Internal transfers	-	40,070	-	-	(40,070)	-	-	-	-	-	-	-
	1,845,298	6,085,574	3,093,853	563,712	3,388,029	737,481	590,191	3,322,907	980,853	(1,453,100)	41,940	19,196,738
Annual surplus (deficit)	$ 12,464,115	$ (2,423,415)	$ (301,610)	$ (262,327)	$ 3,553,606	$ (727,848)	$ (572,462)	$ (1,455,297)	$ (737,519)	$ 1,453,100	$ (41,940)	$10,948,403

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18. Budget figures:

The 2025 approved budget was prepared on a cash based approach. The cash based approach includes capital expenses, repayment of long-term debt and transfers to and from reserves which are removed in the year end Consolidated Statement of Operations and Accumulated Municipal Equity. The revenues attributable to these items continue to be included in the Consolidated Statement of Operations and Accumulated Municipal Equity, resulting in a significant variance. The following analysis is provided to assist readers in their understanding of differences between the approved budget and the audited consolidated financial statements.

	2025 Budget	2025 Actual
Total revenues	$ 27,968,261	$ 29,459,948
Total expenses	17,881,416	22,852,596
Annual surplus	10,086,845	6,607,352
Amortization	–	3,739,065
Adjusted annual surplus	10,086,845	10,346,417
Capital expenses	(19,366,268)	(11,300,340)
Loss on disposal of tangible capital assets	–	323,978
Acquisition of inventory	–	(18,721)
Unfunded employee future benefits	–	52,350
Unfunded asset retirement obligations	–	(353,366)
Principal repayments	(416,005)	(364,149)
Proceeds from long-term debt	–	1,300,000
Decrease in operating surplus	$ (9,695,428)	$ (13,831)
Allocated as follows:		
Year-end surplus	$ –	$ 209,297
Net transfers from reserves	(9,695,428)	(223,128)
	$ (9,695,428)	$ (13,831)

19. Subsequent event:

Subsequent to year-end, the Town approved the issuance of $12.9 million of long-term financing through Ontario Infrastructure and Lands Corporation (“OILC”). The financing comprises three debentures of $2.1 million, $4.3 million and $6.5 million, bearing interest at 4.56%, 5.02% and 4.364%, maturing in October 2041, October 2051 and October 2036, respectively.

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CORPORATION OF THE TOWN OF GANANOQUE

Schedule 1: Continuity of Reserves and Reserve Funds

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget (note 18)	2025 Actual	2024 Actual
Net transfers from (to) other funds			
Transfers from operations	$ 7,224,473	$ 7,989,401	$ 8,872,388
Transfers to capital acquisitions	(16,919,901)	(8,212,529)	(5,493,021)
Reserves and reserve fund balances, change in year	(9,695,428)	(223,128)	3,379,367
Reserves and reserve fund balances, beginning of year	25,185,502	25,185,502	21,806,135
Reserves and reserve fund balances, end of year	$ 15,490,074	$ 24,962,374	$ 25,185,502

Composition of Reserves and Reserve Funds

	2025	2024
Reserves set aside for specific purposes by Council:		
Reserves set aside for specific purposes by Council		
Working capital	$ 647,809	$ 647,809
Contingencies	368,155	323,819
Elections	24,276	19,176
Economic development	302,998	258,662
Winter control	242,400	242,400
Business improvement area	24,633	28,928
Library	66,652	69,190
Other	1,436,404	1,474,297
	3,113,327	3,064,281
For capital purposes:		
Infrastructure	7,470,406	7,475,337
Recreation facilities	620,088	320,230
Waterworks and sewer	13,623,182	14,191,360
Parking	135,371	134,294
	21,849,047	22,121,221
Total reserves and reserve funds	$ 24,962,374	$ 25,185,502

DRAFT

KPMG LLP
863 Princess Street, Suite 400
Kingston ON K7L 5N4
Canada
Telephone 613-549-1550
Fax 613-549-6349

Melanie Kirkby
Chief Administrative Officer
Corporation of the Town of Gananoque
30 King Street East
Gananoque, ON, K7G 2T6

July 31, 2026

The purpose of this letter is to outline the terms of our engagement to audit the consolidated annual financial statements ("financial statements") of the Corporation of the Town of Gananoque ("the Entity") commencing for the year ending December 31, 2025, and in the future.

This letter supersedes our previous letter to the Entity dated March 7, 2025.

The terms of the engagement outlined in this letter will continue in effect from period to period, unless amended or terminated in writing. The attached Assurance Terms and Conditions and any exhibits, attachments and appendices hereto and subsequent amendments form an integral part of the terms of this engagement and are incorporated herein by reference (collectively the "Engagement Letter").

Financial Reporting Framework for the Financial Statements

The financial statements will be prepared and presented in accordance with Canadian public sector accounting standards (hereinafter referred to as the "financial reporting framework").

The financial statements will include an adequate description of the financial reporting framework.

Management's Responsibilities

Group management's responsibilities are described in *Appendix A – Management's Responsibilities*.

An audit does not relieve management or those charged with governance of their responsibilities.

Auditor's Responsibilities

We apply the following ethical requirements, including independence requirements, in:

- the rules of professional conduct / code of ethics applicable to the practice of public accounting issued by various professional accounting bodies in Canada ("CPA Code") that are relevant to audits of financial statements; and

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
KPMG Canada provides services to KPMG LLP.

- the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants that are relevant to audits of financial statements.

Our responsibilities are described in *Appendix B – Auditor's Responsibilities*.

If management does not fulfill the responsibilities above, we cannot complete our audit.

Additional Responsibilities regarding "Other Information"

"Other information" is defined in professional standards to be the financial or non-financial information (other than the financial statements and the auditor's report thereon) included in the "annual report". An "annual report" is defined in professional standards to comprise a document or combination of documents. Professional standards also indicate that:

- an annual report is prepared typically on an annual basis in accordance with law, regulation or custom (i.e., is reoccurring)
- an annual report contains or accompanies the financial statements and the auditor's report thereon
- an annual report's purpose is to provide owners (or similar stakeholders) with information on:
    - operations; and/or
    - financial results and financial position as set out in the financial statements.

Based on discussions with management, there are no documents, or combination of documents, expected to meet the definition of an "annual report" under professional standards.

Auditor's Deliverables

Unless otherwise specified, our report(s) will be in writing and the expected content of our report(s) are provided in *Appendix C – Expected Form of Report*. However, there may be circumstances in which a report may differ from its expected form and content.

In addition, if we become aware of information that relates to the information we reported on after we have issued our report, but which was not known to us at the date of our report, and which is of such a nature and from such a source that we would have investigated that information had it come to our attention during the course of our engagement, we will, as soon as practicable: (1) communicate such an occurrence to those charged with governance; and (2) undertake an investigation to determine whether the information is reliable and whether the facts existed at the date of our report. Further, management agrees that in conducting that investigation, we will have the full cooperation of the Entity's personnel. If the subsequently discovered information is found to be of such a nature that: (a) our report would have been affected if the information had been known as of the date of our report; and (b) we believe that the report may have been distributed to someone who would attach importance to the information, appropriate steps will be taken by KPMG, and appropriate steps will also be taken by the Entity to advise of the newly discovered facts and the impact to the information we reported on.

Non-Audit Service – Certain Assistance Relating to Word Processing and/or Preparation of Financial Statements

Word Processing

We will assist management by providing word processing for the Entity's financial statements and related notes.

Assistance in Preparing Financial Statements

We will assist management in preparing the financial statements and related notes in accordance with the financial reporting framework**.**

We will use information from the trial balance and/or other source documents provided by management to assist management in preparing the financial statements and related notes. We may also provide advice and recommendations to assist management of the Entity in performing its responsibilities.

We will not assume management responsibilities on behalf of the Entity.

The Entity agrees to:

- Assume all management responsibilities, including determining the accuracy and completeness of the financial statements and notes.
- Assign a suitable employee with appropriate skills, knowledge and/or experience to oversee the financial statement preparation assistance and evaluate the adequacy and results of the services.
- Accept responsibility for the results of the financial statement preparation assistance.

Income Tax Compliance and Advisory Services

Tax compliance and advisory services are outside the scope of this letter. These services will be subject to the terms and conditions of a separate engagement letter.

Use of KPMG Clara

The terms and conditions for use of KPMG Clara apply to the use of the collaboration tool and can be found here**.**

Fees

Appendix D – Fees for Professional Services to this letter lists our fees for professional services to be performed under this Engagement Letter.

****

We are available to provide a wide range of services beyond those outlined above. Additional services are subject to separate terms and arrangements.

We are proud to provide you with the services outlined above and we appreciate your confidence in our work. We shall be pleased to discuss this letter with you at any time. If the arrangements and terms are acceptable, please sign the duplicate of this letter in the space provided and return it to us.

Yours very truly,

KPMG LLP

Katie Mahon, CPA, CA, Licensed Public Accountant
Partner, responsible for the engagement and its performance, and for the report that is issued on behalf of KPMG LLP, and who, where required, has the appropriate authority from a professional, legal or regulatory body
613-541-7340

Enclosure

****

The terms of the engagement set out are as agreed:

melanie kirkby

Melanie Kirkby, Chief Administrative Officer
(having the appropriate authority to engage the Entity)

01/10/2026

Date (DD/MM/YYYY)

Appendix A – Management's Responsibilities

Management responsibilities

Group management acknowledges and understands that they are responsible for:

(a) the preparation and fair presentation of the financial statements in accordance with the financial reporting framework referred to above

(b) providing us with all information of which group management is aware that is relevant to the preparation of the group financial statements ("relevant information") such as financial records, documentation and other matters, including:

- the names of all related parties and information regarding all relationships and transactions with related parties
- the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors, and committees of the board of directors that may affect the financial statements. All significant actions are to be included in such summaries.

(c) providing us with unrestricted access to such relevant information.

(d) providing us with complete responses to all enquiries made by us during the engagement.

(e) providing us with additional information that we may request from group management for the purpose of the engagement

(f) providing us with unrestricted access to persons within the Entity from whom we determine it necessary to obtain evidence

(g) such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Management also acknowledges and understands that they are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.

(h) ensuring that all transactions have been recorded and are reflected in the financial statements.

(i) ensuring that internal auditors providing direct assistance to us, if any, will be instructed to follow our instructions and that management, and others within the Entity, will not intervene in the work the internal auditors perform for us.

(j) providing us with written representations required to be obtained under professional standards and written representations that we determine are necessary. Management also acknowledges and understands that, as required by professional standards, we may disclaim an audit opinion when management does not provide certain written representations required.

Appendix B – Auditor's Responsibilities

Auditor's responsibilities regarding the audit of the financial statements

Our function as auditors of the Entity is:

- to express an opinion on whether the Entity's financial statements, prepared by management with the oversight of those charged with governance, are, in all material respects, in accordance with the financial reporting framework referred to above
- to report on the financial statements

We will conduct the audit of the Entity's financial statements in accordance with Canadian generally accepted auditing standards and relevant ethical requirements, including those pertaining to independence (hereinafter referred to as applicable "professional standards").

We will plan and perform the audit to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. Accordingly, we will, among other things:

- identify and assess risks of material misstatement, whether due to fraud or error, based on an understanding of the Entity and its environment, including the Entity's internal control. In making those risk assessments, we consider internal control relevant to the Entity's preparation of the financial statements 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 Entity's internal control
- obtain sufficient appropriate audit evidence about whether material misstatements exist, through designing and implementing appropriate responses to the assessed risks
- form an opinion on the Entity' s financial statements based on conclusions drawn from the audit evidence obtained
- communicate matters required by professional standards, to the extent that such matters come to our attention, to the appropriate level of management, those charged with governance and/or the board of directors. The form (oral or in writing) and the timing will depend on the importance of the matter and the requirements under professional standards.

Appendix C – Expected Form of Report

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Gananoque

Opinion

We have audited the consolidated financial statements of the Corporation of the Town of Gananoque (the Entity), which comprise:

- the consolidated statement of financial position as at December 31, 2025
- the consolidated statement of operations and accumulated municipal equity for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2025, and its consolidated results of operations, its consolidated changes in net financial assets 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 Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease

operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit and performance of the group audit. We remain solely responsible for our audit opinion.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

(Date)

Appendix D – Fees for Professional Services

Regarding our audit of the annual financial statements as described in this letter, the Entity and KPMG agree to an estimated fee as outlined in our proposal dated September 1, 2021.

Service	Estimated Fee
Audit and preparation of the annual consolidated financial statements	$28,000
Ongoing impacts of mandatory adoptions of accounting and auditing standards since proposal date*	$5,000
Preparation of the Municipal Financial Information Return (FIR)	$1,700

**In response to the new accounting standards that were applicable in fiscal 2023 and 2024 related to Asset Retirement Obligations, Financial Instruments and Revenue, there will continue to be additional fees based on the incremental time incurred related to the audit work required in response to the re-measurement of these standards at each period-end.*

Our fees will be billed as the work progresses for this service.

Interest on overdue invoices as described in the Assurance Terms and Conditions ("Fee and Other Arrangements") shall be (1)% per month, calculated and compounded monthly (effective annual rate of (12.683)%).

Assumptions

Our proposed professional fees are based on the assumption that management and employees are fully available throughout the audit period, that all necessary information is provided at the beginning of the first day of the audit work as agreed upon with management, and that this information is appropriate for us to perform our audit under Canadian Auditing Standards. Furthermore, these proposed professional fees assume the following:

- The assets, liabilities, revenues and expenses reported on the financial statements and other schedules to be audited will not change significantly from the prior year;
- There are no retroactive changes required to the prior year financial statements;
- We are not required to provide accounting assistance, preparation of correcting accounting entries or accounting advisory services;
- Your financial records are in good order, are appropriately adjusted at the start of the audit, and are prepared in accordance with the appropriate accounting framework;
- Your internal controls around financial reporting operated effectively throughout the fiscal year under audit;
- There are no changes to Accounting Standards, or Canadian Auditing Standards (CAS) requirements that significantly impact the financial statements; and
- There are no impairment issues nor adjustment on any investments or capital assets.

If these assumptions are not met, our professional fees will be subject to revision and will be discussed with management during the audit process.

These Terms and Conditions are an integral part of the Engagement Letter. In the event of conflict between the Engagement Letter and these Terms and Conditions, these Terms and Conditions shall prevail unless specific reference to a provision of the Terms and Conditions being varied is made in the Engagement Letter.

1. Definitions.

"**Agreement**" means the contract formed by the Engagement Letter and any attachments thereto, including these Terms and Conditions.

"**Claims**" means actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses.

"**Confidential Information**" means any information made available, directly or indirectly, by one party to the other in connection with the Services or otherwise pursuant to this Agreement that is marked or communicated as confidential or that due to its nature a reasonable person under like circumstances would consider it confidential. Confidential Information includes, without limitation, Personal Information, business plans, proprietary software code and specifications, information about a party's products, processes, services, finances and customers, and the terms of this Agreement, except (but not as regards Personal Information) to the extent such information: (i) is or hereafter enters the public domain through no fault of the receiving party; (ii) is already or hereafter becomes known to the receiving party free of any obligation of confidence; or (iii) is developed by the receiving party independently of the disclosing party's Confidential Information.

"**Engagement Letter**" means the engagement letter or other document referencing these Terms and Conditions.

"**Entity**" has the meaning set out in the Engagement Letter.

"**KPMG**" means the KPMG entity that issued the Engagement Letter.

"**KPMG Parties**" means KPMG, other Member Firms, the legal entities comprising KPMG International (which do not provide services to clients) and their respective partners, directors, officers, employees, agents, subsidiaries, affiliates and related entities. KPMG Parties may be in or outside of Canada.

"**KPMG Resources**" means KPMG, other Member Firms and third-party contractors and suppliers engaged by KPMG or a Member Firm. KPMG Resources may be in or outside of Canada.

"**Legal Demand**" means a demand, request, subpoena or other legal process issued by a legal, regulatory, professional or government authority having jurisdiction**.**

"**Management**" means the management of Entity.

"**Member Firms**" means the members of the KPMG international network of independent firms and entities controlled by, or under common control with, one or more of such members.

"**Personal Information**" means any information supplied by or on behalf of Entity that meets the definition given to that term or analogous terms under Privacy Laws.

"**Privacy Laws**" means, in respect of a party, all privacy legislation and regulation applicable to such party, in each case as may be updated, amended or replaced from time to time.

"**Report**" means the report(s) issued by KPMG pursuant to this Agreement, as set out in the Engagement Letter.

"**Services**" means the services to be provided by KPMG as set out in the Engagement Letter.

"**Terms and Conditions**" means these Terms and Conditions for Assurance Engagements.

Other capitalized words in these Terms and Conditions shall have the meanings given to them in the Engagement Letter.

2. Services.

a. KPMG may engage other KPMG Resources to assist KPMG in the performance of the Services, provided that KPMG remains responsible to Entity for the performance of any Services by KPMG Resources. Entity agrees that any Claim relating to the Services, the Report or this Agreement may only be made against KPMG and not against any other KPMG Resources.

b. All working papers, files, correspondence and other internal materials created or produced by KPMG in relation to the engagement, and all methodologies, know-how and technologies licensed or owned by KPMG and used or developed by KPMG in the performance of the Services, including in each case all intellectual property rights therein, are and shall remain the property of KPMG.

3. Entity Responsibilities.

a. All management responsibilities will be performed by Entity and all management decisions will be made by Entity, and not by KPMG. Entity shall provide KPMG with timely access to and use of Entity's equipment, systems, data, information, materials, personnel and facilities as necessary for KPMG to perform the Services. The Engagement Letter sets forth additional responsibilities of Entity in connection with the engagement. Entity acknowledges that Entity's failure to perform its obligations under this Agreement could adversely impact KPMG's ability to perform the Services, and/or to perform them in accordance with the fees and timelines set out in the Engagement Letter.

b. Management agrees to promptly provide KPMG with a copy of any comment letter or request for information issued by any securities or other regulatory authority in respect of information on which KPMG reported or will report, including without limitation any continuous disclosure filings.

c. Entity agrees to notify KPMG promptly of any request received by Entity from any third party with respect to the Services, KPMG's Confidential Information, KPMG's advice or Report or any related document.

d. Entity understands and acknowledges that KPMG's independence may be impaired if any KPMG partner, employee or contractor accepts any offer of employment from Entity.

4. Use of Report.

a. Except as otherwise specifically agreed in the Engagement Letter, KPMG does not consent to:
   i. the use of the Report in connection with an offering document or other securities filing, including continuous disclosure filings; or

ii. the use of KPMG's interim review report, unless such interim review report is in writing and contains a modified conclusion, in which case our interim review report will accompany the interim financial statements.

Where KPMG's consent is sought, KPMG will be required to perform procedures as required by applicable professional standards, and such procedures would be the subject of a separate engagement letter.

b. KPMG does not assume any responsibility to any party other than Entity in respect of the Services or Report. Accordingly, in the event of a Claim by any third party (including any Entity affiliate) against KPMG that arises out of or relates to the Services or Report, Entity will indemnify and hold harmless KPMG from all such Claims, including, without limitation, reasonable legal fees. For purposes of this Section 4(b), the term KPMG shall include KPMG Parties.

c. Where Entity discloses the Report to third parties, it may only be disclosed in whole, unless otherwise agreed to or required by KPMG. Reports may not be modified or translated into another language.

5. Confidentiality.

a. Except with the disclosing party's prior written consent, or as otherwise expressly provided in this Agreement, each party will hold the other party's Confidential Information in confidence and use it only to perform or receive the Services, as applicable, or to exercise its rights and perform its obligations under this Agreement. The receiving party shall protect the disclosing party's Confidential Information as it protects its own Confidential Information, but in no event shall exercise less than reasonable care.

b. KPMG may share Confidential Information of Entity with other KPMG Resources who are assisting KPMG in the performance of the Services.

c. The receiving party may disclose Confidential Information of the disclosing party: (i) to the extent required by law or professional standards or otherwise pursuant to a Legal Demand; and (ii) to its professional advisors and insurers in relation to any Claim or Legal Demand concerning the Services or this Agreement, provided in each case that the receiving party will exercise commercially reasonable efforts to afford the Confidential Information available confidentiality protections.

d. KPMG is regulated by various professional and regulatory bodies both in Canada and abroad, such as the Canadian Public Accountability Board (CPAB), the Public Company Accounting Oversight Board, securities regulators, and provincial CPA bodies. KPMG may receive requests or orders from these bodies to access or obtain documents and information in KPMG's files, and/or the files of any foreign component auditor, related to the Services. Entity acknowledges, on its own behalf and on behalf of its subsidiaries and affiliates, that such documents and information will be disclosed by KPMG or the foreign component auditor to these bodies without further notice to Entity. If applicable, pursuant to National Instrument 52-108, Entity agrees, and will cause its subsidiaries and affiliates to agree, that a component auditor may enter into a "CPAB access agreement" if requested by CPAB.

e. KPMG will use reasonable efforts to withhold from disclosure under Section 5(c)(i) or 5(d) any documents which, at the time of their provision to KPMG, are marked by Entity as "privileged".

f. Each party may share Confidential Information of the other party (in the case of KPMG, with other KPMG Resources and KPMG Parties, and in the case of Entity, with third parties engaged by Entity), as reasonably required to facilitate the operation of its business or support its infrastructure, including for the performance of administrative, clerical and technological operations and functions, to manage its relationship with the other party and, in the case of KPMG, to comply with its professional obligations and standards (including for quality assurance and risk management purposes). Any such disclosure shall be under obligations of confidentiality to the same or similar extent as the parties have agreed to hereunder, and each party shall be responsible to the other for any failure to comply with such conditions of confidentiality.

g. KPMG Parties and KPMG Resources may use information obtained while performing engagements for business-related purposes including developing new or improving existing services, technologies, data sets and benchmarks, conducting analytics and training cognitive systems. Where this involves Confidential Information of Entity, it will not be disclosed to other third parties unless de-identified, anonymized and/or aggregated so as not to be attributable to Entity.

h. KPMG may disclose the general nature of its engagement for Entity as reasonably required in order to assess and address conflicts of interest.

6. Privacy.

a. Each party will comply with Privacy Laws in connection with the engagement. Additionally, KPMG shall process Personal Information in accordance with this Agreement and KPMG's Privacy Policy available at www.kpmg.ca. Entity will provide all notifications and obtain all consents required by Privacy Laws to permit KPMG Resources and KPMG Parties to process such Personal Information in connection with the engagement. Upon request, each party shall provide the other with information and co-operation relating to its processing of Personal Information as reasonably required in order for the other to satisfy its obligations under Privacy Laws.

b. KPMG will use reasonable technical and organizational measures to protect against unauthorized or unlawful processing of Personal Information and accidental loss or destruction of, or damage to, Personal Information. Subject to each party's standard internal archival and information back-up processes and except as required to comply with applicable laws or professional standards, each party will destroy Personal Information when no longer needed for the uses set out in this Agreement.

7. Fees.

a. KPMG's estimated fee is based in part on the quality of Entity's records, the agreed-upon level of preparation and assistance from Entity's personnel, and adherence by Entity to the agreed-upon timetable. KPMG's estimated fee also assumes that Entity's financial statements and/or other financial information, as applicable, are prepared in accordance with the relevant financial reporting framework or the relevant criteria, as applicable, and that there are no significant changes to the relevant financial reporting framework or the relevant criteria, as applicable; no significant new or changed accounting policies; no significant changes to internal control; and no other significant issues. Additional time may be incurred for such matters as significant issues, significant unusual and/or complex transactions, informing Management about new professional standards, and any related accounting advice. Where these matters arise and require research, consultation and work beyond that included in the estimated fee, Entity and KPMG agree to revise the estimated fee.

b. KPMG's professional fees are subject to an additional technology and support charge which covers costs such as client service personnel computer hardware and customized KPMG software, telecommunications equipment, client service professional administrative support, IT programming,

professional services and other client support services. CPAB participation fees, when applicable, are also charged to Entity based on the annual fees levied by CPAB. Other direct out-of-pocket costs and expenses, such as travel, will be charged separately based on actual costs. KPMG's professional fees and other charges do not include any applicable federal, provincial or other sales taxes, tariffs or duties, which shall be added to the invoice and paid by Entity.

c. Invoices will be rendered on a regular basis or otherwise specified in the Engagement Letter. Accounts are due when rendered. In order to avoid the possible implication that unpaid fees might be viewed as creating a threat to KPMG's independence, it is important that KPMG's bills be paid promptly when rendered. If a situation arises in which it may appear that KPMG's independence is threatened because of significant unpaid bills, KPMG may be prohibited from signing any applicable report and/or consent.

d. KPMG may be requested by Entity or be subject to a Legal Demand to produce documents or personnel as witnesses or for interviews in a proceeding or investigation. Where KPMG is not a named party in such proceeding or investigation, KPMG may charge Entity at its standard billing rates for professional time and expenses, including reasonable legal fees, incurred in responding to such request or Legal Demand.

8. Limitation on Liability.

a. KPMG shall not be liable to Entity for any Claims in any way arising out of, or in any way relating to, the performance of the Services, including without limitation the termination thereof, for an aggregate amount in excess of the lesser of one million dollars ($1,000,000) and two times the fees paid by Entity to KPMG under the engagement, except to the extent finally determined to have resulted from KPMG's fraud or wilful misconduct. On a multi-year engagement, KPMG's liability shall be based on the amount actually paid to KPMG for the particular work that gives rise to the Claim.

b. KPMG shall not be liable to Entity for consequential, special, indirect, incidental, punitive or exemplary damages, or any loss of revenue or profit or other commercial or economic loss, even if advised of the possibility thereof.

c. Where Entity has suffered a Claim in relation to the Services and parties other than KPMG Resources are partially responsible for such Claim, then KPMG is only liable for, and Entity may only claim from KPMG, KPMG's share of the total liability based on degree of fault or negligence, subject to the limitations set out in Sections 8(a) and (b) above.

d. For purposes of this Section 8, the term KPMG shall include KPMG Parties. The provisions of this Section 8 shall apply regardless of the form of claim, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

9. Termination and Survival.

a. KPMG may terminate this Agreement upon written notice to Entity if there is a change of laws or professional standards or a change in circumstances or information that would, in KPMG's opinion, cause the continued provision of Services to violate such laws or professional standards. Except where prohibited by professional standards, KPMG may also terminate this Agreement for any reason upon 30 days written notice to Entity.

b. Entity may terminate the engagement at any time upon written notice to KPMG. Upon termination of the engagement prior to its completion, Entity shall be responsible for the payment of KPMG's time and expenses incurred up to the effective date of termination, as well as reasonable time and expenses to bring the engagement to a close in a prompt and orderly manner. Otherwise, neither party will be responsible for any loss, cost or expense resulting from termination of this Agreement in accordance with its terms.

c. These Terms and Conditions, other than Section 10, shall survive the expiration or termination of the engagement and this Agreement.

10. Force Majeure.

Neither party shall be liable for any delays in the performance of its obligations hereunder, other than payment obligations, arising out of or caused by, directly or indirectly, circumstances or causes beyond its control, including, without limitation, fire or other casualty, strike or labour dispute, war or other violence, any law, order or requirement of any governmental agency or authority, or any epidemic, pandemic or quarantine.

11. Conflicts of Interest.

In accordance with applicable professional standards, based upon the information provided by Entity, KPMG performs a search for any conflicts of interest in connection with the Services. Where such a conflict of interest is identified, KPMG will, subject to confidentiality, disclose the nature of the conflict to Entity, the ethical dividers and other safeguards to be implemented, and seek Entity's consent. Notwithstanding the foregoing, KPMG may advise any other client making a competing bid or proposal to Entity, whether or not KPMG is advising Entity in respect of Entity's bid or proposal. For certainty, a conflict of interest does not arise solely because KPMG or another Member Firm is, was or will be engaged by another client who is a business competitor, customer or supplier of Entity.

12. Publicity and Use of Logo.

Neither party shall acquire any right to use the name or logo (or any part thereof) of the other party in any manner or medium, except that Entity gives KPMG a limited, revocable, non-exclusive, paid-up, royalty free right to use Entity's name and logo in presentations and reports to Entity and for internal KPMG presentations and intranet sites. KPMG may also reference Entity's name as a customer in KPMG proposals and marketing materials, including KPMG websites and social media, indicating the general services rendered.

13. Miscellaneous.

a. Entity acknowledges that it has had the opportunity to obtain legal advice with respect to Entity's rights and obligations under this Agreement.

b. The parties consent and agree to the use of electronic signatures with respect to this Agreement and any other agreements, notices or communications contemplated hereby, where permissible by law.

c. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors, executors, administrators, heirs and permitted assigns, as applicable. Except as expressly provided herein, neither party may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party. KPMG may assign its rights and obligations hereunder to any affiliate or successor in interest to all or substantially all of the assets or business of the relevant KPMG practice, without the consent of Entity.

d. The provisions of this Agreement shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of these provisions shall be held to be invalid, void or unenforceable, the remaining provisions shall not be affected, impaired or invalidated, and each such provision shall be valid and enforceable to the fullest extent permitted by law.

e. KPMG is a registered limited liability partnership (LLP) established under Ontario laws. A partner in an LLP is not personally liable for any debts, obligations or liabilities of the LLP, including those that arise from any negligent act or omission by another partner or by any person under that other partner's direct supervision or control. Partners of an LLP are personally liable only for their own actions and omissions, and for the actions and omissions of those they directly supervise or control.

14. Entire Agreement.

This Agreement constitutes the entire agreement between KPMG and Entity with respect to the engagement and supersedes all other oral and written representations, understandings or agreements relating to the Services. Except as expressly stated in this Agreement, KPMG expressly disclaims and makes no representations, conditions or warranties of any kind or nature with respect to the Services or Reports, express or implied, including warranties of merchantability, fitness for a particular purpose or use, or non-infringement. Any changes to this Agreement must reference this Agreement, be in writing and be signed by an authorized signatory of each party.

15. Governing Law and Disputes.

a. This Agreement shall be subject to and governed by the laws of the Province in which KPMG's principal Canadian office performing the engagement is located (without regard to such Province's rules on conflicts of law).

b. All disputes arising out of or in connection with this Agreement or the Services, or in respect of any legal relationship associated with or derived from this Agreement, shall be finally resolved by arbitration under the Arbitration Rules of the ADR Institute of Canada, Inc. The seat of arbitration will be the city in Canada in which KPMG's principal office performing the Services is located. The arbitration shall be conducted in English.

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

Proclamation

WHEREAS years of research confirms the benefits of high-quality early learning and child care for young children's intellectual, emotional, social and physical development;

AND WHEREAS early learning and child care promotes the well-being of children and responds to the needs of families and the broader community by supporting quality of life so that citizens can fully participate in and contribute to the economic and social life of their community;

AND WHEREAS trained and knowledgeable Registered Early Childhood Educators are the key to quality in early years and child care programs – in licensed child care, EarlyON programs, child life programs, and full-day kindergarten;

AND WHEREAS Registered Early Childhood Educators and child care workers are vital to the success of the Canada-Wide Early Learning and Child Care system.

NOW THEREFORE, I, John Beddows, Mayor, proclaim October 21st, 2026, be recognized as the 26th Annual "**Child Care Worker & Early Childhood Educator Appreciation Day**" in recognition of the education, dedication and commitment of child care workers to children, their families and quality of life in the Town of Gananoque.

Signed and dated this 7th day of October 2026.

_____

John S. Beddows, Mayor

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

Declaration

In light of, and having reflected on the tragic trend of religiously based violence in Canada over the last few years in which people many faiths and their places worship have been targeted, I am writing today as the Mayor of Gananoque to publicly articulate a simple message of what I believe we stand for in our Town, and what we stand against.

Here in Gananoque we stand for community, understanding, communication, caring, supporting our neighbours, courtesy, kindness, the value of hard work, the fact that respect must be earned by the way we comport ourselves and conduct our lives as individuals and a simple and unshakable belief that a stranger is a friend you haven't met yet.

We believe that all people share, at core, the same hopes and aspirations. We all want our children to be able to attend school, move freely, live, play and congregate without fear or concern. We want our children to have the same opportunities or better ones than we had to grow, learn, love, laugh, experience, travel, work and succeed on their own terms and as they define success. We all want security of place, security from hunger, security of our persons and security of our property. We believe in building bridges, not fences. We believe in the power of debate, that facts matter, and of understanding. We believe in providing help to those who need it and in doing our best to ensure that everyone has a place to find help, warmth and hope when they need it, without judgement.

We believe that faith is a personal choice and that the individual and collective quest for truth brings hope and light into a world which need them very badly.

We assert and we will stand and defend the fundamental principle that all persons are equal and share the same fundamental rights and dignity as persons.

The other side of the coin. Here is what Gananoque stands against.

We stand against “othering”. We stand against the objectification of people. We stand against any person or group that denies that all persons are equal in rights, dignity and freedoms. We stand against any person or group that seeks to use or that uses violence or intimidation as tools to target persons or groups or to try to change our society, our way of life and who we are as Canadians.

Here in Gananoque when a neighbour’s house is on fire, we run towards the flames and not away. This will not change.

Hate has no home here.

Signed and dated this 7th day of October, 2026.

_____

John S. Beddows, Mayor

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

REGULAR COUNCIL MEETING MINUTES

Held on Wednesday, September 16, 2026, at 5:00 PM

Held Virtually and In-Person

COUNCIL MEMBERS PRESENT		STAFF PRESENT
Mayor:	John Beddows	Brenda Guy, Manager of Planning and Development / Acting CAO
Councillors:	Colin Brown	Penny Kelly, Clerk / CEMC
	Matt Harper (connected @ 5:07 PM)	Lynsey Zufelt, Deputy Clerk
	Patrick Kirkby	David Armstrong, Manager of Public Works
	Anne-Marie Koiner	Jeff Johnston, Manager of Parks and Recreation
	Vicki Leakey	John Morrison, Treasurer
		Andrew Dickson, Fire Chief
		Rich Swann, Chief of Police
Regrets:		Melanie Kirkby, CAO

1.	**Call Meeting to Order**
	Mayor Beddows called the meeting to order at 5:00 PM.
2.	**Disclosure of Pecuniary Interest & General Nature Thereof**
	1. Councillor Brown declared a Pecuniary / Conflict of Interest on three (3) items, listed below, due to the close proximity of a parent's home from the development being discussed / considered. 1.1. Delegation – Elmwood Subdivision Group; 1.2. Presentation – Development Proposal – Elmwood Drive, and; 1.3. Report Council PD-2026-13 – Plan of Subdivision (SD2025-01) and Class III Development Permit (DP2026-04) – MHBC Planning Ltd.
3.	**Canadian National Anthem**
	• The National Anthem was sung.
4.	**Land Acknowledgement Statement**
	• Mayor Beddows read the Land Acknowledgement Statement
5.	**Public Question / Comment** (Only Addressing Motion(s) or Reports on the Agenda)
	• A Member of the public spoke to Reports on the Agenda.
6.	**Disclosure of Additional Items** – None
7.	**Delegation**
	1. Delegation – Eastern Workforce Innovation Board (EWIB) – Frank O'Hearn, Executive Director and Sandra Wright, LMI Analyst
	• Frank O'Hearn appeared before Council and provided an overview of the Eastern Workforce Innovation Board (EWIB) and its community resources that may impact and/or assist community partners with labour market planning.
	Motion #26-164 – Eastern Workforce Innovation Board (EWIB) **Moved by:** Mayor Beddows **Seconded by:** Councillor Koiner BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE RECEIVES FOR INFORMATION THE EASTERN WORKFORCE INNOVATION BOARD (EWIB) PRESENTATION, AS PRESENTED BY FRANK O'HEARN ON WEDNESDAY, SEPTEMBER 16, 2026. **CARRIED – UNANIMOUS**

	2. Elmwood Subdivision Group – Tim Corbett and Marion Sprenger (+Petition) (+Ref. Report Council-PD-2026-13)
	• Tim Corbett, on behalf of the Elmwood Subdivision Group, appeared before Council, and presented a Petition opposing the Development Proposal Plan of Subdivision (SD2025-01) and Class III Development Permit (DP2026-04) on Elmwood Drive.
*****At this point, Councillor Brown left the room and did not return until all matters regarding the Proposed Subdivision and Development Permit regarding Elmwood Drive were considered and disposed of.**	
	Motion #26-165 – Elmwood Subdivision Group – Presentation and Petition **Moved By:** Mayor Beddows **Seconded By:** Councillor Kirkby BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE RECEIVES THE ELMWOOD SUBDIVISION GROUP'S PRESENTATION AND PETITION AS PROVIDED BY TIM CORBETT ON WEDNESDAY, SEPTEMBER 16, 2026. **CARRIED – UNANIMOUS*, by those present***
8.	**Presentation**
	1. Development Proposal – Elmwood Drive – Emily Elliot, MHBC Planning Limited, and; Kyle Neilissen, Forefront Engineering
	• Rob Pierce, Senior Vice-President, Planning and Development at RW Tomlinson, introduced himself and advised of Tomlinson's involvement in the proposed development. • Emily Elliot, Planning Consultant for MHBC, and Kyle Neilissen, Forefront Engineering appeared before Council and presented a PowerPoint presentation titled "Development Proposal – Elmwood Drive Gananoque" (attached).
*****At this point, the Chair called a recess. The meeting resumed at 7:13 PM.** *****At this point, the Chair requested that Brenda Guy, Manager of Planning and Development present Report Council-PD-2026-13 and advised members of the public that questions and comments will be received, following the presentation of the Staff Report.**	
9.	**Approval of Minutes – Wednesday, September 2, 2026**
	Motion #26-161 – Approval of Minutes – Wednesday, September 2, 2026 **Moved By:** Mayor Beddows **Seconded By:** Councillor Kirkby BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE HEREBY ADOPTS THE REGULAR COUNCIL MINUTES OF WEDNESDAY, SEPTEMBER 2ND, 2026. **CARRIED – UNANIMOUS**
10.	**Unfinished Business**
Council-PD-2026-12 – E-Scooters – Provincial Pilot Project "Opt-in" Program	
	Motion #26-162 – E-Scooters – Provincial Pilot Project "Opt-in" Program – Receive for Information **Moved By:** Mayor Beddows **Seconded By:** Councillor Kirkby BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE RECEIVES THE E-SCOOTERS – PROVINCIAL PILOT PROJECT "OPT-IN" PROGRAM REPORT AS DIRECTED BY MOTION #26-146, AND AS PRESENTED IN REPORT COUNCIL-PD-2026-12. **CARRIED – UNANIMOUS**

By-law No. 2026-078 – E-Scooters – Provincial Pilot Project "Opt-in" Program
Moved By: Councillor Kirkby **Seconded By:** Councillor Brown
BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE READS FOR A FIRST AND SECOND TIME, BY-LAW NO. 2026-078, BEING A BY-LAW TO ESTABLISH A PILOT PROJECT FOR ELECTRIC KICK-SCOOTERS FOR USE ON ROADWAYS AND MULTI-PURPOSE LANES (NOT SIDEWALKS) IN THE TOWN OF GANANOQUE,

AND FURTHER THAT BY-LAW NO. 2026-078, BE CONSIDERED READ A FIRST AND SECOND TIME ON SEPTEMBER 16TH, 2026,

AND FURTHER THAT THE THIRD READING BE POSTPONED TO A FUTURE DATE, TO ALLOW FURTHER EXPLORATION OF ALL LIMITATIONS BEING PROPOSED, AS PRESENTED IN REPORT COUNCIL-PD-2026-12.

DEFEATED – *2 Ayes, 4 Nays*

Council-PD-2026-13 – Plan of Subdivision (SD2025-01) and Class III Development Permit (DP2026-04) – MHBC Planning Ltd.

Motion #26-163 – Plan of Subdivision (SD2025-01) and Class III Development Permit (DP2026-04) – MHBC Planning Ltd.
Moved By: Councillor Koiner **Seconded By:** Councillor Harper
BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE APPROVES THE ISSUANCE OF A NOTICE OF DECISION TO APPROVE THE DRAFT PLAN OF SUBDIVISION SD2025-01 – MHBC PLANNING LIMITED, SUBJECT TO THE ATTACHED CONDITIONS OF DRAFT PLAN APPROVAL;

AND FURTHER THAT DEVELOPMENT PERMIT APPLICATION DP2026-04 – MHBC PLANNING LIMITED, BE APPROVED AS FOLLOWS:

- FLOODPLAIN SETBACK: MIN 15M SETBACK FROM THE FLOODPLAIN (LOTS 20, 21, 53-65)
- LOT FRONTAGE: MIN 11M (LOTS 6-18, 22, 26-32, 34)
- LOT AREA: MIN 450M2 (LOTS 6-18, 22, 26-32, 34)
- REAR YARD: MIN 6M (BLOCK 69-70)
- LOT AREA: MIN 165M^2 (BLOCKS 69-70)
- BUILDING AND STRUCTURE SETBACK: MIN 6M (LOT 1, 24-32, 34-52)

AS RECOMMENDED BY PLANNING ADVISORY COMMITTEE (PAC) AND AS PRESENTED IN COUNCIL REPORT-PD-2026-13.

CARRIED – *3 Ayes, 1 Nay*, *1 Abstain, by those present*

Motion #26-166 – Extension of Curfew
Moved by: Mayor Beddows **Seconded by**: Deputy Mayor Leakey
BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE EXTENDS ITS CURFEW FROM 9:00 PM to 9:30 PM.

CARRIED – *3 Ayes, 2 Nays*

Council-FIN-2026-32 – Ontario Infrastructure and Lands Corporation (OILC) Debenture Rates By-laws

By-law No. 2026-075 – Ontario Infrastructure and Lands Corporation (OILC) Debenture Rates By-law – One Pierce Enforcer 100 FT Platform
Moved By: Councillor Koiner **Seconded By:** Mayor Beddows
BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE PASS BY-LAW NO. 2026-075, BEING A BY-LAW TO AUTHORIZE LONG-TERM BORROWING PURSUANT TO THE ISSUE OF DEBENTURES TO ONTARIO

	INFRASTRUCTURE AND LANDS CORPORATION (“OILC”) IN THE PRINCIPAL AMOUNT OF $2,100,000.00 TOWARDS THE COST OF THE CAPITAL WORK(S), AND TO AUTHORIZED DEBENTURES AND ALL RELATED DOCUMENTS REQUIRED TO COMPLETE THE OCTOBER 1, 2026, AS PRESENTED IN REPORT COUNCIL-FIN-2026-32. **CARRIED – UNANIMOUS**
	By-law No. 2026-076 – Ontario Infrastructure and Lands Corporation (OILC) Debenture Rates By-law – Arthur Street Phase 2 and Lagoon Cell 1 **Moved By:** Councillor Koiner **Seconded By:** Mayor Beddows BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE PASS BY-LAW NO. 2026-076, BEING A BY-LAW TO AUTHORIZE LONG-TERM BORROWING PURSUANT TO THE ISSUE OF DEBENTURES TO ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (“OILC”) IN THE PRINCIPAL AMOUNT OF $4,300,000.00 TOWARDS THE COST OF THE CAPITAL WORK(S), AND TO AUTHORIZED DEBENTURES AND ALL RELATED DOCUMENTS REQUIRED TO COMPLETE THE OCTOBER 1, 2026, CLOSING, AS PRESENTED IN REPORT COUNCIL-FIN-2026-32. **CARRIED – UNANIMOUS**
	By-law No. 2026-077 – Ontario Infrastructure and Lands Corporation (OILC) Debenture Rates By-law – Lagoon Forcemain Twinning **Moved By:** Councillor Koiner **Seconded By:** Mayor Beddows BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE PASS BY-LAW NO. 2026-077, BEING A BY-LAW TO AUTHORIZE LONG-TERM BORROWING PURSUANT TO THE ISSUE OF DEBENTURES TO ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (“OILC”) IN THE PRINCIPAL AMOUNT OF $6,500,000.00 TOWARDS THE COST OF THE CAPITAL WORK(S) (WHICH AMOUNT $5,744,435.23 MAY BE RAISED BY THE ISSUE OF REFINANCING DEBENTURE(S) ON OR BEFORE THE MATURITY DATE), AND TO AUTHORIZED DEBENTURES AND ALL RELATED DOCUMENTS REQUIRED TO COMPLETE THE OCTOBER 1, 2026, CLOSING, AS PRESENTED IN REPORT COUNCIL-FIN-2026-32. **CARRIED – UNANIMOUS**
11.	**Staff Reports**
Council-CAO-2026-06 – Joint Compliance Audit Committee (JCAC) Appointments and Terms of Reference	
	By-law No. 2026-079 - Joint Compliance Audit Committee (JCAC) Appointments and Terms of Reference **Moved By:** Councillor Koiner **Seconded By:** Deputy Mayor Leakey BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE PASS BY-LAW NO. 2022-079, BEING A BY-LAW TO: 1. ADOPT THE UNITED COUNTIES OF LEEDS AND GRENVILLE JOINT COMPLIANCE AUDIT COMMITTEE TERMS OF REFERENCE; 2. APPOINT THE FOLLOWING MEMBERS TO THE JOINT LEEDS AND GRENVILLE ELECTION COMPLIANCE AUDIT COMMITTEE FOR THE 2026 TO 2030 TERM: • ANDY BROWN; • JOHN DICKSON, • ALICIA SAWAS, AND; • NIGEL WHITE, AND; 3. DESIGNATE THE UNITED COUNTIES OF LEEDS AND GRENVILLE COUNTY CLERK, OR DESIGNATE, TO ACT AS THE SECRETARY TO THE COMMITTEE, AS PRESENTED IN COUNCIL REPORT 2026-CSC-06. **CARRIED – UNANIMOUS**

Council-CSC-2026-07 – 2026 Municipal Election Nomination Process – Postponed to October 7, 2026	
Council-FIN-2026-33 – 2026 Draft Business Improvement Area (BIA) Budget	
	By-law No. 2026-080 – 2026 Draft Business Improvement Area (BIA) Budget **Moved By:** Deputy Mayor Leakey **Seconded By:** Mayor Beddows BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE PASS BY-LAW NO. 2026-080, BEING A BY-LAW TO ADOPT THE BUSINESS IMPROVEMENT AREA (BIA) 2026 OPERATING AND CAPITAL BUDGETS, AS PRESENTED IN REPORT COUNCIL-FIN-2026-032. **CARRIED – UNANIMOUS**
Council-FIN-2026-34 – Municipal Finance Officer's Association (MFOA) – Request Support for Permanent Ontario Community Infrastructure Fund (OCIF) Funding – Postponed to October 7 2026	
10.	**Motions** (Council Direction to Staff)
	1. Rideshare in the Town of Gananoque – Councillor Kirkby
	Motion #26-167 – Rideshare in the Town of Gananoque – Direction to Staff **Moved By:** Councillor Kirkby **Seconded By:** Mayor Beddows BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE DIRECTS STAFF TO INVESTIGATE THE FEASIBILITY TO ALLOW RIDESHARES (UBER, LYFT, ETC.) IN THE TOWN OF GANANOQUE AND BRING BACK A REPORT FOR COUNCIL'S CONSIDERATION. **CARRIED – UNANIMOUS**
	Motion #26-168 – Extension of Curfew **Moved by:** Mayor Beddows **Seconded by**: Deputy Mayor Leakey BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE FURTHER EXTENDS ITS CURFEW TO 9:35 PM. **CARRIED – *3 Ayes, 2 Nays***
12.	**Correspondence**
	1. United Counties of Leeds and Grenville (UCLG) – Presentation Document – Homelessness Planning Progress Update – Deputy Mayor Leakey
	2. Minister of Municipal Affairs and Housing – Proposed Regulations under the *Municipal Accountability Act, 2026* – Open for Public Comment
13.	**Notice Required Under the Notice By-law** – None
14.	**Committee Updates (Council Reps) – Postponed to October 7, 2026**
15.	**Discussion of Additional Items** – None
16.	**Questions from the Media** – None
17.	**Confirmation By-law**
	By-law No. 2026-081 – Confirming By-law – September 16, 2026 **Moved By:** Mayor Beddows **Seconded By:** Councillor Brown BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE PASS BY-LAW NO. 2026-081, BEING A BY-LAW TO CONFIRM THE PROCEEDINGS OF COUNCIL AT ITS REGULAR MEETING HELD ON WEDNESDAY, SEPTEMBER 16TH, 2026, BE READ THREE TIMES AND FINALLY PASSED THIS 16TH DAY OF SEPTEMBER 2026. **CARRIED – UNANIMOUS**
18.	**Next Meeting(s):** 1. Regular Meeting – Wednesday, October 7, 2026 @ 5:00 PM 2. Special Meeting – Wednesday, October 14, 2026 – Strategic Plan Milestones (Virtual Only)

19.	**Adjournment**
	Moved By: Mayor Beddows Be it resolved that the Council of the Town of Gananoque hereby adjourns the Wednesday, September 16th, 2026, regular meeting of Council at 9:32 PM. **CARRIED – UNANIMOUS**

_____ John S. Beddows, Mayor	_____ Penny Kelly, Clerk / CEMC

Development Proposal **Elmwood Drive, Gananoque**

Council Committee Meeting

September 15, 2026

MHBC PLANNING URBAN DESIGN & LANDSCAPE ARCHITECTURE

AGENDA

- Overview of application process
- Description of Proposal
- Overview of approach to parks, trails and open space
- Description of the Conditions of Approval
- Description of the Development Permit By-law Regulations
- Questions

TIMELINE

December 2024	Pre-consultation with Town and CRCA
September 2025	**Applications are submitted**
January 2026	Applications are posted on the Town website
February 2026	Notice sign installed on the property. Applications circulated to Town departments, peer reviewers and commenting agencies, including CRCA
May 2026	Resubmission of a revised Draft Plan to address staff and agency comments
July 2026	Notice issued/mailed once the Planning Advisory Committee and Council meeting dates were scheduled
July 28, 2026	Planning Advisory Committee meeting
August 12, 2026	Public meeting at Council
September 8, 2026	Planning Advisory Committee meeting
September 16, 2026	**Council Meeting**

PUBLIC CONSULTATION

PAC – July 28

- Initial information meeting and public comments received
- Information report to PAC
- PAC recommended that Council defer applications

Council Meeting – August 12

- Public Meeting
- Information report to Council
- Applications deferred to PAC to allow time to address outstanding comments

PAC – September 8

- Present revised plan that addresses remaining comments
- Committee recommended approval of the Development Permit Application and Draft Plan of Subdivision Application, subject to conditions

Council Meeting – September 16

- Council to consider PAC and staff recommendations

REPORTS AND PLANS SUBMITTED

- Planning Justification Report, MHBC Planning
- Draft Plan of Subdivision
- Concept Plans for Multiple Residential Blocks
- Concept Plan for Wetland Enhancements
- Water Supply Report, Forefront Engineering Inc.
- Sanitary Servicing Report, Forefront Engineering Inc.
- Stormwater Management Report, Forefront Engineering Inc.
- Floodplain Elevation and Setbacks Memorandum, Forefront Engineering Inc.
- Emergency Access Review Memorandum, Forefront Engineering Inc.
- Transportation Impact Study and Addendum, GHD
- Geotechnical Investigation and Addendum , Malroz Engineering Inc.
- Environmental Impact Assessment and Addendum, WPS
- Stage 1 and 2 Archaeological Assessment (entire property), Abacus Archaeological Services
- Stage 3 Archaeological Assessment (Connor Site), Abacus Archaeological Services
- Stage 3 Archaeological Assessment (Jasper Site), Abacus Archaeological Services

STAFF AND AGENCY REVIEW

Since Council, the following additional review has occurred:

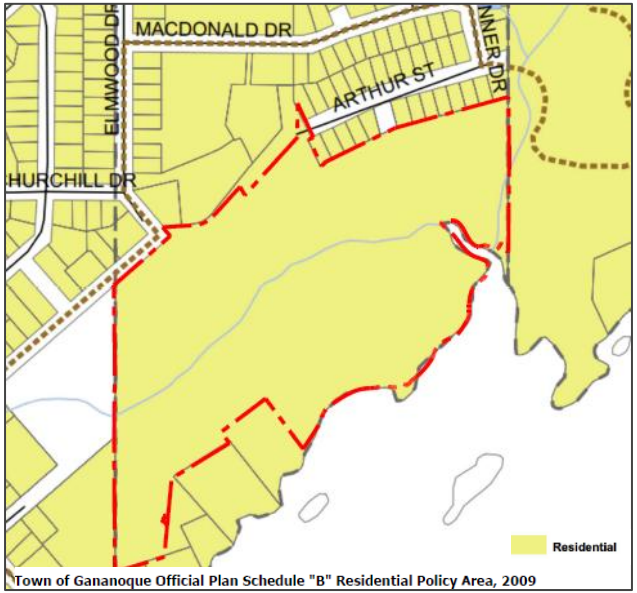
- Peer Review comments on TIS received:
  - Comments recommend an updated TIS
  - Updated TIS and implementation of mitigation measures required in Draft Plan Conditions.
- Additional information provided to Town and CRCA to address outstanding comments
- Meetings with Town and CRCA occurred
- CRCA issued comments on proposal and provided recommended Draft Plan Conditions
- Worked with Town to prepare draft Development Permit By-law
- Received Draft Plan Conditions from Town
- Provided additional information to Town regarding approach to parks and trails

POLICY FRAMEWORK

Town Official Plan:

'Residential'

- Permits full range of dwelling types (low density to high density)
- Density required is 12 units/ha

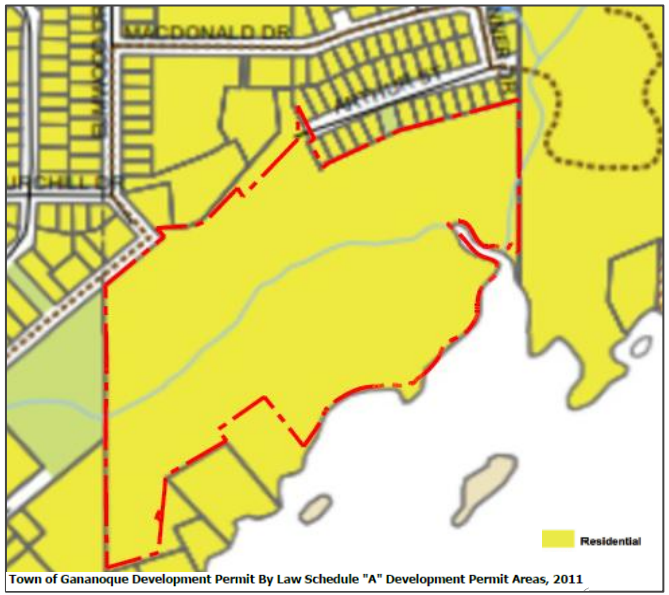


Town of Gananoque Official Plan Schedule "B" Residential Policy Area, 2009

Development Permit By-law:

'Residential'

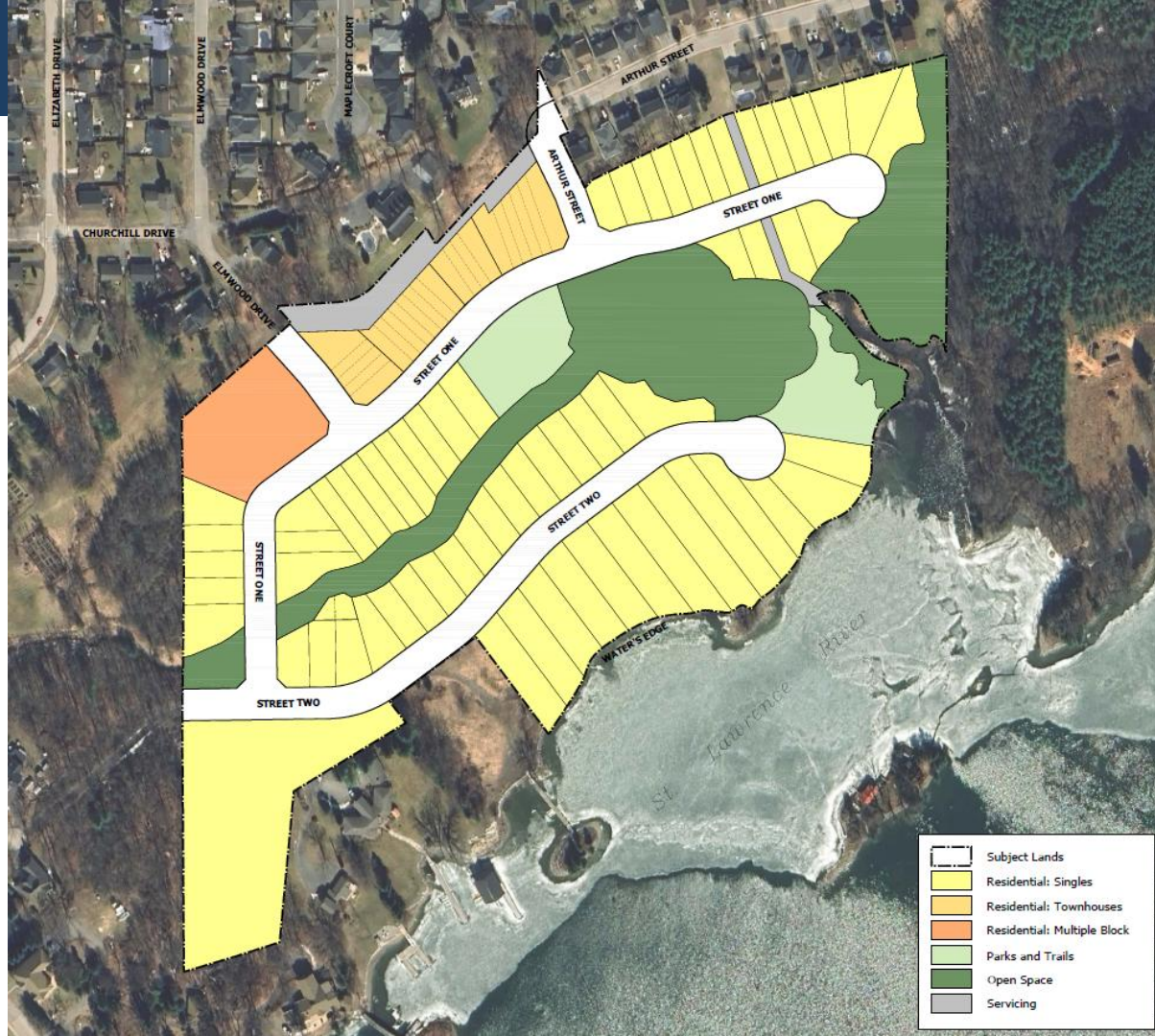
- Permits varied density of residential uses (low to high density)
- Permits single detached, semi-detached, duplex, townhouse and apartments



Town of Gananoque Development Permit By Law Schedule "A" Development Permit Areas, 2011

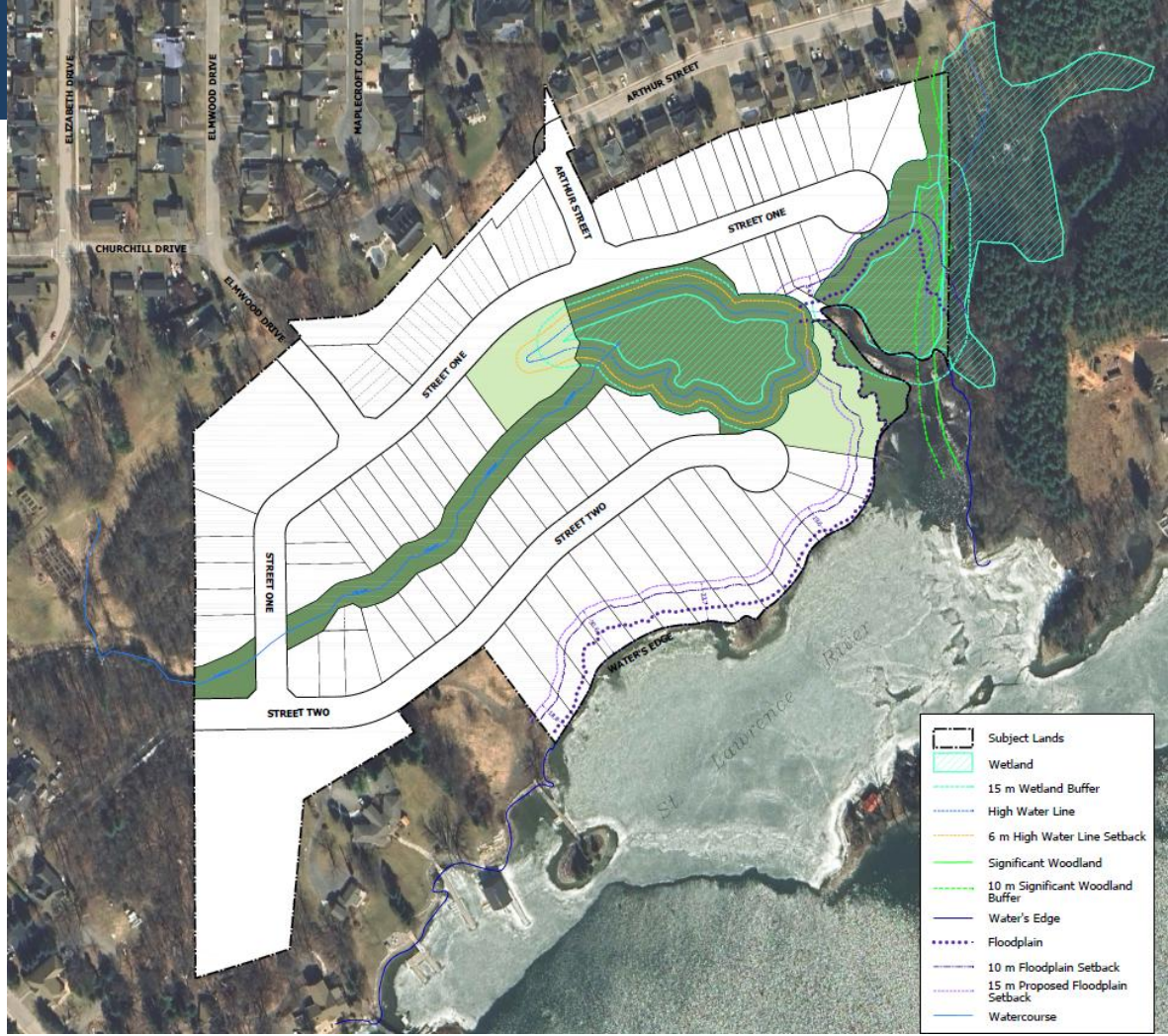
PROPOSAL

- Site is 11.59 hectares (28 ac)
- **102 units proposed**
  - 65 single-detached units
  - 23 street townhouse units
  - 12-14 cluster townhouse units
- **Proposed density is 12 units per hectare**
- Connections from Elmwood Drive, John Street and Arthur Street with multi-use trail
- **Conforms to and implements the Official Plan**

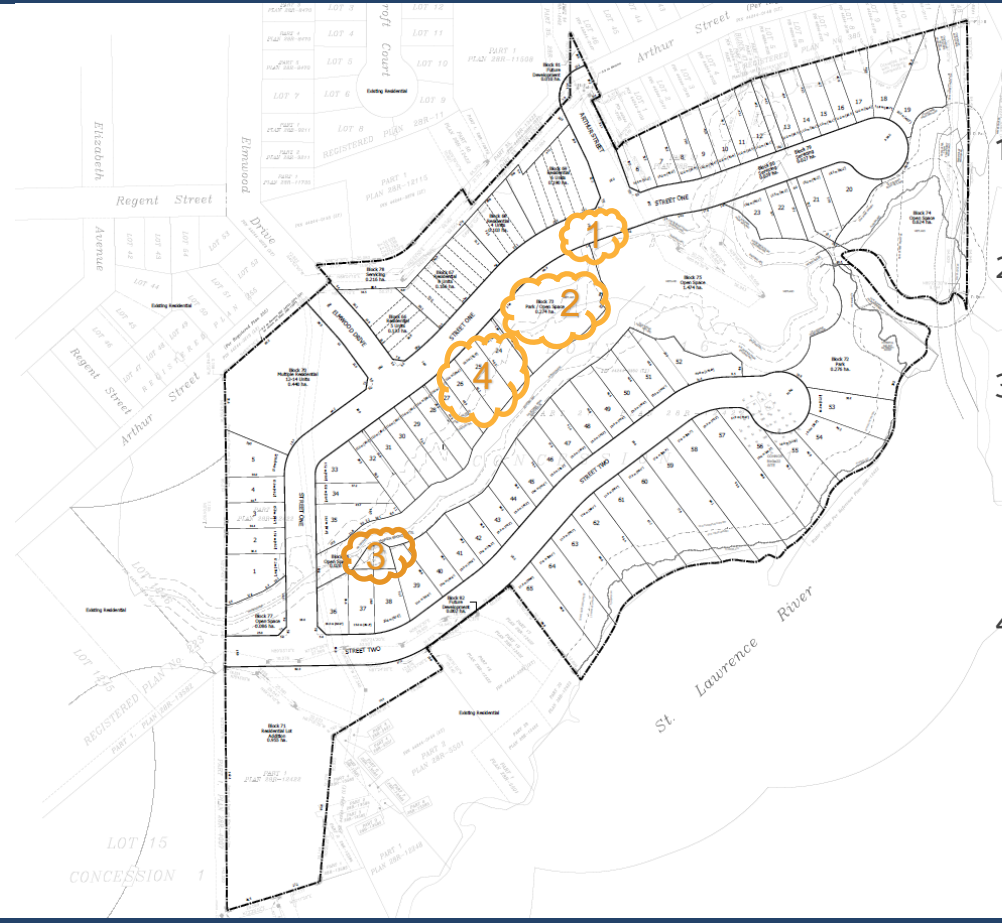


PROPOSAL

- 2.73 ha (6.75 ac) of open space and parks, including:
  - 0.276 ha (0.68 ac) park
  - 2.46 ha (6.08) open space (watercourse, wetlands, floodplain)
- Watercourse, wetlands and adjacent woodlands protected
- Development to occur outside of floodplain and required setback



REVISIONS TO DRAFT PLAN



1. Street One shifted to be outside the flood elevation
2. Park block re-labelled as park block/open space due to floodplain
3. Jasper Site (archaeological) will be conveyed to lots 37 & 38 upon completion of a Stage 4 archaeological assessment and Ministry clearance.
4. Reduction of 1 lot adjacent to park/open space block to allow for larger frontages for some lots adjacent to central watercourse

DRAFT PLAN CONDITIONS

- Draft Plan Conditions relate to:
  - Construction Management
  - Environmental mitigation measures and monitoring (e.g. homeowner's manual, invasive species management, habitat features, landscaping/planting requirements)
  - Tree inventory and tree protection plan
  - Tree planting
  - Completion of final studies: Stage 4 Archaeological Assessment, TIS, engineering reports
  - Detailed engineering plans (grading, servicing, erosion and sediment control, street lighting
  - Road design, including multi-use trail
  - Acquisition of additional land to complete Arthur Street connection
  - Coordination with utility providers
  - Parkland dedication
  - Completion of Stage 4 Archaeological Assessment
  - Recreational pathway along the St. Lawrence River (Lots 53-65) (Added by PAC)
- All conditions to be completed to the satisfaction of the Town and/or CRCA

PUBLIC TRAILS AND PARK APPROACH

- Public access to the waterfront will be provided new public access
- Park will contribute to range of amenity space in community
- Subdivision will include a connection to the Town's existing trail system
- Trail extends through the Parks and Open Space Blocks connecting to a multi-use path along Street Two and to McLean Forest via Arthur Street
- Total Open Space is 2.734 ha
  - Park is 0.276 hectares
  - Open space is 2.458



PUBLIC PARK

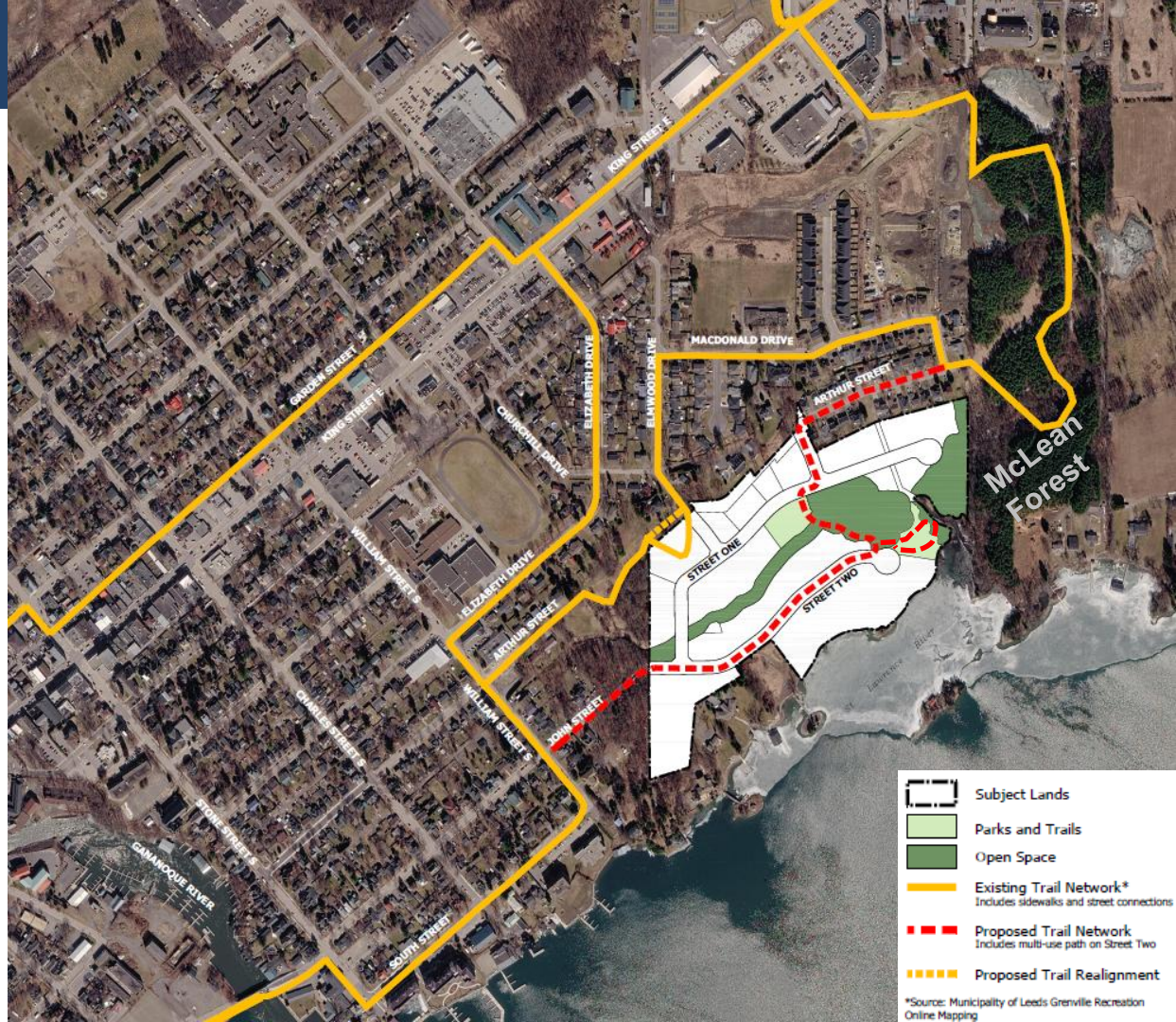




- 0.276 hectare (0.68 acre) public park with frontage along St. Lawrence River
- Park adjacent to open space blocks to allow for enjoyment of natural heritage features
- Contributes to a cohesive open space approach
- Park is sufficiently sized to include design elements including seating, play area and trail extension
- Park to meet recreational needs of community

PUBLIC TRAILS

- 160 metre public trail through open space blocks
- Trail to extend to public park
- Trail to provide connectivity to McLean Forest via Arthur Street Connection
- Trail connection proposed along Street Two and connecting John Street to William Street



WATERFRONT TRAIL

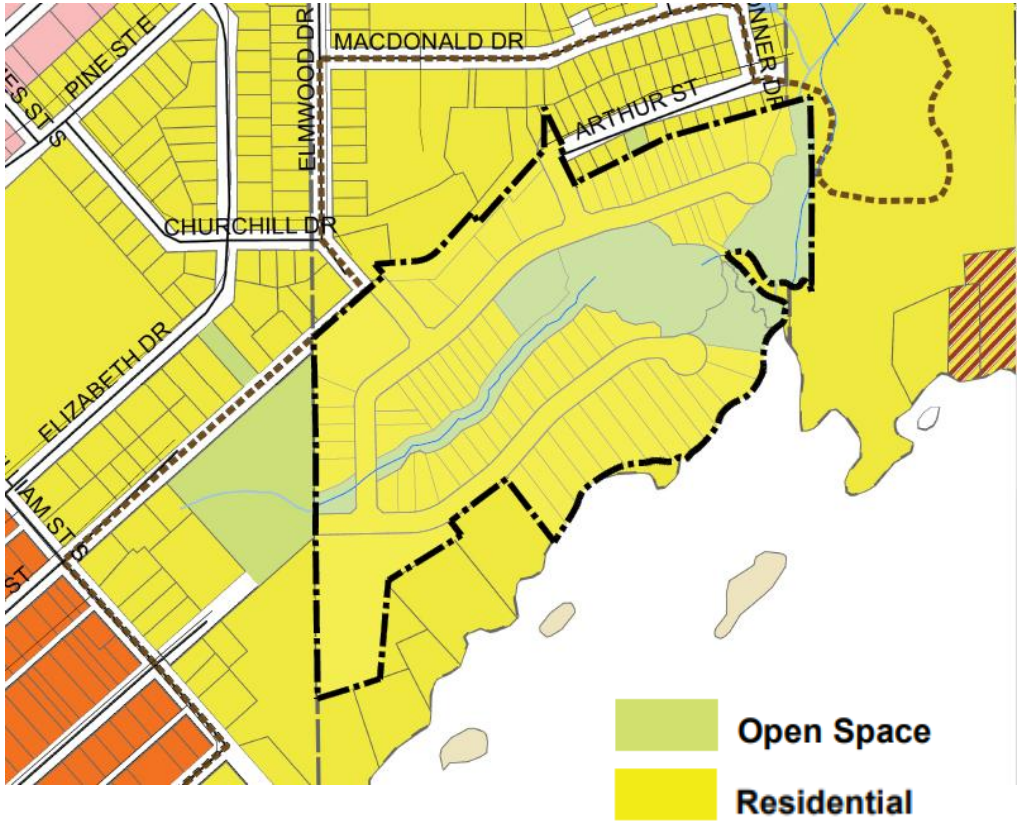
- Not required by Official Plan
- Location would be within rear yards of 13 private properties
- Floodplain setback concerns
- Ownership, safety, security, maintenance, liability concerns
- No connectivity to other trails
- Engineering concerns related to drainage, grading, stormwater management



DEVELOPMENT PERMIT BY-LAW

Schedule 'A'

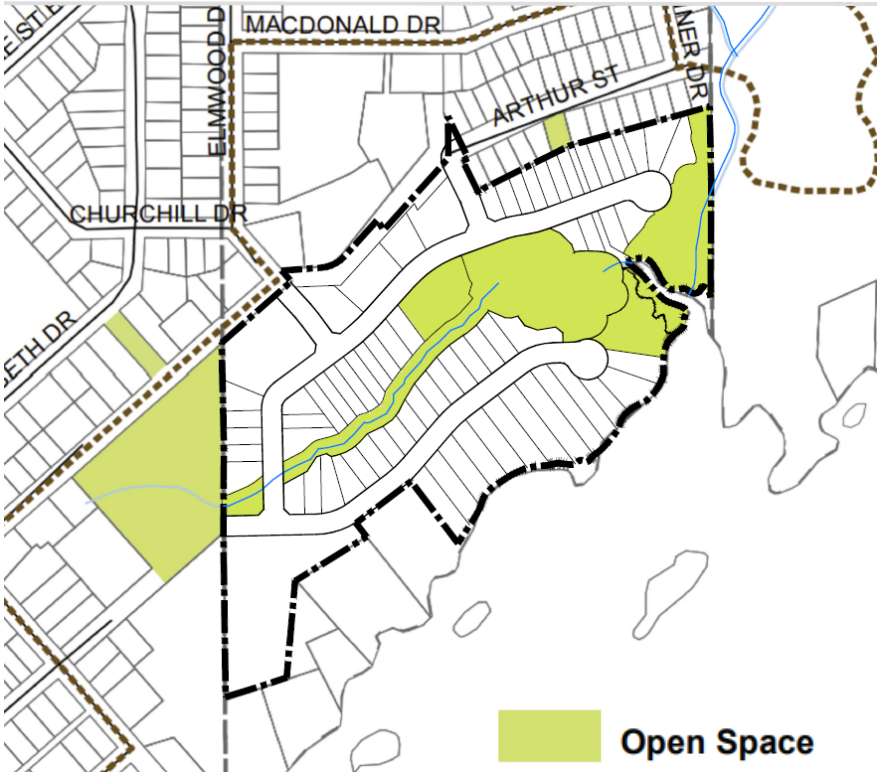
- Residential lands to remain designated 'Residential'
- Natural features and parks to be designated 'Open Space'



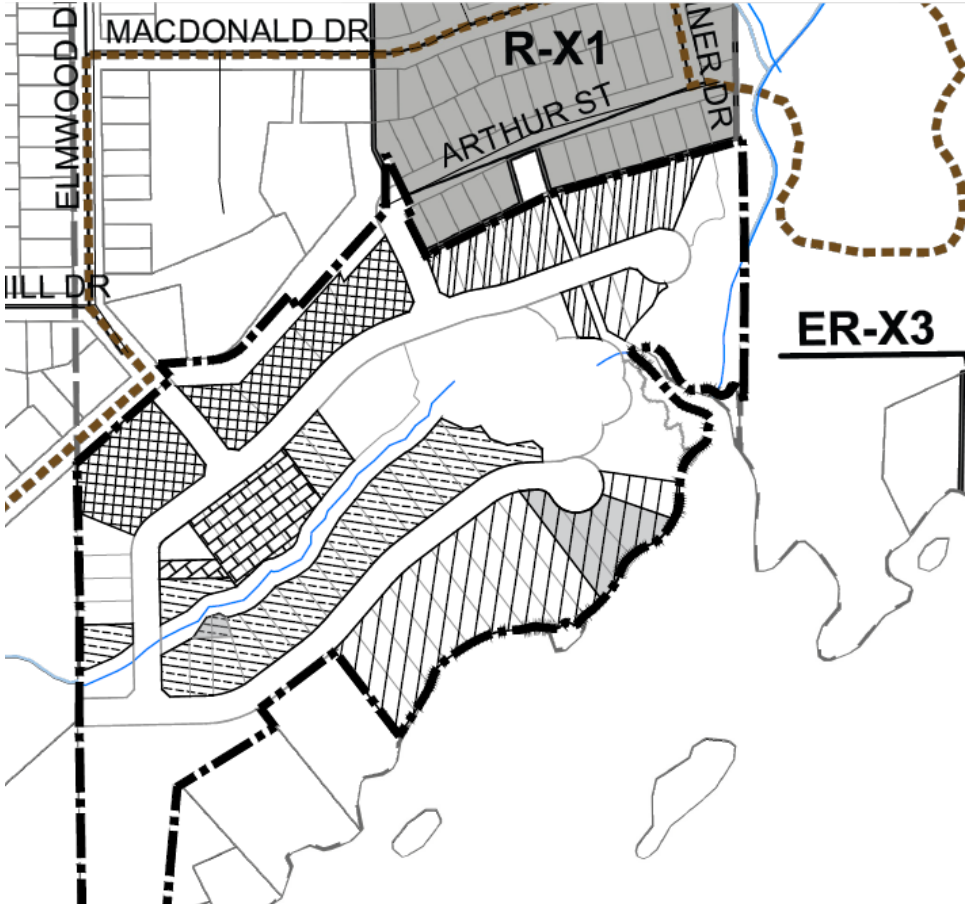
DEVELOPMENT PERMIT BY-LAW

Schedule ‘B’

- Designates parks and natural features as Open Space on corresponding schedule in Development Permit By-law



DEVELOPMENT PERMIT BY-LAW



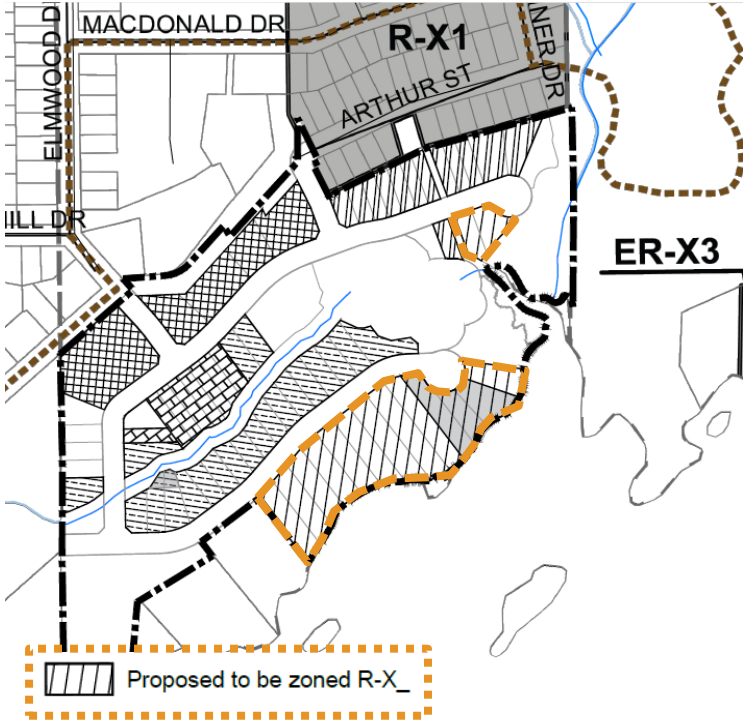
Schedule 'C'

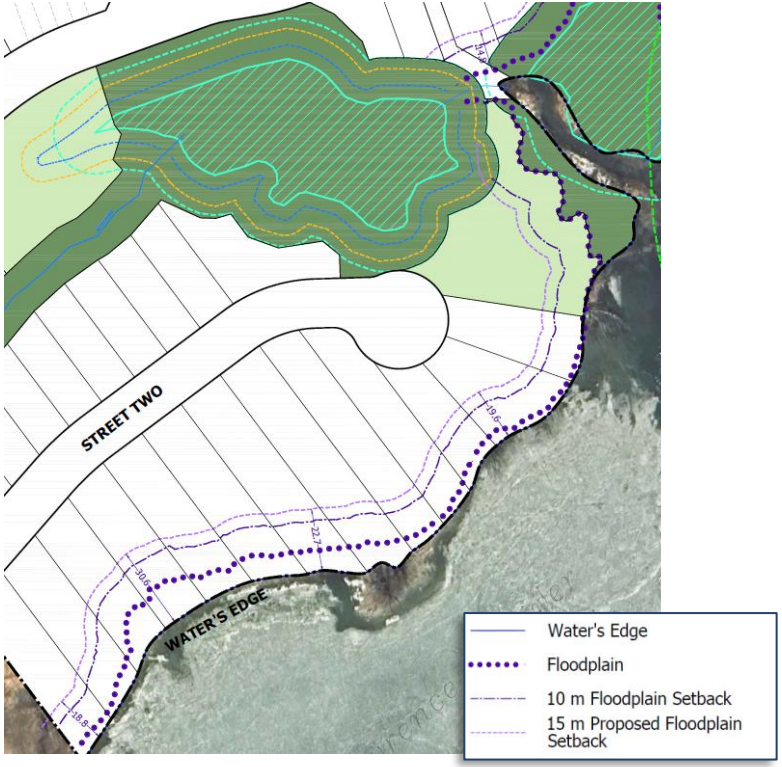
Six (6) special provisions related to:

1. Floodplain setback
2. Watercourse setback
3. Reduced lot frontage for singles
4. Reduced lot area for singles
5. Reduced lot area for townhouse
6. Archaeological significance

DEVELOPMENT PERMIT BY-LAW

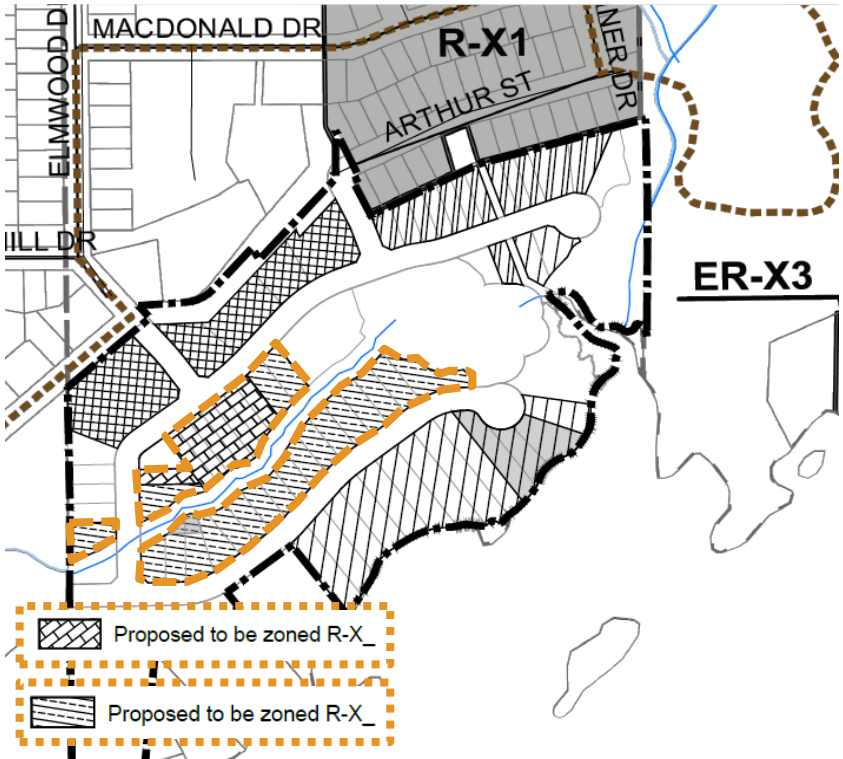
- Applies to all lots adjacent to the St. Lawrence
- Requires a 15 m (49ft) setback from the floodplain

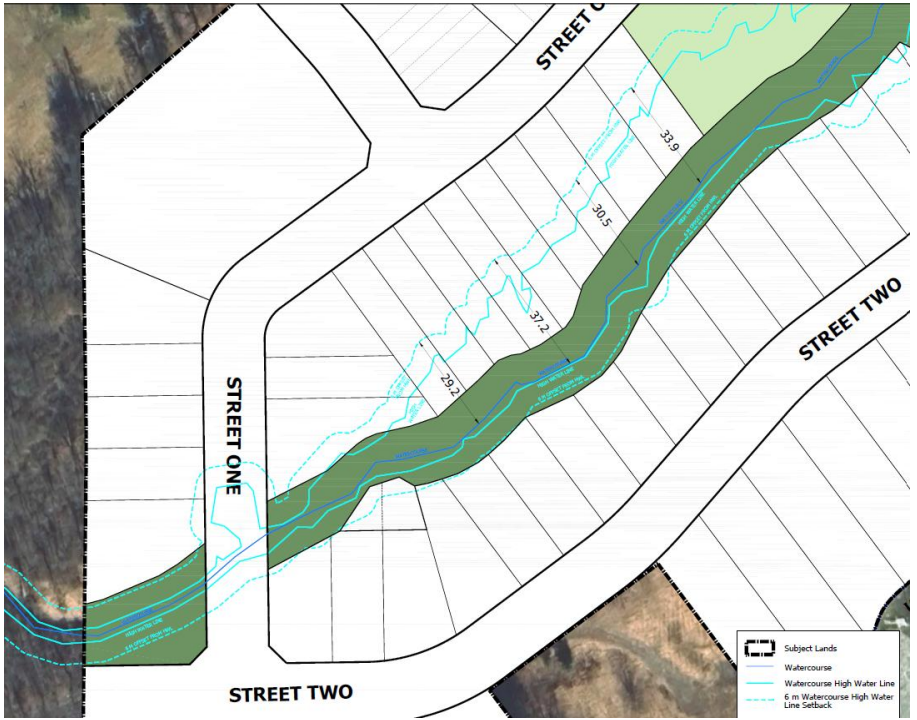




DEVELOPMENT PERMIT BY-LAW

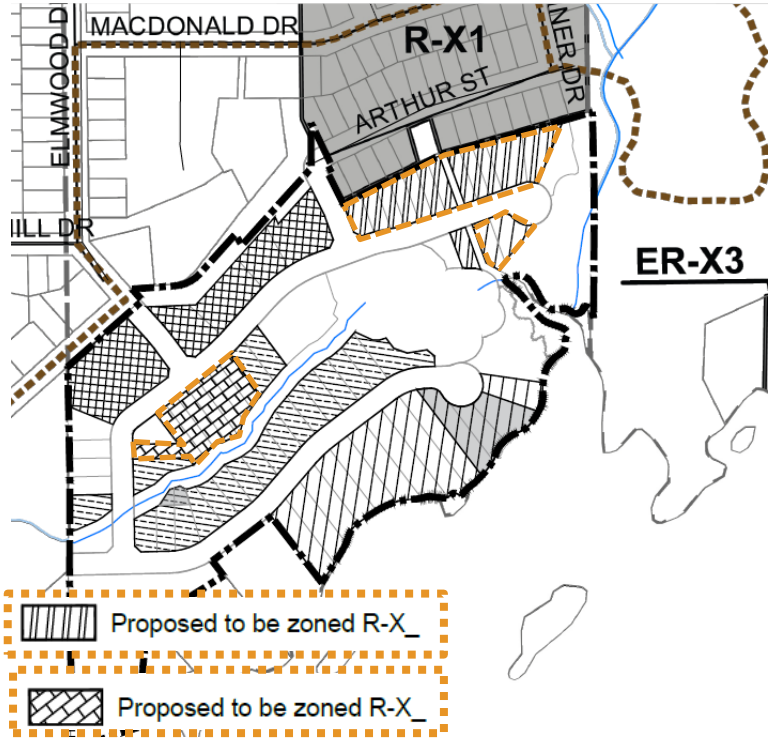
- Applies to all lots adjacent to the central watercourse
- Requires a 6 m (19.7ft) setback from the floodplain for buildings and structures, unless permission from CRCA is granted

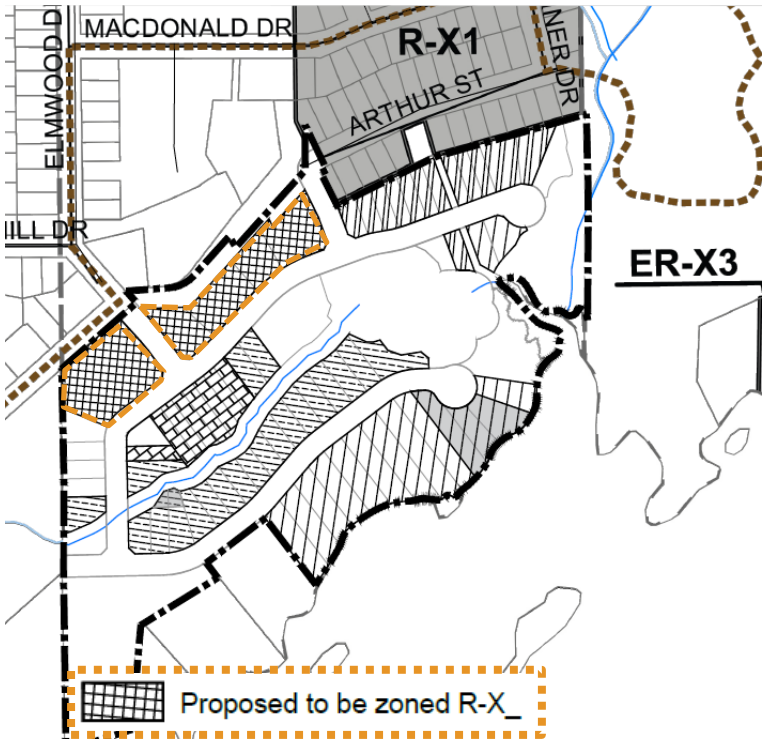




DEVELOPMENT PERMIT BY-LAW

- Minimum lot frontage for singles - 11 m (36ft)
- Minimum lot area for singles - 450m^2 (4,843ft^2)
- Minimum rear yard for townhouses - 6 m (19.7ft)
- Minimum lot area for townhouses- 165m^2 (1776ft^2)





DEVELOPMENT PERMIT BY-LAW



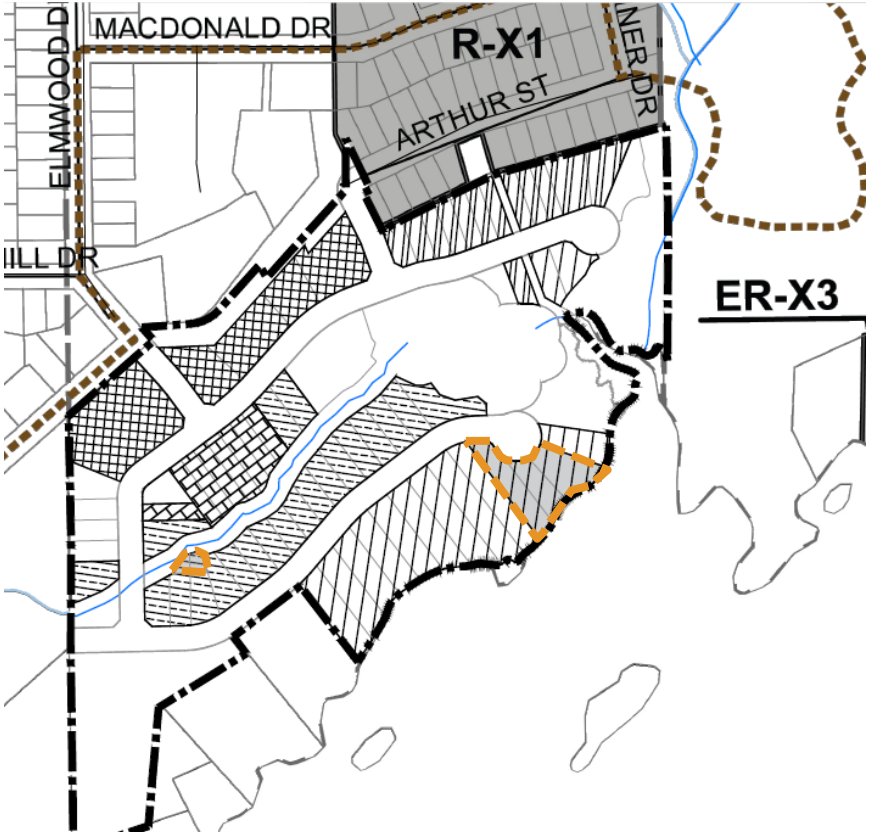
Single Detached Dwellings

- 4 lots less than minimum 464m^2 (4,995ft^2) area required
- Lot area ranges from 453m^2 - 1,659m^2 (4,876 ft^2 – 17,587ft^2)
- Lot frontages range from 11m – 43m (36ft – 141ft)

Townhouses

- 11 lots less than minimum 220m^2 (2,368ft^2) required
- Lots areas range from 168m^2 - 525m^2 (1,808 ft^2 - 5,651ft^2)
- Rear yard of 6m (19.7m) relates to lot area requirement; 9m(29.5ft) rear yard required otherwise

DEVELOPMENT PERMIT BY-LAW

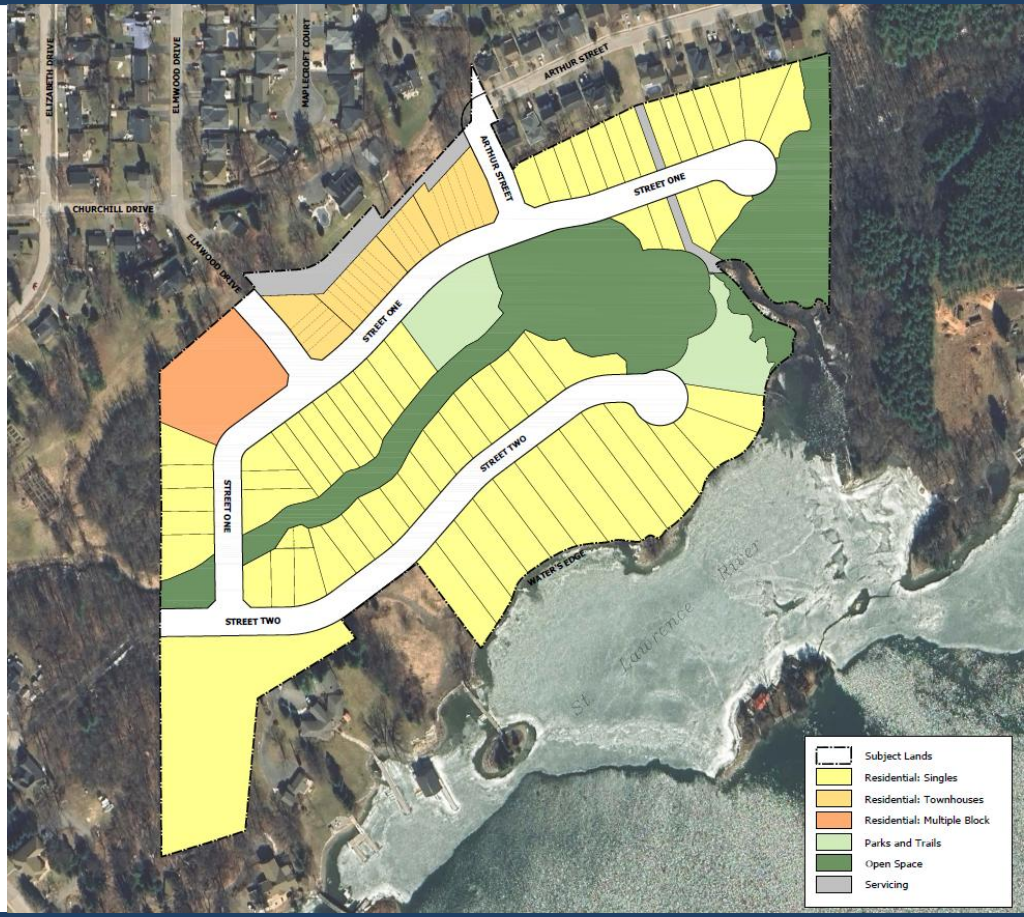


Proposed to be zoned R-X_

- Prohibits development or site alteration until such time as clearance has been obtained from the Ministry of Tourism, Culture and Sport with respect to the Stage 4 archaeological assessment.

CONCLUSION

- Applications are consistent with PPS and conform to Town Official Plan
- Applications allow for appropriate development of underutilized lands and facilitate up to 102 new homes
- Connectivity, amenity and access to waterfront proposed
- Natural heritage features protected
- Applications represent good planning
- Support PAC recommendations to approve the application with the condition requiring a recreational trail along the St. Lawrence removed



Elmwood Drive Subdivision

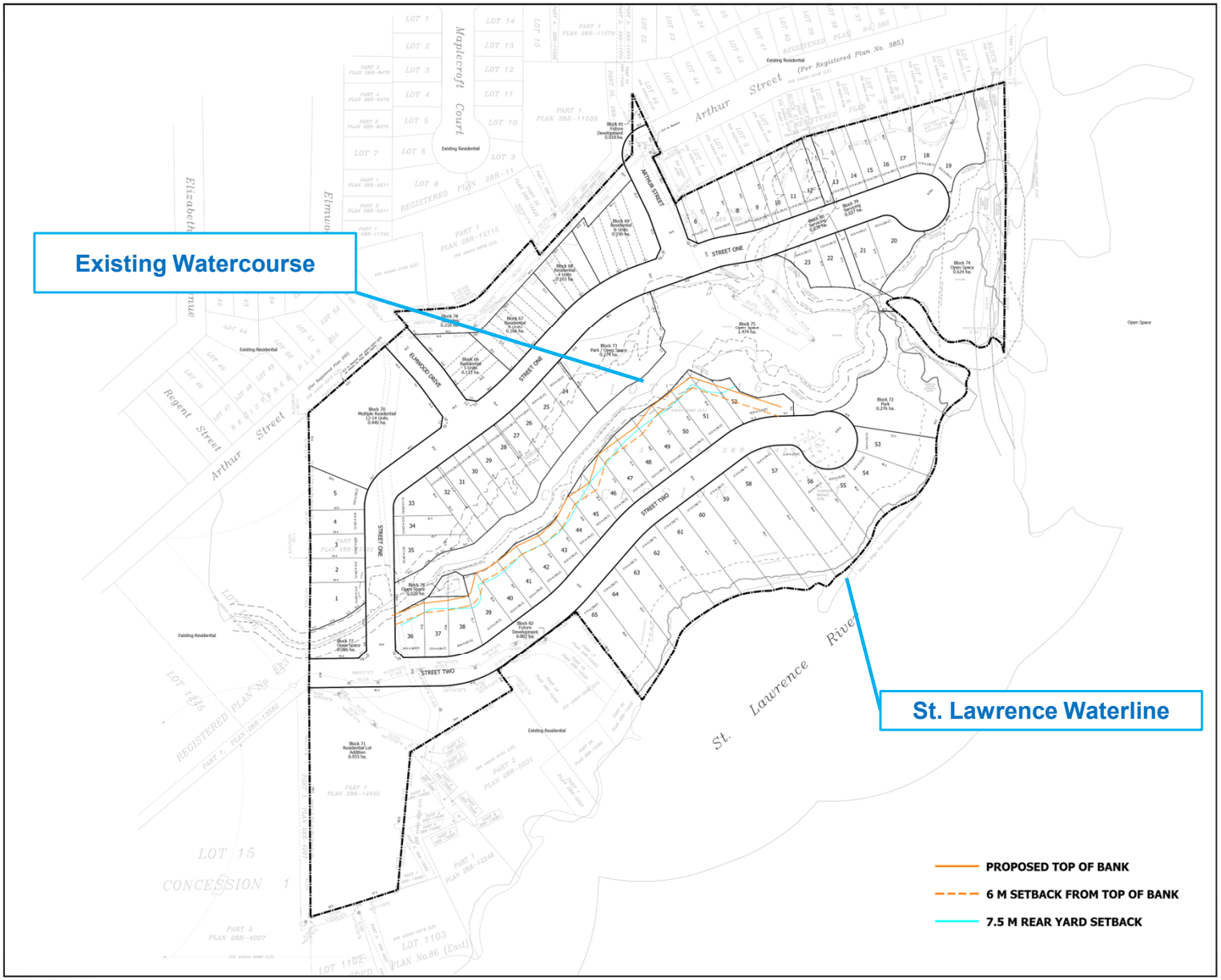
Draft Plan of Subdivision
Civil Engineering

1000989284 Ontario Inc.

Presenter: Kyle Nielissen, P.Eng.

Forefront Engineering Inc

Proposed Draft Plan



DRAFT PLAN OF SUBDIVISION

LEGAL DESCRIPTION
PART OF LOT 16, CONCESSION 1,
GEOGRAPHIC TOWNSHIP OF LEEDS
TOWN OF GANANOQUE
COUNTY OF LEEDS

OWNER'S CERTIFICATE

I HEREBY AUTHORIZE MACNAUGHTON HERMSEN BRITTON CLARKSON PLANNING LIMITED TO SUBMIT THIS PLAN FOR APPROVAL.

Date: SEPTEMBER 4, 2025

ROB PIERCE
1000989284 ONTARIO INC.

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THE BOUNDARIES OF THE LAND TO BE SUBDIVIDED ON THIS PLAN AND THEIR RELATIONSHIP TO THE ADJACENT LANDS ARE ACCURATELY AND CORRECTLY SHOWN.

Date: SEPTEMBER 4, 2025

SHAWN LEROUX, O.L.S., O.L.I.P., A.L.S.
J.D BARNES LIMITED

KEY PLAN

Subject Lands

Scale: 1:45,000

ADDITIONAL INFORMATION
Required Under Section 51 (17) of the Planning Act, R.S.O., 1990, c.P.13 as Amended

(a) As Shown
(b) As Shown
(c) As Shown
(d) Residential, Park, Open Space, Servicing
(e) As Shown
(f) As Shown
(g) As Shown
(h) Municipal Water Supply
(i) Unknown
(j) As Shown
(k) Services As Required
(l) As Shown

AREA SCHEDULE

DESCRIPTION	LOTS/BLOCKS	UNITS	AREA
Low Density Residential - Singles	1-65	65	4.585 ha
Low Density Residential - Townhouses	66-69	23	0.592 ha
Multiple Residential	70	12-14	0.440 ha
Residential Lot Addition	71		0.955 ha
Park	72		0.276 ha
Park / Open Space	73		0.274 ha
Open Space	74-77		2.184 ha
Servicing	78-80		0.282 ha
Future Development	81-82		0.012 ha
Roads			1.986 ha
Total	**82**	**100-102**	**11.586 ha**

NOTES

1. All dimensions are in metres unless otherwise shown.
2. Environmental features provided by WSP, 2025-05-23, & FFE, August 2025
3. Boundary information has been compiled from Plan 28R-15673 and Confirmed by field Survey by J.D. Barnes Ltd. May 13, 2025
4. Contains information licensed under the Open Government Licence – Ontario.

Revision No.	Date	Issued / Revision	By
1	August 18, 2026	Resubmission	JB

Stamp

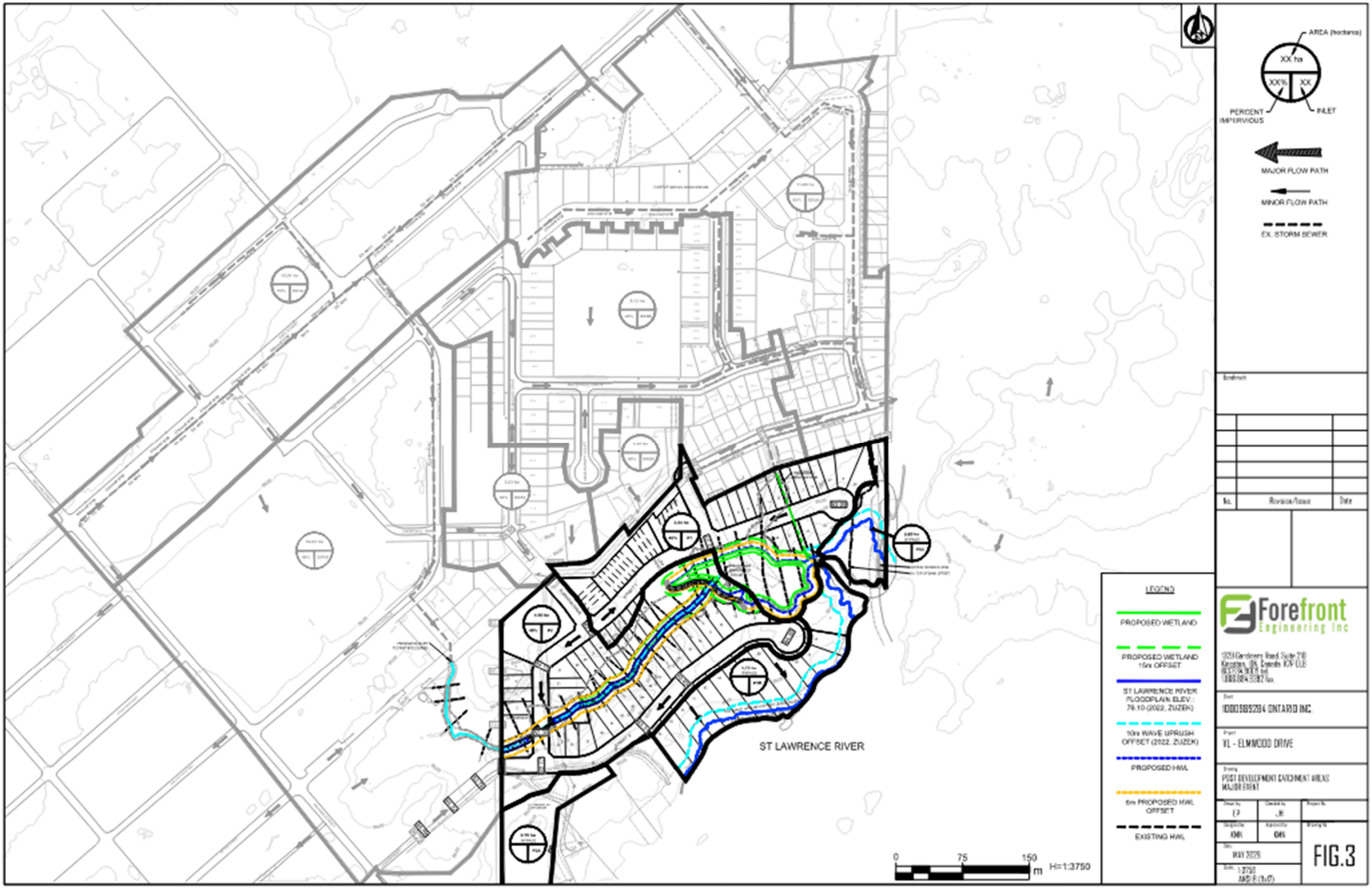
Date: August 27, 2026
File No.: 91378K
Plan Scale: 1:1000 (Arch D)
Drawn By: JB
Checked By: EE

Project
VL - Elmwood Drive, Gananoque
R.W. Tomlinson Limited
100 CitiGate Drive, Ottawa ON

File Name: DRAFT PLAN OF SUBDIVISION
Dwg No.: 1 of 1

Scale Bar: 0 10 25 50 100m

MHBC PLANNING URBAN DESIGN & LANDSCAPE ARCHITECTURE



Benchmark

No.	Revision/Issue	Date

Forefront Engineering Inc

1233 Gardiners Road, Suite 210
Kingston, ON, Canada K7P 0L6
(613) 634-3611 tel.
1 (888) 884-3611 fax.

Client
1000885284 ONTARIO INC.

Project
VL - ELMWOOD DRIVE

Drawing
POST DEVELOPMENT CATCHMENT AREAS
MAJOR EVENT

Drawn by	Checked by	Project No.
EJ	JR	
Designed by	Approved by	Drawing No.
KMK	GMS	FIG.3
Date		
MAY 2025		
Scale		
1:3750 AMSL ft (1x17)		

Stormwater and Site Design

Forefront Engineering Inc

Quantity Control

Controls are proposed to manage runoff rates and volumes from new impervious areas before discharge to the receiving system.

Quality Treatment

Water quality treatment is provided to address sediment and pollutant removal before discharge toward downstream receiving waters.

Minor/Major Systems

Minor drainage is conveyed by sewers, swales and lot grading. Major events are directed through overland flow routes.

Grading / Finished Elevations

Development limits, grading, and finished floor elevations are established to remain outside flood constrained areas.

Maintenance / Conditions

Long-term inspection and maintenance requirements can be secured through approval conditions and agreements.

Geotechnical and Slope Stability

Subsurface soil and groundwater conditions inform grading, servicing and foundation design.

Applicable Guidelines

Erosion hazard limits follow the MNR Technical Guide for River and Stream Systems, together with Cataraqui Conservation guidelines.

Design considerations include design event selection, freeboard, overland flow routing, emergency conveyance and protection of natural storage areas.

Flood Hazard and Climate Change

10 m River Setback

A 10 m horizontal setback from buildings and structures to the floodplain elevation applies to lots along the river, covering wave uprush and overtopping.

6 m Watercourse Setback

A 6 m minimum horizontal setback applies from buildings and structures to the watercourse 100-year high-water level.

Erosion and Access Allowance

Required for confined watercourses under the MNR Technical Guide for River & Stream Systems and Cataraqui Conservation guidelines.

Climate Change Scenarios

CRCA scenario mapping under RCP4.5 and RCP8.5 was developed for planning purposes, following the MNR 2023 Technical Bulletin on Floodplain Mapping.

Water Quality and Erosion

The 25 mm event sizes the oil-grit separator and vegetated swale for quality treatment and erosion control.

Minor and Major Systems

The 2- and 5-year storms size the sewers; the 100-year storm governs overland flow routes and roadway conveyance.

Lake Level Flood Hazard

The regulatory 100-year lake level of 76.10 m governs floodplain limits along the shoreline.

Planning scenarios:
RCP4.5 mid-century 76.62 m,
RCP4.5 late-century 77.09 m,
RCP8.5 late-century 77.34 m — all below lot elevations of 77.6 m to 80.2 m.

Flood Hazard Mapping and 100-Year Floodplain Elevation

St. Lawrence River flood hazard limits were updated through Cataraqui Conservation Flood Hazard Mapping (Zuzek Inc., February 29, 2024); Table 4.25 identifies a 100-year floodplain elevation of 76.10 m at the subject site.

Rainfall Design Criteria and Resiliency

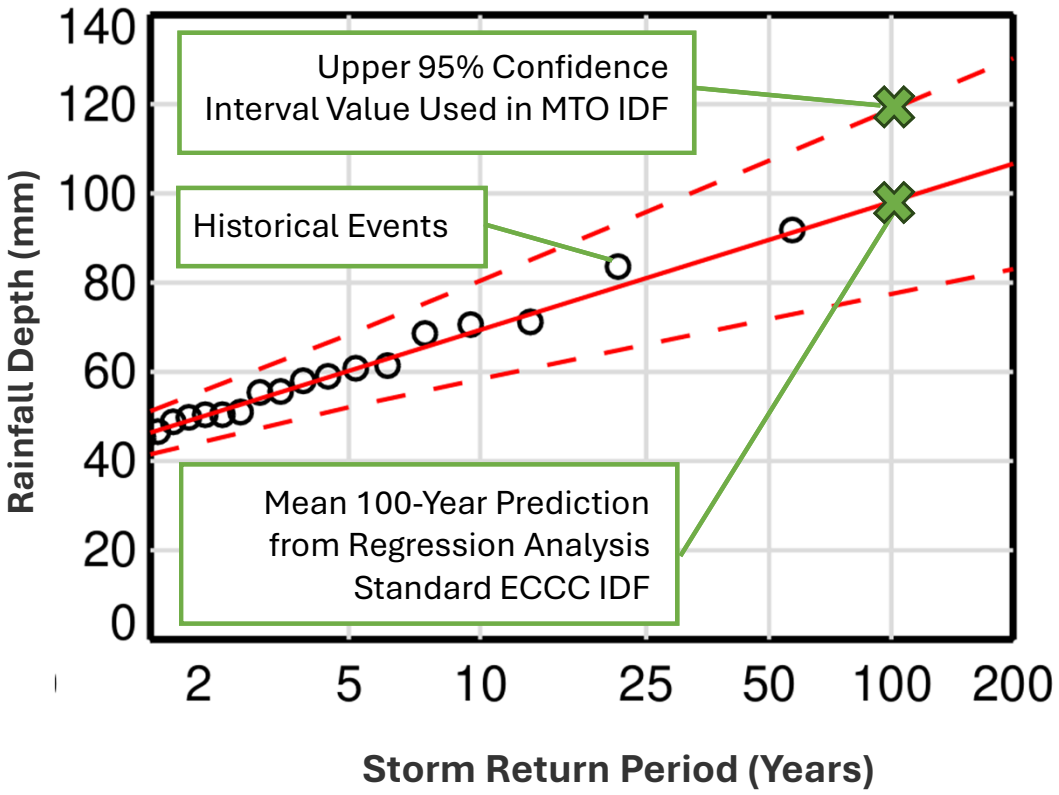
Climate Change Resiliency

The design uses the MTO 100-year design rainfall, which is more conservative than the local ECCC 100-year rainfall and is comparable to or greater than commonly applied climate change stress tests.

Rainfall Design Event

- Major system: 100-year, 24-hour, 120 mm (MTO IDF, Gananoque)
- Minor system: 2- and 5-year events size sewers
- 25 mm event sizes the swale and OGS for quality/erosion control
- MTO 100-year is ~20% above ECCC 100-year, ~10% above ECCC 200-year

Environment Canada IDF Compared to MTO IDF



Municipal stress tests: Ottawa applies a 100-year +20% rainfall check against basement elevations; Loyalist Township requires major overland flow routes to convey ~100-year +20%. Both are applied to the historical ECCC IDF curve — the adopted MTO 100-year event already exceeds ECCC 100-year +20%, so no separate climate factor is needed.

Summary

1. The existing watercourse and wetland corridor will be retained within a dedicated open space block, with the final channel treatment to be confirmed through detailed design.

2. Long-term maintenance of the channel and wetland area is expected to be limited primarily to routine inspection, vegetation management, debris removal and localized corrective works, together with periodic maintenance of the proposed wildlife habitat structures as required.

3. The stormwater management design accounts for increased imperviousness, and applies appropriate design criteria for water quality, water balance, erosion and sediment control, minor and major drainage systems, and flood hazard assessment.

4. The proposed development has been located outside the identified flood constrained areas, with grading above the applicable regulatory flood hazard elevations even when considering climate change scenario elevations reviewed for the site.

5. Climate change has been considered through review of available rainfall data and shoreline climate scenarios, and the design criteria and modelling completed to date indicate that the subdivision can be accommodated without unacceptable stormwater, flooding or natural hazard impacts.

Questions & Comments

Thank you. Questions and comments are welcome.

Forefront Engineering Inc

Thank you

MHBC

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

Report Council – CSC-2026-07

Date: October 7, 2026 (Postponed from 16Sep2026) ☐ **IN CAMERA**

Subject: 2026 Municipal Election Nomination Process

Author: Penny Kelly, Clerk / CEMC ☒ **OPEN SESSION**

RECOMMENDATION:
BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE RECEIVES THE 2026 MUNICIPAL ELECTION NOMINATION PROCESS FOR INFORMATION, AS PRESENTED IN REPORT COUNCIL CSC-2026-07.

STRATEGIC PLAN COMMENTS:
Priority #3 – Cultivate a High-Performing and Future-Focused Municipal Team - #3 – Improve communications and access to information.

BACKGROUND:
Due to time constraints on September 16, 2026, this report was postponed to the next scheduled Council meeting of October 7, 2026.

The 2026 Municipal Election Nomination Period began on May 1 and ended on Friday, August 12, 2026, at 2:00 PM. As per the *Municipal Elections Act* (MEA). The legislations states that a person, or their agent, be present to file with the Clerk on Nomination Day prior to 2:00 PM.

This report is being presented to Council for information purposes.

INFORMATION/DISCUSSION:
The information below provides the process during the Nomination Period and identifies Sections of the *Municipal Elections Act*, that were enacted and followed.

1.1. The *Municipal Elections Act* states:

Filing of nomination

33 (1) A person may be nominated for an office by filing a nomination,

(a) in the clerk's office, in person or by an agent; or

(b) **if** the clerk has provided for electronic filing under subsection electronically. 2021, c. 5, Sched. 4, s. 2 (1).

It is acknowledged that the MEA provides for electronic filing however; Subsection 33(1)(b) was not enacted for the 2026 Municipal Election therefore, electronic filing was not permitted.

During the 2026 Nomination Period, the Clerk or Deputy Clerk, by appointment, met with each individual filing Nomination Papers (total of 13). Each were provided a Nomination Package, completed required declarations and were provided with information on election financial reporting. At this time, questions regarding campaigning or election process were answered, and the filing fees were paid.

For the 2030 Municipal Election electronic filing may be considered, however, as mentioned above, this provision was not enacted for the 2026 Municipal Election.

1.2. **MEA – Section 33(4.1):**
"(4.1) Despite clause (4) (b), if a person is present at the clerk's office on nomination day at 2 p.m. and has not yet filed a nomination, he or she may file the nomination as soon as possible after 2 p.m."

Meaning, if an individual is not physically in the Town Hall/Clerk's office prior to the deadline of 2:00 PM, filing will not be considered.

1.3. **Communication with Residents regarding the election.**
The Town's website contained:
"You may run for a Council position if you are eligible to vote in the election and fulfill all of the following requirements below:
Mayor and Council:

- You are a resident of the municipality, a non-resident owner or tenant of land in the municipality or the spouse of such non-resident owner or tenant;
- You are a Canadian citizen;
- You are least 18 years old;
- You are not legally prohibited from voting, and;
- You are not disqualified by any legislation from holding municipal office.

It is the responsibility of the Candidate to determine whether or not they are eligible to run for and hold Municipal or School Board office.

If you are satisfied that you meet the prescribed requirements, as set out in the *Municipal Elections Act*, 1996, and wish to campaign for office you must first file, **by appointment**, with the Clerk's Office, located at the Town Hall, 30 King Street East, Gananoque, ON, during the Nomination Period (beginning Tuesday, May 1, 2026, (Monday to Friday from 9:00 AM to 4:30 PM) up to and including August 21, 2026 at 2:00 PM."

1.4. Facebook, Social Media and MyFM advertised continuously throughout the Nomination Period (May 1 to August 21, 2026 at 2:00 PM)

1.5. Also offered for any member of the public "**So, You Want to Run for Municipal Council Information Sessions**" This was well advertised throughout UCLG and posted on the Town's website on March 19, 2026 and ongoing until the last session. As well, numerous Facebook, Instagram, Twitter, and MyFM announcements were also posted.

1.6. The responsibility to accept electronic nominations is that of the Clerk who is responsible for managing the Municipal Election. Speaking to retention requirements, again, the MEA states that the Nomination Period begins on May 1 and runs until August 21 at 2:00 PM. The legislations states that a person, or their agent, be present to file with the Clerk on Nomination Day prior to 2:00 PM. The Clerk is legislated to adhere to the law.

Election Filing (4.6)
(6) The clerk **may** provide for electronic filing under this section and **may** establish conditions and limits with respect to electronic filing.

This provision was not enacted for the 2026 Municipal Election.

2. A substantive review of the Town's Municipal Election Accessibility Plan to ensure that it addresses barriers affecting prospective candidates during the nomination process, rather than focusing primarily on voting accessibility and candidates' obligations toward electors.

2.1. Provisions can, would and will be made to assist anyone with any type of impairment, if disclosed. For example: An agent, acting on behalf of an individual, could attend the Clerk's office and file on the individual's behalf.

Another example, during a past election a candidate, who was deployed, filed Nomination Papers through an agent. Although not an impairment, accommodations were made.

2.2. Staff are committed to complying with the *Accessibility for Ontarians with Disabilities Act* (AODA), and endeavours to remove any barriers that would prevent anyone with disclosed disabilities to fully participate as either a potential candidate or elector.

2.3. The 2026 Municipal Election Accessibility Plan speaks to the voting process itself. The Plan does state that it is a "living" document which will be improved and updated as best practices are identified. With that said, the Accessibility Plan will be amended in 2030 to include the nomination process.

3. **Improved public notice clearly distinguishing statutory requirements from locally selected procedures and identifying which documents require retained original signatures.**

3.1. The 2026 Municipal Election page, as of August 21st, (updated recently) contained: **"*The next Municipal and School Board election will take place on Monday, October 26, 2026.***

Municipal and school board elections in Ontario are governed by the Municipal Elections Act. The current term of Council began on November 15, 2022 and ends on November 14, 2026.

***For further information about municipal and school board elections, please visit the Ministry of Municipal Affairs Election webpage or email MEA.info@ontario.ca.*"**

To further facilitate communications, the webpage also included, in part, the following:

- Unofficial List of Candidates;
- Dropdown box regarding Nomination Period, which included, legislated filing requirements;
- Dropdown box regarding Relevant Legislation – links to *Municipal Elections Act, Education Act* and; *Municipal Act,* and;
- Dropdown box regarding Resources for Candidates and Voters – link to MMAH Candidates Guide and Voters Guide, Ontario Municipal Councillor's Guide and Frequently Asked Questions.

Staff recommend that Council receives this report for information.

APPLICABLE POLICY/LEGISLATION:
Municipal Elections Act, 1996, as amended *(MEA)*
Accessibility for Ontarians with Disability Act

FINANCIAL CONSIDERATIONS:
None.

CONSULTATIONS:
Melanie Kirkby, CAO

ATTACHMENTS:
None.

APPROVAL	_____ Penny Kelly, Clerk / CEMC _____ Melanie Kirkby, CAO Certifies that unless otherwise provided for in this report the funds are contained within the approved Budgets and that the financial transactions are in compliance with Council's own policies and guidelines and the *Municipal Act* and regulations.

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

Council Report – FIN-2026-34

Date: October 7, 2026 (Postponed from 16Sep2026) ☐ **IN CAMERA**

Subject: Municipal Finance Officer's Association (MFOA) – Request Support for Permanent Ontario Community Infrastructure Fund (OCIF) Funding

Author: John Morrison, Treasurer ☒ **OPEN SESSION**

RECOMMENDATION:

BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE SUPPORTS THE MUNICIPAL FINANCE OFFICERS' ASSOCIATION OF ONTARIO (MFOA) REQUEST TO THE MINISTRY OF INFRASTRUCTURE THAT THE CURRENT $400 MILLION ANNUAL ONTARIO COMMUNITY INFRASTRUCTURE FUND (OCIF) FUNDING LEVEL BE MADE PERMANENT BEYOND 2026;

AND FURTHER DIRECTS THAT THE RESOLUTION OF SUPPORT BE FORWARDED TO THE MINISTRY OF INFRASTRUCTURE AND THE MUNICIPAL FINANCE OFFICERS' ASSOCIATION OF ONTARIO, AS PRESENTED IN REPORT COUNCIL FIN-2026-34.

STRATEGIC PLAN COMMENTS:

Sector 3 – Financial Sustainability – Strategic Initiative #1 – Ensure that Gananoque is and remains an affordable place to do business and raise a family.

BACKGROUND:

Due to time constraints on September 16, 2026, this report was postponed to the next Council meeting of October 7, 2026.

The Ontario Community Infrastructure Fund (OCIF) was introduced in 2014 to assist small, rural and northern municipalities with the renewal of core municipal infrastructure, including roads, bridges, water and wastewater infrastructure.

The program was initially established at approximately $100 million annually, with funding divided between a formula-based component and an application-based component. The 2016 Ontario Budget subsequently committed to expanding OCIF to $300 million annually, including $200 million in formula-based funding and $100 million through an application-based stream.

In 2019, the Province discontinued the proposed expansion of the application-based component but maintained approximately $200 million annually in formula-based OCIF funding.

In 2021, the Province announced an additional $1 billion investment in OCIF over five years. Beginning in 2022, annual OCIF funding increased to approximately $400 million per year for the 2022–2026 period.

The increased funding has provided municipalities with a predictable source of infrastructure renewal funding at a time when asset management plans are identifying significant long-term requirements to maintain existing municipal infrastructure.
The MFOA resolution notes that municipal asset management plans and the Financial Accountability Office of Ontario have identified substantial state-of-good-repair and infrastructure renewal requirements across the municipal sector. It also recognizes that many recent federal and provincial infrastructure programs have focused on growth and housing-enabling infrastructure, while OCIF remains an important source of funding

INFORMATION/DISCUSSION
OCIF is particularly important to smaller municipalities because it is primarily distributed through a formula rather than requiring municipalities to compete for individual project approvals. This provides a more predictable funding source that can be incorporated into long-term capital and asset management planning.

Beginning with the 2023 allocations, the Ministry of Infrastructure revised the OCIF formula to place greater emphasis on the current replacement value (CRV) of eligible core municipal infrastructure rather than relying primarily on historical asset costs.

The Ministry subsequently introduced a standardized CRV reporting template to improve consistency in municipal infrastructure information used in determining allocations. The methodology better connects OCIF funding with the replacement value and infrastructure needs identified through municipal asset management planning.

For 2026, approximately $400 million is being distributed to 423 eligible small, rural and northern communities. The minimum annual allocation has increased from $100,000 to $125,000. The Province has also continued to use a smoothing mechanism to moderate significant year-over-year changes in individual municipal allocations.

The current five-year OCIF funding commitment concludes in 2026. Currently, the MFOA resolution indicates that the Province has not publicly committed to maintaining the $400 million annual funding level beyond 2026.

MFOA is therefore requesting that the Province make permanent the increase in OCIF funding from approximately $200 million to $400 million annually before municipal allocations for the 2027 calendar year are established.

The resolution further recognizes that continued investment in existing infrastructure complements, rather than competes with, investment in housing-enabling infrastructure. Existing roads, bridges, water and wastewater systems must continue to be maintained to preserve municipal service levels and support future economic and residential growth. This is reflected directly in the MFOA resolution, which describes municipal infrastructure as both an enabler and preserver of economic prosperity.

Relevance to the Town of Gananoque
The Town's Asset Management Plan identifies significant long-term capital requirements associated with maintaining and replacing existing municipal infrastructure.

Predictable formula-based infrastructure funding is important to the Town's ability to develop sustainable multi-year capital plans. Continued OCIF funding at its current provincial level would help municipalities address state-of-good-repair requirements while reducing reliance on property taxation, user rates, reserves and debt to fund infrastructure renewal.

It is also consistent with the objectives of O. Reg. 588/17, Asset Management Planning for Municipal Infrastructure, which requires municipalities to identify infrastructure needs, levels of service and strategies for financing those requirements. The MFOA resolution specifically identifies the relationship between the Province's asset management requirements and the need for sustainable infrastructure funding.

Supporting the MFOA request does not commit the Town to any additional expenditure. Rather, it advocates for continuation of a funding source already incorporated into municipal infrastructure planning across Ontario.

APPLICABLE POLICY/LEGISLATION:
n/a

FINANCIAL CONSIDERATIONS:
There is no direct financial cost to the Town associated with supporting the resolution.

Continuation of OCIF at approximately $400 million annually would provide greater certainty for municipal capital planning beyond 2026. Conversely, a return to the previous provincial funding level of approximately $200 million annually could place additional pressure on municipal tax-supported and rate-supported capital financing, depending upon how any future funding formula and individual municipal allocations are established.

The financial impact on the Town cannot be quantified until the Province confirms the OCIF program and municipal allocations for 2027 and future years.

CONSULTATIONS:
n/a

ATTACHMENTS:
Municipal Finance Officers' Association of Ontario (MFOA) Resolution

APPROVAL	_____ John Morrison, Treasurer Certifies that unless otherwise provided for in this report the funds are contained within the approved Budgets and that the financial transactions follow Council's own policies and guidelines and the *Municipal Act* and regulations. _____ Melanie Kirkby, CAO

MFOA | MUNICIPAL FINANCE OFFICERS' ASSOCIATION OF ONTARIO

MFOA Request for the Permanent Doubling of the Ontario Community Infrastructure Fund (OCIF) Beyond 2026

WHEREAS recent municipal infrastructure funding programs by the Government of Canada and Province of Ontario have tended to prioritize growth-related or housing-enabling infrastructure projects over infrastructure renewal needs;

AND WHEREAS the Government of Ontario has regulated municipal infrastructure asset management through O. Reg 588/17 (Asset Management Planning for Municipal Infrastructure) under the *Infrastructure for Jobs and Prosperity Act, 2015*;

AND WHEREAS municipal asset management plans and the Financial Accountability Office of Ontario have identified that municipalities have significant state-of-good-repair backlogs and renewal needs for infrastructure;

AND WHEREAS the Government of Ontario doubled the Ontario Community Infrastructure Fund (OCIF) from $200M/year to $400M/year for 2021-2026 but has not publicly committed to maintaining this level of funding beyond 2026;

AND WHEREAS the OCIF has become a vital and indispensable resource for municipalities, assisting them with improving their asset management programs and meeting community-preserving infrastructure renewal needs;

AND WHEREAS increased geopolitical uncertainty is threatening the economic prosperity of Canada, Ontario, and every municipality;

AND WHEREAS municipal infrastructure is a key enabler and preserver of economic prosperity;

AND WHEREAS the Municipal Finance Officers' Association of Ontario (MFOA) has heard from its members and their municipalities concerns regarding the potential erosion of existing municipal infrastructure and thus service levels in light of the ongoing focus on housing-enabling infrastructure by grant funding programs;

NOW THEREFORE BE IT RESOLVED that **THE MUNICIPALITY OF _____** supports MFOA's letter to the Ministry of Infrastructure requesting that the doubling of the Ontario Community Infrastructure Fund be made permanent in advance of the allocations for the 2027 calendar year, helping municipalities to continue building housing-enabling infrastructure while preserving the economic value provided by existing infrastructure.

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

Council Report – REC-2026-08

Date: October 7, 2026 ☐ **IN CAMERA**

Subject: Pump Track Feasibility Report at Site of Old BMX Track

Author: Jeff Johnston, Manager of Parks, Recreation & Facilities ☒ **OPEN SESSION**

RECOMMENDATION:
BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE RECEIVE COUNCIL REPORT REC-2026-08 REGARDING THE FEASIBILITY OF CONVERTING THE EXISTING UNUSED BMX TRACK INTO A PUMP TRACK;

STRATEGIC PLAN COMMENTS:
Priority #1 – Provide Quality Core Services and Infrastructure – Strategy #2 – Prioritize the Implementation of the 10-year Asset Management Plan.

BACKGROUND:
On June 3, 2026 a member from the Gananoque community made a presentation before council on repurposing the defunct BMX Track and constructing a Pump Track in its place. Council passed motion 26-14 directing staff to bring back a report to council with a cost analysis.

The Town currently has an existing BMX track that is no longer actively used for its original purpose. While the site remains a municipal recreational asset, its current condition and configuration limit its usefulness to the broader community.

Staff have reviewed the potential to repurpose the existing location as a modern pump track. A pump track is a continuous circuit of berms, rollers and other features that allows users to generate momentum through body movement rather than continuous pedalling. A paved pump track can accommodate bicycles, BMX bikes, scooters and skateboards and can be designed for a range of ages and skill levels.

Repurposing the existing BMX site may provide advantages over developing a completely new recreational site, including the potential reuse of existing grading, earthworks and site infrastructure, subject to detailed site assessment.

INFORMATION/DISCUSSION:
Existing Site and Preliminary Feasibility
From a preliminary perspective, the existing BMX track is a logical location to investigate for a pump track. Potential advantages include:

- repurposing an underutilized municipal recreation asset;
- avoiding the need to acquire or identify a new property;
- retaining a wheeled-recreation use at a site historically used for that purpose;
- location next to skate-board park;
- potential reuse of existing earthworks, grading or site infrastructure;
- reducing impacts on other active park uses; and

- providing a renewed recreation opportunity without developing previously unused municipal land.

The site cannot simply be paved in its current configuration. Pump tracks require specialized geometry, drainage, grading, base preparation and pavement construction. A preliminary site assessment should confirm drainage, soil and sub-base conditions, existing grades, accessibility, site access, surrounding uses, available space and any safety or operational considerations.

Community and Recreation Benefits

A modern pump track would transition the site from a specialized BMX facility into a broader multi-user recreation amenity. Potential benefits include outdoor physical activity, youth recreation, cycling skill development, use by bicycles, scooters and skateboards, opportunities for different ages and abilities, and recreation that does not require scheduled programming or staffing to operate.

Construction and Design Considerations

Based on the Ontario municipal examples reviewed, staff recommend that a permanent asphalt facility be the primary option evaluated. Asphalt has a higher initial cost than a basic dirt track but provides a consistent riding surface, accommodates a broader range of wheeled users and can reduce recurring reshaping and surface maintenance.

Pump-track construction is specialized work. Future design and procurement should require demonstrated experience with purpose-built asphalt pump tracks, appropriate base and drainage specifications, construction inspection, quality control and warranty provisions.

For preliminary lifecycle planning, a properly designed and constructed asphalt pump track may provide a service life of 15 years or more when supported by appropriate base preparation and drainage. By comparison, a poorly prepared surface may experience significant deterioration within approximately 2-5 years.

Ontario Municipal Comparators

Staff reviewed several Ontario municipal pump-track projects to understand construction approaches, approximate costs, funding strategies and lessons that may be applicable to Gananoque.

Municipality / Year	Project	Approx. Cost / Funding	Key Relevance
Loyalist Township 2026	Pump track/skatepark development	Approx. $1M overall concept; reported $500,000 donation supporting Phase 1	Strong donation, consultation and phasing example
Orangeville 2025-2026	Conversion of dirt/gravel BMX track to asphalt pump track	$480,000 capital program; $100,000 Lions Club contribution	Closest physical comparator; reuse of existing BMX site
Collingwood 2025	Beginner asphalt pump track	Approx. $175,000	Demonstrates lower-cost permanent scope
Port Hope 2025	Paved municipal pump track	$200,000 Ontario Trillium Foundation grant	Strong grant-funding precedent

Municipality / Year	Project	Approx. Cost / Funding	Key Relevance
Brockville 2015	Established paved pump track at Rotary Park	Historical standalone cost not confirmed	Nearby Eastern Ontario example; long-term municipal operation

Orangeville

Orangeville provides the most directly comparable example. Its aging dirt and gravel BMX facility was selected for conversion to an asphalt pump track, with construction undertaken in 2025 and corrective asphalt replacement continuing in 2026. The project has a reported capital program of approximately $480,000, including a $100,000 contribution from the Orangeville Lions Club. Orangeville's procurement also required demonstrated asphalt pump-track construction experience. Deficiencies with the initial asphalt surface later required replacement under contractor warranty, reinforcing the importance of base preparation, drainage, specifications, quality control and warranty requirements.

Collingwood

Collingwood completed its beginner/intermediate asphalt pump track at Old Village (Legion) Park in 2025. The municipality approved approximately $175,000 for the facility, with the completed project reportedly delivered slightly below budget. The example demonstrates that project scale and complexity can materially affect cost and that a permanent facility can be designed around a more constrained capital target.



Figure 1 – Collingwood municipal pump track. The aerial view illustrates a compact asphalt facility integrated within an existing park setting. Source: Town of Collingwood / municipal project information.

Port Hope

Port Hope completed its paved pump track at the Town Park Recreation Centre in 2025, with the official opening held in November 2025. The project was supported by a $200,000 Ontario Trillium Foundation capital grant. The municipality also used community consultation to help refine the final design. This demonstrates the potential importance of external capital funding and public input.

Loyalist Township

Loyalist Township began construction of its pump track and skatepark project at Loyalist Park in Amherstview in 2026, with the pump track forming Phase One of the development. The overall concept has been reported at approximately $1 million and is being phased. A reported

$500,000 private donation supports the first phase. Community consultation identified the pump track as a priority and also highlighted supporting amenities such as seating and shade. The pump track opened to the public in early August 2026.



Figure 2 – Loyalist Township pump track concept at Loyalist Park, Amherstview. The rendering demonstrates a larger multi-line facility and integration with surrounding park space. Source: Loyalist Township project consultation materials.

Brockville

The City of Brockville opened its paved bicycle pump track at Rotary Park in 2015. The City identifies the facility as Ontario's first paved bicycle pump track. The track forms part of a broader recreation destination with other park amenities. While a reliable standalone historical construction cost has not been identified, Brockville provides a nearby Eastern Ontario example demonstrating more than a decade of municipal operation.

Options Assessment

Staff considered a range of options for the future of the existing BMX site. The comparison below combines the site-use alternatives with the feasibility considerations identified through the Ontario municipal review.

Option	Description	Assessment	Est. Capital Cost
1. Maintain existing site	Leave the BMX site in its current condition with only routine maintenance.	Avoids immediate capital expenditure, but leaves an underutilized recreation asset and does not address its longer-term use.	$0 (deferred liability)
2. Restore BMX track	Repair and restore the site for its original BMX use.	Would retain a more specialized recreation use with a narrower user base than a multi-user pump track.	$100,000-$150,000*
3. Convert to asphalt pump track	Regrade and reconstruct the site as a permanent paved pump track.	Preferred option for further investigation. Provides broader wheeled recreation use and can reuse the existing recreation site, subject to site assessment and detailed costing.	$150,000-$500,000*
4. Smaller or modular pump track	Install a smaller permanent facility or modular system.	Could be considered if a full permanent asphalt facility is financially unattainable. Lifecycle cost, durability, capacity and long-term needs would require evaluation.	$20,000-$60,000*
5. Alternative park use	Remove the BMX infrastructure and repurpose the land for another municipal recreation or park use.	Remains an alternative, but would forgo the opportunity to retain a wheeled-recreation use at a site historically used for that purpose.	Varies

** Indicative option costs are carried forward from the comparative feasibility draft and are intended for preliminary planning only. Final costs should be confirmed through site-specific design, quantity take-offs and procurement.*

Proposed Concept for Further Development

Subject to Council direction and confirmation through site assessment and design, staff recommend that the next phase evaluate a permanent asphalt pump track that makes practical use of the existing graded site. The design should be scalable to the Town's available funding and should consider a progressive layout suitable for beginner through more experienced users. Supporting elements to be evaluated through design should include appropriate fencing and signage, bicycle parking, seating and shade, accessible pathway connections, drainage, landscaping and other amenities that are necessary for safe and practical operation. Optional amenities should be capable of being deferred to later phases where funding is limited.

Benefits Assessment

The combined review identified several potential benefits of converting the site:

Benefit Area	Potential Benefit
Community health and recreation	Provides free, unstructured outdoor physical activity without scheduled programming or facility staffing.
Broader user base	Can accommodate bicycles, BMX bikes, scooters and skateboards and can be designed for a range of ages and abilities.
Asset reuse	Makes productive use of an existing underutilized municipal recreation site rather than requiring acquisition of a new property.
Operating considerations	A properly constructed paved facility avoids the recurring reshaping associated with a dirt BMX track, although routine inspection, cleaning, vegetation management and periodic surface repair would still be required.
Youth and family recreation	Creates an additional informal recreation opportunity and gathering space for youth and families.
Partnership potential	Creates opportunities for grants, service-club contributions, sponsorships, donations and community fundraising.

Community Engagement Plan

If Council endorses the concept in principle, staff recommend that community engagement occur before the design and budget are finalized. Engagement should be structured around a realistic project scope and should include potential users and nearby stakeholders.

1. Notify residents and relevant stakeholder groups of the proposed conversion and the intended next steps.
2. Seek input from youth, cyclists, scooter users, skateboarders, families and accessibility representatives regarding preferred features, skill levels and supporting amenities.
3. Use an online survey, open house or similar engagement method to confirm community interest and priorities.
4. Identify service clubs, businesses, community organizations and potential donors interested in supporting the project.
5. Report back to Council with the consultation results, proposed concept, detailed costing and funding strategy before construction approval.

Project Scope and Cost Control
The Ontario comparators demonstrate a significant range in project costs and should be treated as municipal benchmarks rather than an estimate for Gananoque. Staff recommend a core-facility-first approach: prioritize a properly designed asphalt pump track and consider optional amenities such as expanded skills features, seating, shade, landscaping, spectator areas and other improvements as later phases when funding permits.

Community Engagement
If Council supports further project development, community engagement should occur before final design. Potential users, including youth, cyclists, scooter users, skateboarders and families, could provide input on desired size, difficulty and features. Engagement may also identify community organizations, service clubs, businesses or donors interested in supporting the project.

FINANCIAL CONSIDERATIONS/GRANT OPPORTUNITIES:
Budget limitations are the primary constraint at this stage. No construction commitment is proposed through this report. A site-specific concept and cost estimate are required before a reliable capital budget can be established. The options and comparator costs reviewed vary substantially in scope and age; accordingly, staff recommend that Council rely on a site-specific concept and detailed estimate rather than applying a generalized cost-per-square-metre allowance.

Indicative Construction Rates and Track Size
For preliminary planning purposes, the comparative feasibility draft identified an indicative construction rate of approximately $100-$180 per square metre for a sealed/asphalt pump track, including design, earthworks and landscaping. These rates are not a quotation or budget estimate for Gananoque and should be verified through detailed design and current market pricing.

Track Footprint	Approx. Area	Indicative Capital Cost
30,000 sq ft	2,787 m²	$278,700 - $501,700
40,000 sq ft	3,716 m²	$371,600 - $668,900
50,000 sq ft	4,645 m²	$464,500 - $836,100
60,000 sq ft	5,574 m²	$557,400 - $1,003,400
67,000 sq ft (full current site)	6,225 m²	$622,400 - $1,120,400

The full existing site would not necessarily be paved. The appropriate footprint should be established through concept design, community input, site constraints and the available capital funding envelope.

Ontario examples demonstrate that external funding can materially improve feasibility. Orangeville received a $100,000 Lions Club contribution, Port Hope received a $200,000 Ontario Trillium Foundation capital grant, and Loyalist Township's first phase is supported by a reported $500,000 private donation.

Staff recommend applying for an Ontario Trillium Foundation (OTF) grant that will be receiving applications in the coming months.

Before recommending construction, staff would return to Council with the proposed concept, site requirements, estimated capital cost, municipal funding requirement, confirmed or potential external contributions, procurement strategy, contingency and anticipated permanent operating and maintenance cost implications.

Risk Considerations

Capital Cost: Final construction costs may exceed available municipal funding. Detailed costing, external funding and scalable project options can reduce this risk.

Site Conditions: Drainage, soils, grading and existing site conditions may increase project costs. Preliminary investigation should occur before final design.

Specialized Construction: Pump tracks require specialized design and construction expertise. Relevant qualifications should be required through procurement.

Construction Quality: The Orangeville experience demonstrates the importance of specifications, inspection, quality control and warranty provisions.

Safety and Liability: The facility should be professionally designed and constructed and supported by appropriate signage, inspection and maintenance procedures.

Maintenance: A paved facility will still require routine inspection, vegetation management, cleaning and periodic surface repair.

Alternatives

Option 1 – Proceed with Preliminary Development – Recommended

Endorse the conversion concept in principle and proceed with site assessment, preliminary design, costing, community engagement and funding investigation. This provides the information required for an informed capital decision without committing to construction.

Option 2 – Maintain the Existing BMX Site

Retain the site in its current condition. This avoids immediate capital expenditure but leaves the recreation asset underutilized.

Option 3 – Remove or Repurpose the Existing BMX Facility

Remove the existing BMX infrastructure and restore or repurpose the property for another use. This may itself involve removal, grading and restoration costs.

Option 4 – Consider a Smaller or Modular Facility

If a permanent asphalt facility is financially unattainable, consider a smaller or modular system and evaluate lifecycle cost, durability, capacity and long-term community needs.

Further internal consultation with Finance, Public Works and other applicable departments is recommended as the project advances. Community consultation and engagement with potential funding partners would form part of the next phase, subject to Council direction.

ATTACHMENTS:

Presentation from Ms. Schuyler Earl on June 3, 2026

APPLICABLE POLICY/LEGISLATION:

N/A

CONSULTATIONS:

Melanie Kirkby, CAO
Robert Kennedy, Superintendent of Parks & Facilities
Lori Higgs, Superintendent of the Marina and Recreation

APPROVAL	
	_____ Jeff Johnston, Manager of Parks & Recreation _____ Melanie Kirkby, CAO Certifies that unless otherwise provided for in this report the funds are contained within the approved Budgets and that the financial transactions are in compliance with Council's own policies and guidelines and the *Municipal Act* and regulations.

Schuyler Earl
670 Steel Street
Gananoque, ON K7G 2E5

AUGUST 19, 2025

The Council of the Town of Gananoque
30 King Street East
Gananoque, ON K7G 1E9

Dear Mayor Beddows and Councillors:

I am writing to urge you to consider reopening the BMX Track (600 King St E) in your 2026 Budget. The BMX track provides a vital opportunity for physical activity, social connection, and outdoor recreation for youth in our community and is an asset worth saving.

Today's youth face unprecedented levels of mental health challenges and social isolation. While there are multiple reasons for this, current evidence suggests that the reduction in outdoor play and physical activity and concurrent increase in phone/screentime is a root cause of this alarming trend. Current evidence also suggests that promoting face-to-face social connection, especially that provided by sport/physical activity, is an effective and achievable solution to this problem. A community-based BMX track is a perfect opportunity to provide this for our town's youth.

Outdoor play is essential for children's development and well-being. It allows them to challenge their bodies' capabilities and build problem solving skills. Unfortunately, the opportunity for outdoor play has drastically dropped in recent years. In fact, The Canadian Paediatric Society released a position statement in 2024 that encourages doctors "to think of outdoor play as one way to help prevent and manage common health problems such as obesity, anxiety, and behavioural issues." Providing our town's youth with an outlet for outdoor play through a BMX track will contribute to their general health and well-being.

I am under the assumption that building the BMX track involved an investment of both money and time from the community. Removing it from our town's recreation offerings is a complete loss of these previously invested resources. While I understand it will be an additional cost to the recreation budget to maintain the BMX track once again, I believe its impact on the health of our community's young people is worth it.

While I am unable to attend the September 2nd Council Meeting, I look forward to hearing from you about the history of the BMX Track, the decision to keep it closed following the COVID-19 pandemic and its' future re-opening.

Thank you for your time and consideration,
Schuyler Earl

A Vision for Recreational Opportunities

Presented By: Schuyler Earl

The Current BMX Track



The Vision

Phase 1: Pump Track

Highly inclusive

Accessible

Safe

Low-maintenance

Integration into existing landscape

Aligns with Town priorities

Provides a solution to unmet needs in the community



Image Credit: Velosolutions

The Budget

Phase 1: Pump Track

Dependent on materials used, size and scope of the track

Modular: $20-60,000

Mid-Sized Paved or Precast: $150-250,000

Top of the Line: $250-500,000



Image Credit: Collingwood Today

The Funding

Phase 1: Pump Track

Ontario Trillium Foundation Capital Grant

Community Sport and Recreation Infrastructure Fund

The Canada Community Building Fund

Town of Gananoque Community Grants

Service Club Contributions

Corporate & Local Business Sponsorship

Crowd-Funding & Donations

Recreation Budget



Image Credit: Kathy Hunt/Orilla Mattersy

Pump Tracks in Ontario

- Alliston
- Angus
- Arthur
- Aurora
- Batawa
- Beamsville
- Belleville
- Brockville
- Caledon
- Cambridge
- Carleton Place
- Chelsea
- Corruna
- Collingwood
- Guelph
- Haliburton
- Innisfil
- Lombardy
- Loyalist
- Lucan
- Kemptville
- Nobleton
- North Bay
- Norwood
- Oakville
- Orangeville
- Ottawa
- Pefferlaw
- Peterborough
- Penetanguishene
- Perth
- Petawawa
- Port Colborne
- Port Hope
- Shallow Lake
- Springfield
- St. Mary's
- Stratford
- Strathroy
- Tillsonburg

non-exhaustive list

The Vision

Phase 2: Naturalized Playground



Image Credit: Batawa Lions Club



Image Credit: Earthscape Playgrounds

“If exercise could be packaged in a pill, it would be the single most widely prescribed and beneficial medicine in the nation.”

-Dr. Robert Butler

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

Council Report – FIN-2026-35

Date: October 7th, 2026 ☐ **IN CAMERA**

Subject: TAP Budget Deviation

Author: John Morrison, Treasurer ☒ **OPEN SESSION**

RECOMMENDATION:

BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE APPROVES A 2026 BUDGET DEVIATION OF $23,825 FOR TOURISM ADVISORY PANEL EVENT EXPENDITURES, INCREASING THE APPROVED BUDGET FROM $166,175 TO A MAXIMUM OF $190,000;

AND FURTHER THAT THE ADDITIONAL EXPENDITURE OF UP TO $23,825 BE FUNDED FROM THE MUNICIPAL ACCOMMODATION TAX RESERVE AS PRESENTED IN COUNCIL REPORT FIN-2026-35

STRATEGIC PLAN COMMENTS:

Priority 2 – Champion a Strong and Sustainable Local Economy

Invest in tourism development, employment and industry growth to bolster long-term economic resilience.

BACKGROUND:

At its January 13, 2026, meeting, the Tourism Advisory Panel (TAP) approved a proposed 2026 spending plan totalling $415,000, consisting of:

Proposed expenditure	Amount
Contracted Services	$15,000
Staff	$40,000
Events	$190,000
TAP	$170,000
Total	**$415,000**

TAP's motion set out the Panel's proposed spending plan. However, the Deemed 2026 Budget had only allocated $166,175 to the Tourism Advisory Panel expenditure account. Because TAP proposed $190,000 for events, an additional $23,825 requires Council approval. The 2026 General Ledger includes a $400,000 MAT revenue budget and an equal amount for MAT-related expenditures.

The September 28, 2026, General Ledger records $175,324.13 in the Tourism Advisory Panel expenditure account, $9,149.13 above its $166,175 budget. TAP is also reviewing three applications totaling $33,075. These applications have not been included in the recorded spending and remain subject to committee decisions.

On September 21, 2026, TAP passed Motion 2026-31 directing Finance staff to prepare a budget deviation report concerning the January proposal and present the matter to Council. This report seeks Council authorization before expenditures beyond the approved amount are incurred.

INFORMATION/DISCUSSION

The Town levies Municipal Accommodation Tax (MAT) at 4% on short-term accommodation stays. Accommodation providers collect and remit the tax quarterly. The Q2 report to Council recorded 2026 MAT revenue of $20,441 in Q1 and $96,522 in Q2, for a reported first-half total of $116,964. MAT revenue is seasonal; Q3 generated $195,378 in 2024 and $267,987 in 2025. Accordingly, the Q2 position alone does not indicate the expected full-year result. The Q3 remittance due date is October 31st.

At December 31, 2025, the MAT Reserve balance was $343,975.50. TAP proposes to use accumulated MAT funds to support additional spending. A full $23,825 draw would leave $320,150.50 on a stand-alone basis. A draw of $42,224.13, sufficient to cover recorded spending and all three pending applications if approved, would leave $301,751.37. Both figures are before considering 2026 MAT revenue, expenditures, transfers and year-end adjustments.

The deviation would not require an increase to the municipal tax levy. It would reduce the reserve available for future tourism initiatives or years with lower MAT receipts.

APPLICABLE POLICY/LEGISLATION:

If Applicable

FINANCIAL CONSIDERATIONS:

2026 TAP expenditure position	Amount
Council-approved budget	$166,175.00
Recorded spending on September 28	$175,324.13
Recorded spending above approved budget	**$9,149.13**
Three applications under review	$33,075.00
Potential total if all three are approved	**$208,399.13**
Potential amount above $190,000	$18,399.13
Total deviation needed for potential total	**$42,224.13**

A $23,825 deviation would raise the limit to $190,000. That would cover the $175,324.13 already recorded and leave $14,675.87 for further spending. If all three applications were then approved and paid, the resulting $208,399.13 total would exceed the $190,000 limit by $18,399.13. Council would need to approve a further deviation, or TAP would need to reduce or defer applications.

A $42,224.13 deviation would set the limit at $208,399.13 and cover the recorded amount plus all three pending applications if approved. A lesser deviation would set a lower limit. If Council approves no deviation, the $166,175 budget remains in place despite recorded spending already exceeding it by $9,149.13; Finance and TAP would need to address that variance, and no further spending should be committed beyond Council authority.

Any amendment provides authority up to the revised limit. Actual reserve use will depend on decisions on the applications, TAP expenditures and the final 2026 MAT operating result.

CONCLUSION
TAP's January 2026 proposal contemplated $190,000 for events, while the Town's deemed budget provided $166,175 in the TAP expenditure account. Recorded spending is already $175,324.13. The three applications under review would raise the potential total to $208,399.13 if all are approved.

Motion 2026-31 directs Finance to bring the budget variance to Council for a decision on additional authority and MAT Reserve funding.

CONSULTATIONS:
If Applicable

ATTACHMENTS:
If Applicable

APPROVAL	_____ John Morrison, Treasurer Certifies that unless otherwise provided for in this report the funds are contained within the approved Budgets and that the financial transactions follow Council's own policies and guidelines and the *Municipal Act* and regulations. _____ Melanie Kirkby, CAO

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

MOTION / RESOLUTION OF THE TOURISM ADVISORY PANEL

DATE: Tuesday, January 13, 2026		MOTION NO. 2026-
MOVED BY:	Bretl	
SECONDED BY:	Graeme.	
SUBJECT:	**MATTAP Motion #2026-**	

BE IT RESOLVED THAT THE TOURISM ADVISORY PANEL (TAP)

15,000 Contracted Servic
40,000 staff
190,000 Events
170,000 TIAP

Propose a budget of $415,000. for 2026.

Tkl. $415,000

Yaes ✓ Nays _____

Carried: ✓
Defeated: _____
Tabled / Deferred: _____

Chair, ~~Matt Harper~~ Bret Christopher

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

MOTION / RESOLUTION OF THE TOURISM ADVISORY PANEL

DATE: Monday, September 21, 2026	MOTION NO. 2026- 31
MOVED BY:	Ted
SECONDED BY:	John.
SUBJECT:	**MATTAP Motion #2026- 31**

BE IT RESOLVED THAT THE TOURISM ADVISORY PANEL (TAP)

Directs staff (Finance) to write a budget deviation report on the Advisory Panels proposed budget Motion No. 2026-002 and from the January 13, 2026 Meeting & present it to Council.

Yaes ✓ **Nays** _____

Carried: ✓

Defeated: _____

Tabled / Deferred: _____

Chair, Matt Harper

Brett Christopher

THE CORPORATION OF THE TOWN OF

GANANOQUE

Canadian Gateway to the 1000 Islands

Council Report – REC-2026-09

Date: October 7, 2026 ☐ **IN CAMERA**

Subject: Community Sport and Recreation Infrastructure Fund (CSRIF) Grant Submission

Author: Jeff Johnston, Manager of Parks, Recreation & Facilities ☒ **OPEN SESSION**

RECOMMENDATION:

BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE SUPPORTS IN PRINCIPAL THE SUBMISSION OF A GRANT APPLICATION TO THE COMMUNITY SPORT AND RECREATION INFRASTRUCTURE FUND (CSRIF) FOR OPTION _____.

AND FURTHER SUPPORTS IN PRINCIPAL THAT THE $250,000 TOWN SHARE BE DRAWN FROM THE _____ (ARENA OR TOWN) RESERVE, AS PRESENTED IN COUNCIL REPORT REC-2026-09.

STRATEGIC PLAN COMMENTS:

Priority #1 – Provide Quality Core Services and Infrastructure –

Strategy #2 – Prioritize the Implementation of the 10-year Asset Management Plan.

BACKGROUND:

The Community Sport and Recreation Infrastructure Fund (CSRIF) is a capital funding program delivered by the Ministry of Sport to revitalize existing community sport and recreation infrastructure and support the construction of new facilities across Ontario.

The CSRIF first intake began in 2024 through two streams:

- Stream 1: Repair and Rehabilitation
- Stream 2: New Builds/Signature New Builds

On August 17, 2026 the provincial government announced the opening of the second intake with a closing date for submissions on December 22, 2026.

The purpose of Stream 1 is to extend the lifespan of existing community sport and recreation facilities/spaces and improve local programming and accessibility features to meet community need.

As noted in the CSRIF guidelines, eligible projects for Stream 1 must:

- Be for the repair and rehabilitation of a sport or recreation facility/space or other community facility/space in Ontario that offers sport or recreation programming:
- Be for a community facility/space in Ontario that is or will be open primarily for use by the public for sport or recreation and will continue to be following completion of the project:

Eligible projects may include projects that:

- Extend the lifespan of existing community sport and recreation facilities and spaces:
- Maximize the use of existing facilities (e.g., use of space, increasing hours of operation, enhancing functionality and/or participation rates); or
- Improve health and safety, accessibility and environmental standards of existing facilities.

The Town applied for the CSRIF grant in 2024 and for the Ontario Trillium Fund (OTF) grant in early 2026 for replacement of the elevator lift at the Lou Jeffries Community Centre but were unsuccessful in their bids.

INFORMATION/DISCUSSION:
Town staff have reviewed the program guidelines and the Town's recreation infrastructure and they have determined two available core options:

OPTION #1: The replacement of the lift at the Lou Jeffries Community Centre. The lift checks all the boxes of eligible projects as noted above. The new lift would enhance the accessibility of the Lou Jeffries Community Centre for seniors and those with physical disabilities for use of the second floor of the building. The replacement of the lift would extend the lifespan of the building and it would maximize the use of the building for all visitors.

The current lift was installed in January 2003 as part of grants received from the Federal and Provincial governments at the time. The lift is now 26 years old and is nearing the end of its useful life. Town staff continue to contract a third-party firm to conduct quarterly inspections to ensure the lift is in good working order.

As part of the Building Condition Assessment conducted by ABSI in 2021, the lift was deemed to be in "Poor" condition at the time and estimated to be replaced in 2024 for an estimated cost of $150,000. A quote was received in 2026 when staff applied for the OTF grant through the provincial government for an approximate cost of $350,000. This cost did not include architectural or engineering services.

OPTION #2: The revitalization of the BMX Track to a Pump Track. As noted in Council Report REC-2026-08, installations of Pump Tracks are becoming increasingly popular in Canada as it provides access for all ages, abilities and demographics to ride on their bikes, scooters, and skateboards in a safe space and off the streets, while challenging and enhancing their skills. The conversion of the defunct BMX track to a pump track checks all the eligibility boxes for this grant.

FINANCIAL CONSIDERATIONS/GRANT OPPORTUNITIES:
The CSRIF program provides funding on a 50/50 cost-share basis for eligible projects between $100,000 and $1,000,000. Staff have identified an estimated total project cost of approximately $500,000 for replacement of the lift at the Lou Jeffries Community Centre, including architectural and engineering costs. If the Town is successful in obtaining funding, the municipal share would be approximately $250,000.

The Town's Asset Management Plan identifies the lift as an existing municipal asset with an in-service date of 2002 and a current replacement cost of approximately $173,000, based on the ABSI Building Condition Assessment. The lift has an overall risk score of 12.1, rated High, based on a probability of failure score of 4.0 and a consequence of failure score of 3.03. Replacement of the lift is currently included in the 2026 Capital Budget at $255,000. The most recent project estimate of approximately $500,000 is higher than both the AMP replacement value and the current capital budget provision.

The Arena Reserve had an opening 2026 balance of approximately $302,256, with a further $169,000 budgeted transfer to the reserve in 2026. However, approximately $333,032 of other Arena capital projects are planned for 2026, together with approximately $103,000 of capital projects carried forward from prior years. A further approximately $279,000 of Arena capital work is anticipated for 2027. Based on these existing and anticipated commitments, the Arena Reserve does not currently have sufficient uncommitted capacity to fund the proposed $250,000 municipal share of the lift project without reprioritizing other capital work, identifying an alternative funding source, or considering additional borrowing.

In their review of replacing the BMX Track with a Pump Track, and as outlined in Council Report REC-2026-08, staff have estimated the project cost at approximately $500,000. Under the CSRIF 50/50 cost-sharing arrangement, the Town's share would therefore be approximately $250,000. Staff are proposing that, if the grant application is successful, the municipal contribution be funded from the Town's General Capital Reserves.

This funding would need to be considered alongside other corporate capital priorities and demands on available reserve balances.

APPLICABLE POLICY/LEGISLATION:
N/A

CONSULTATIONS:
Melanie Kirkby, CAO
Robert Kennedy, Superintendent of Parks & Facilities
Lori Higgs, Superintendent of the Marina and Recreation
Ashley Callery, Finance Administrative Assistant

ATTACHMENTS:
None

APPROVAL	
	_____ Jeff Johnston, Manager of Parks & Recreation _____ Melanie Kirkby, CAO Certifies that unless otherwise provided for in this report the funds are contained within the approved Budgets and that the financial transactions are in compliance with Council's own policies and guidelines and the *Municipal Act* and regulations.

Report Council – LIB-2026-02

Date: October 7, 2026 ☐ **IN CAMERA**

Subject: Gananoque Public Library Quarterly Report

Author: Rachel Brown, Library CEO ☒ **OPEN COUNCIL**

RECOMMENDATION:
BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE RECEIVES THE GANANOQUE PUBLIC LIBRARY QUARTERLY REPORT AS PRESENTED IN REPORT COUNCIL LIB-2026-02.

STRATEGIC PLAN COMMENTS:

The Gananoque Public Library supports the Town's Strategic Plan 2025 by:

- Offering a safe and welcoming community space year-round for everyone, including groups with common interests.
- Being a downtown destination for visitors, as well as a heritage building in the Town's vibrant downtown business district.
- Helping residents to access essential services and pursue employment opportunities.
- Partnering with community groups and the Town to promote services and initiatives.
- Preserving local heritage by archiving historical documents and collecting books about Gananoque, neighbouring communities, and the Seaway.
- Contributing to a vibrant community by hosting local arts and music activities.

BACKGROUND:

The Library submits a quarterly report to Council to keep Council informed about the Library's activities, milestones, challenges, and opportunities.

INFORMATION/DISCUSSION:

Grants

- The Library was approved for two provincial grants during the second quarter of 2026:
    - The Summer Employment Opportunities Grant to fund our summer children's program assistant position; and,
    - The Seniors Community Grant, to fund the Library's collaborative "Gananoque: Our Stories, Our Community" project, which will get underway this fall.

Printing Services and Revenue

- Under the Ontario Public Libraries Act[1], revenue-generation options for public libraries are highly restricted. However, libraries are permitted to levy charges for non-core functions, such as printing, to achieve partial cost recovery.
- The Library has recently optimized its printing fee structure to a rate that remains accessible for patrons while contributing more toward operational revenue. This balanced approach ensures we can continue to offer printing services and complimentary public scanning in a world that increasingly requires digital and physical documentation.

Youth Drop-in Anniversary

- April 2026 marked the one-year anniversary of our Youth Drop-in and there was a big celebration. To show appreciation, the Mayor organized a small thank-you event on April 29 at the Library for the partners, including sponsor Enbridge.

Focus on Adult Programs

- In addition to our popular Youth Drop-in, the Library offers other well-attended programs for all ages. For example, from April to June, we had 524 adult attendances to programs ranging from tech support to music, mahjong games to writing.
- The Library also supports seven community book clubs, including our own monthly Book Chat.

Art in the Library

- Our collaboration with local artists continues to bring art into the Library at no cost, beautifying the space and promoting the artists.





[1] See Section 23(3) of the Ontario Public Libraries Act and About the PLA: Fees.

Other:

- Gananoque Public Library Board members or CEO will present the Quarterly Report.

APPLICABLE POLICY/LEGISLATION: Ontario Public Libraries Act, Ontario Health and Safety Act

FINANCIAL CONSIDERATIONS: None

CONSULTATIONS: None

ATTACHMENTS: None

APPROVAL	Rachel Brown _____ Rachel Brown, Library CEO

Report Council – LIB-2026-03

Date: October 7, 2026 ☐ **IN CAMERA**

Subject: Gananoque Public Library Quarterly Report

Author: Rachel Brown, Library CEO ☒ **OPEN COUNCIL**

RECOMMENDATION:
BE IT RESOLVED THAT THE COUNCIL OF THE TOWN OF GANANOQUE RECEIVES THE GANANOQUE PUBLIC LIBRARY QUARTERLY REPORT AS PRESENTED IN REPORT COUNCIL LIB-2026-03.

STRATEGIC PLAN COMMENTS:

The Gananoque Public Library supports the Town's Strategic Plan 2025 by:

- Offering a safe and welcoming community space year-round for everyone, including groups with common interests.
- Being a downtown destination for visitors, as well as a heritage building in the Town's vibrant downtown business district.
- Helping residents to access essential services and pursue employment opportunities.
- Partnering with community groups and the Town to promote services and initiatives.
- Preserving local heritage by archiving historical documents and collecting books about Gananoque, neighbouring communities, and the Seaway.
- Contributing to a vibrant community by hosting local arts and music activities.

BACKGROUND:

The Library submits a quarterly report to Council to keep Council informed about the Library's activities, milestones, challenges, and opportunities.

INFORMATION/DISCUSSION:

Focus on Programs

- Summer at the Gananoque Public Library is all about children's programming. Our TD Summer Reading Club was very successful this year. The Final Report is attached to this Quarterly Report. A few statistical highlights:
    - **150 Reading Club participants** were able to read and report on any books they chose in any way they chose: orally, in writing as a book review, or through a personal illustration

- **10 weeks** of reading fun, with **1,976 books read**
- **221 attendances to in-library events**
- **460 interactions via community outreach**, such as delivering programs and books to local day camps
- **8 outstanding special events** in collaboration with our generous community partners
- **Over 100 new books added** to our children's collection celebrating this summer's theme of water/ "dive in"

Collaborative Project

- The Gananoque Public Library and the University of Alberta are collaborating on *a* special photo exhibit at the Library, ***Between Friends/Entre amis: 50 Years Along the Border****,* which celebrates our community's shared history, alongside our American neighbours. The exhibit runs until November 6, 2026.

Other:

- Gananoque Public Library Board members or CEO will present the Quarterly Report.

APPLICABLE POLICY/LEGISLATION: Ontario Public Libraries Act, Ontario Health and Safety Act
FINANCIAL CONSIDERATIONS: None

CONSULTATIONS: None

ATTACHMENTS: 2026 TDSRC Report (Attachment #1)

APPROVAL	 Rachel Brown, Library CEO

GANANOQUE PUBLIC LIBRARY

TD Summer Reading Club

Reading fun for kids, from Canada's public libraries
tdsummerreadingclub.ca



2026 TDSRC Report

Developed by

tpl toronto public library

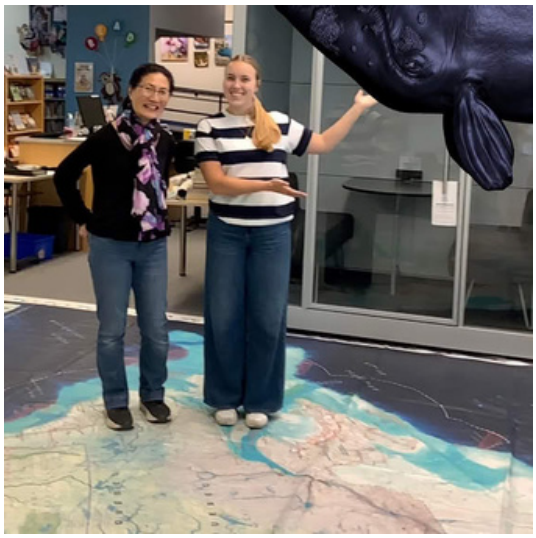
In partnership with

Library and Archives Canada | Bibliothèque et Archives Canada

Title sponsor

TD READY COMMITMENT







Dive In! 2026

For the full school break children and families had access to enhanced literacy support. 2026 was our first year to receive funding through the province of Ontario's Summer Employment Opportunities program. Six students who applied for the position had the opportunity to be interviewed. The winning candidate, Emily Franken, had experience as an EA and is working towards her Masters in Occupational Therapy. By working at the library Emily was able to learn how we ensure that all readers, including reluctant readers and children with neurodivergence, are supported in their summer literacy development. Emily helped to plan story times, organized activities, assisted in maintaining club central, made book deliveries in the community, and had conversations with *a lot* of kids and families about books.

Literacy Development

Children in the program were able to read and report on any books they chose in any way they chose: orally, in writing as a book review, or through a personal illustration. Following a report, children would choose a club sticker for their notebook where they could also keep a record of the books they read. After collecting their sticker they would spin the library's Read, Spin & Win Wheel. This year the wheel was spinning through the water cycle and children were regularly reminded of how the cycle works and how to break down and read the sounds of complex words like evaporation, transpiration, condensation, precipitation & collection. The treasure boxes with matching parts of the water cycle was where club members chose an additional award to celebrate their reading progress.

10

WEEKS OF READING FUN

Friday, June 19th to Saturday, August 29th.

150

Library Registrations

85 Past Participants
49 New Participants

221

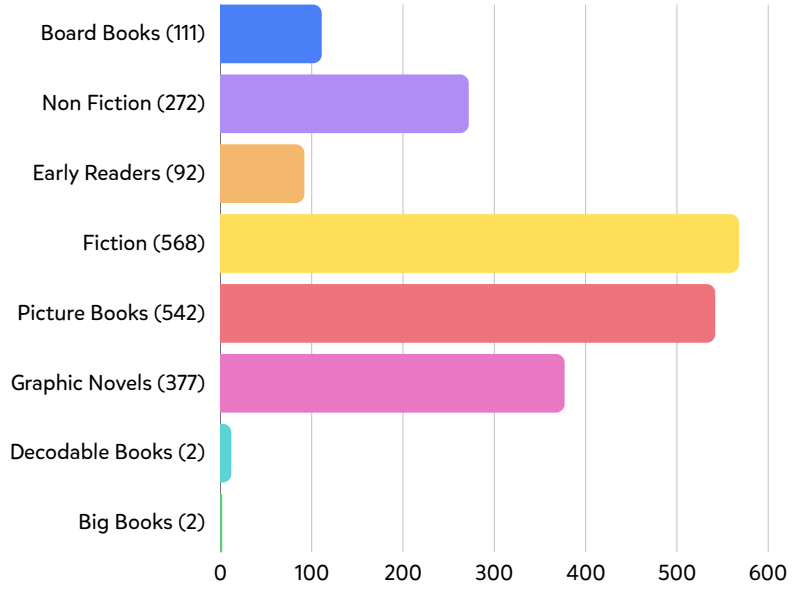
In-Library Event Participants

460

Community Partnership Participants



Kids suggested names for our club axolotl mascot. The public voted online. Easy, fun promotion.





1,976 BOOKS READ

69 ILLUSTRATED REPORTS

68 WRITTEN REPORTS

+ Hundreds of oral reports!

Accessability

We focus on accessibility for all children in our community. French language titles were purchased for the theme and we accepted book reviews in the French language. Programs and events were primarily offered in English, but we supported reporting in the French language and hosted a French story time and event for Le FestivIles. Reluctant readers and neurodivergent learners were welcomed and supported. Pre-readers were able to participate by reporting on books read to them by their parents and caregivers. All children that came to the library had the opportunity to be **engaged**, to develop comprehension and retention skills, and to be **celebrated** in their reading journey. These are the keys to the ongoing success of the TDSRC at our library.



Kendra welcomes new members to the club introducing them to their reading kit and colorable book bag.

Theme

The 2026 theme **Dive In!** encouraged the exploration and understanding of water and added a unique element to what children learned over the summer. Sub-themes helped to shape weekly programs, special events, and maker activities.

Follow That Drop! explored the water cycle, **Water Protectors** addressed the importance of caring for our most precious natural resource, **The Wonder of Water** focused on the science of water (what it is and how it works), **Friends in the Water** visited the vast array of species that call water home, **Underwater Adventure** shone a spotlight on underwater exploration and discovery, **Water Fest** celebrated the pure fun we have with water, **Climb Aboard Me Hearties!** was about vessels that travel over water (including pirates and shipwrecks), and finally **Make it Grow** was dedicated to how water supports plant life in different ecosystems.

Together, we do better

We work with groups and individuals for improved promotion, collaboration and expanded learning opportunities. Our partners help us to directly promote to over 561 children and their families in our community. *According to the last Statistics Canada Census, there are 640 children aged 0 to 14 living in the Town of Gananoque.*

Linklater Public School & St. Joseph Catholic School
The schools distribute promotional materials for JK - 6. We had one class from St. Joseph's visit prior to the end of the school year.

Early ON, Thousand Islands Daycare, Frontenac Arch Biosphere, and Thousand Islands Playhouse
We have integrated the TDSRC into the programs of each these partners allowing us to reach 460 children beyond our physical location.

Ocean Canada
The Ocean, Freshwater, and Us floor map and the *Ocean Canada Map App* allowed our community to fully explore Canada's oceans, lakes, rivers, and watersheds for the first week of our program launch.

Water Rangers
A free water testing kit can be used by families to complete basic water tests. We were able to invite families for a demonstration during program launch.

Artist Debbi Morrison
Walked young artists through a step by step art class to paint their own acrylic on canvas axolotl.

Brockville Adventure Dive Centre
Helen Cooper was able top share information about diving in the St. Lawrence River allowing kids to try on scuba diving kit and learn how it works.

Town of Gananoque
Funded the bilingual Friday children's program for FestivIsles including the Juggling Chef and Foam Party.

Magnolia Flowers
Arranged the order of Zebra Haworthia plants for our terrarium sand art workshop at cost.

Thousand Islands Boat Museum
Co-hosted a pirate event in the outdoor courtyard of the museum.



Visiting toddlers at Thousand Islands Daycare.



Painting axolotls with Debbi Morrison.



Trying out Helen Cooper's scuba equipment.

Making Summer Reading Fun

We added over 100 new books to our children's collection that celebrated the theme of water. We ensured we would meet a broad range of reading abilities and interests including more titles in the French language.



Each Monday morning the Thousands Islands Daycare Camp visited for an hour long program. In the afternoon books were delivered to Nature Camp and the Playhouse Camp as required, and on two occasions visits were made to the Thousand Islands Daycare to offer programs to infants, toddlers and preschoolers. On Fridays, Storytimes for 0-6 were offered in Town Park and stories were also shared on Saturday mornings.



Special Events

Gananoque Teddy Bear Picnic | 133 children & 81 adults
Meet a Scuba Diver | 16 children & 12 adults
The Juggling Chef (bilingual) | 9 children & 6 adults
Bilingual Foam Party | 36 children & 20 adults
Boat Museum Pirate Party | 6 children & 3 adults



Maker Events

Axolotl Painting with Debbi Morrison | 12 children
Tie Dye Shirt Making with Emily & Bri | 12 children
Artistic Sand Terrariums | 12 children





TD Summer Reading Club

Reading fun for kids, from Canada's public libraries
tdsummerreadingclub.ca

Reading report:
Fiction

Name: Donna Age: 7

Title: What about an octopus
Author: Deborah Kerbel

My rating:

★★★★★

Not so good OK Amazing!

Who was your favourite character in the story? Why?
The Octopus! Because it was fun!

What was the best part of the story?
That octopuces have Three harts!

TD Summer Reading Club

Reading fun for kids, from Canada's public libraries
tdsummerreadingclub.ca

Draw a picture inspired by something you have read:

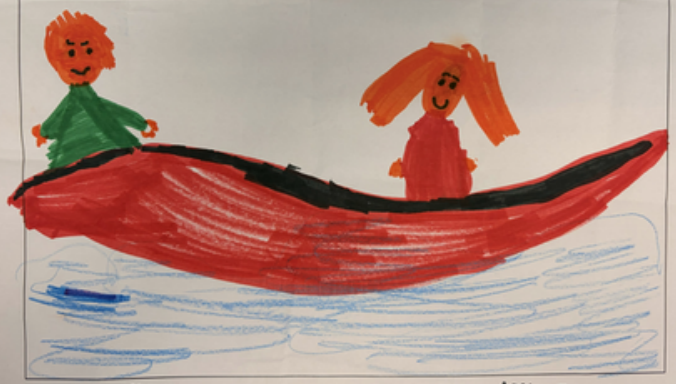


Name: Layla Age: 7

TD Summer Reading Club

Reading fun for kids, from Canada's public libraries
tdsummerreadingclub.ca

Draw a picture inspired by something you have read:



Name: Leila Age: 6



Leeds Grenville

www.leedsgrenville.com

United in Housing Solutions for All United Counties of Leeds and Grenville Homelessness Planning – Progress - Updates

Fiona Goodman

July 7, 2026

where **lifestyle** **grows** good **business**

Funding – Ministry of Municipal Affairs and Housing

Homelessness Prevention Program (HPP): Provides funding to support Service Managers in implementing a variety of flexible, local approaches to the delivery of services and supports aligned with three key goals:

- **Preventing homelessness**
- **Addressing homelessness**
- **Reducing chronic homelessness**

- Funding was confirmed for Leeds and Grenville at the beginning of June 2026 for the current fiscal year (April 1, 2026 – March 31, 2027) at **$3.16 million.**
- Expectation that funding will be maintained at the current level for an additional fiscal year (2027-2028).

- **Service Managers** are responsible for engaging in planning activities related to program delivery, which may include assessing service needs, identifying partners, developing planning processes, and maintaining a By-Name List.

Funding – Homelessness Reduction and Innovation Fund

As part of the Government of Canada's Budget 2024 commitment, $45 million was approved for the **Canadian Alliance to End Homelessness (CAEH)** to implement the **Homelessness Reduction Innovation Fund (HRIF)**, which provides communities with one-time funding grants to test, implement, document, and share innovative, system-level interventions that achieve measurable reductions in community-level homelessness

Successful recipients of this grant must be able to demonstrate:

- An improvement project aimed at reducing homelessness by increasing move-ins to housing or decreasing inflow to homelessness for the chosen target population.
- Quality By-Name Data.
- A focus on priority populations (strongly encouraged) including unsheltered homelessness, chronic homelessness, and veteran homelessness.

The Counties is the current recipient of an **$830,000.00** HRIF grant (October 1, 2025 – September 30, 2026) with the goal of **reducing chronic homelessness by 18%** and increasing move-ins (chronic) by 12 by the project end date.

The Canadian Alliance to End Homelessness. LINK

By-Name List

A **By-Name List (BNL)** is a real-time list of people experiencing homelessness across the service manager area. The objectives of the BNL are:

- Better understand the characteristics of people experiencing homelessness and pathways into and out of homelessness to identify trends and improve service delivery and effectiveness.
- Connect people experiencing homelessness to services and supports they need.
- Monitor progress related to HPP outcomes - addressing and reducing homelessness, including chronic homelessness.

In March 2021, the Province of Ontario directed all Service Managers to implement a By-Name List by April 1, 2023.

Built for Zero. **By-Name Data.** LINK

Coordinated Access

Coordinated Access is a systems-level approach to addressing homelessness that provides a consistent way to assess, prioritize, and connect people to housing supports through a **centralized intake** process using By-Name data.

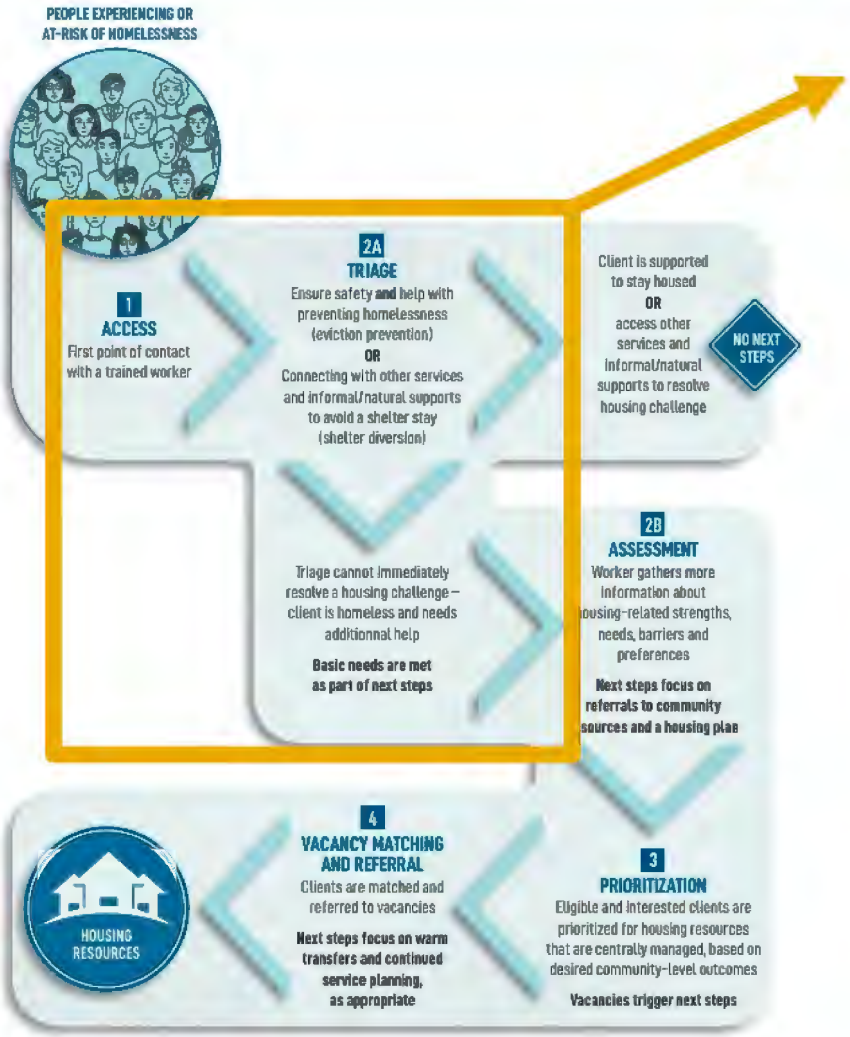
- Internationally recognized as best practice for reducing homelessness.
- Provincially and federally mandated as part of different funding programs.

Key Components:

- Centralized information management system: Homeless Individuals and Families Information System **(HIFIS)**
- Centralized inventory of housing resources
- Clear access points
- A common set of triage and assessment tools

Employment and Social Development Canada. **Reaching Home Coordinated Access Guide**. Government of Canada, 2019. LINK

Coordinated Access



2026-2027:

- Centralized intake and **HIFIS** implementation.
- Outreach
- Effective and consistent triage across the system.
- System diversion.
- Immediate basic needs as part of a **centralized intake** process: **24-hour service** that acts as a safe and supportive drop-in location – providing coordinated health and housing focused engagement.
- Consistent, collaborative and sustained engagement between service partners.

Leeds Grenville

www.leedsgrenville.com

Coordinated Access

Without a coordinated approach to service delivery, people experiencing a crisis must navigate a complicated web of **connected – but uncoordinated – services**. They often have to tell their story multiple times and place themselves on a number of waiting lists in order to secure the housing resources needed to resolve their challenges.

Without a person-centred approach people are often mismatched with resources. This can lead to poorer housing outcomes, continued diminished quality of life and inefficient use of limited resources.

	Program-Centred	Person-Centred
How access to services is positioned	Should we accept this client into our program?	What services are the best fit for each client?
How the process is organized	Different access points, triage and assessment forms, and eligibility requirements for each service provider	Standardized access protocols, triage and assessment tools, and eligibility guidelines across the housing and homelessness response system
Level of knowledge about services and how vacancies are filled	Silos of information create uneven knowledge about available services and who gets access to vacancies	Community agreement on what resources exist and how vacancies are filled
How referrals are processed	Ad hoc program referrals, often based on worker-level experience; offers are made on a "first come, first served" basis (chronological)	Coordinated referral processes based on system-level protocols; referrals address community-level outcomes through prioritization and consider client choice
What happens if the referral isn't a "good fit"	Clients are discharged from the program	Clients are supported to transition to a different service provider based on learning from the first referral; next steps build on a shared service plan
How progress is measured	Progress is measured at the program level rather than community level; evaluation is typically limited to service interactions with one agency/program with a more narrow view of the client experience	Community-level outcomes are measured using aggregated performance data; full service experience from first interaction to the last can be evaluated; successes and challenges can be shared across the system, with findings relevant to a broader audience

Employment and Social Development Canada. **Reaching Home Coordinated Access Guide**. Government of Canada, 2019. LINK

Leeds and Grenville
Program Areas - Homelessness

Community Outreach and Support Services:

- Encampment outreach.
- Focused engagement and case management for youth (JHS) and individuals involved in the justice system.
- Food security and other health related supports.

Emergency Shelter Solutions:

- Emergency after-hours phone line
- Hotel vouchers
- LLGAMH Drop-In
- Seasonal warming centre (winter 2026)
- Ten transitional shelter units (short-term emergency units – one specific for youth)

24-Hour centralized intake and coordinated access center

Connected Community Resources

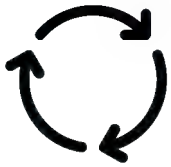
- SUMMIT (Community Paramedics, health system navigation, nurse practitioner)
- Food banks
- Soup kitchens
- Loaves and Fishes
- Ontario Works (OW)
- Ontario Disability Support Program (ODSP)
- Social service partners (LLGAMH, FCSLLG, RNJ, DSLG, CMHLG, hospitals, Peer Support Services, JHS, LGIH, church communities, and many more)

- FCSLLG – Transition house
- JHS Connect Youth/FCSLLG – Hamilton house
- JHS Connect Youth emergency units
- Leeds and Grenville Interval House
- United Way Emergency Fund
- Individual municipalities and other social service partners providing crisis response supports.

Leeds and Grenville
Program Areas - Homelessness

Housing Assistance:

- Homelessness Prevention Benefit (HPB)



Supportive Housing:

- Pathways to Supportive Housing Program (JHS)
- Total: 49 units

Connected Community Resources

- RGI housing
- Rent supplements
- Housing allowances (i.e. COHB, LLGAMH)

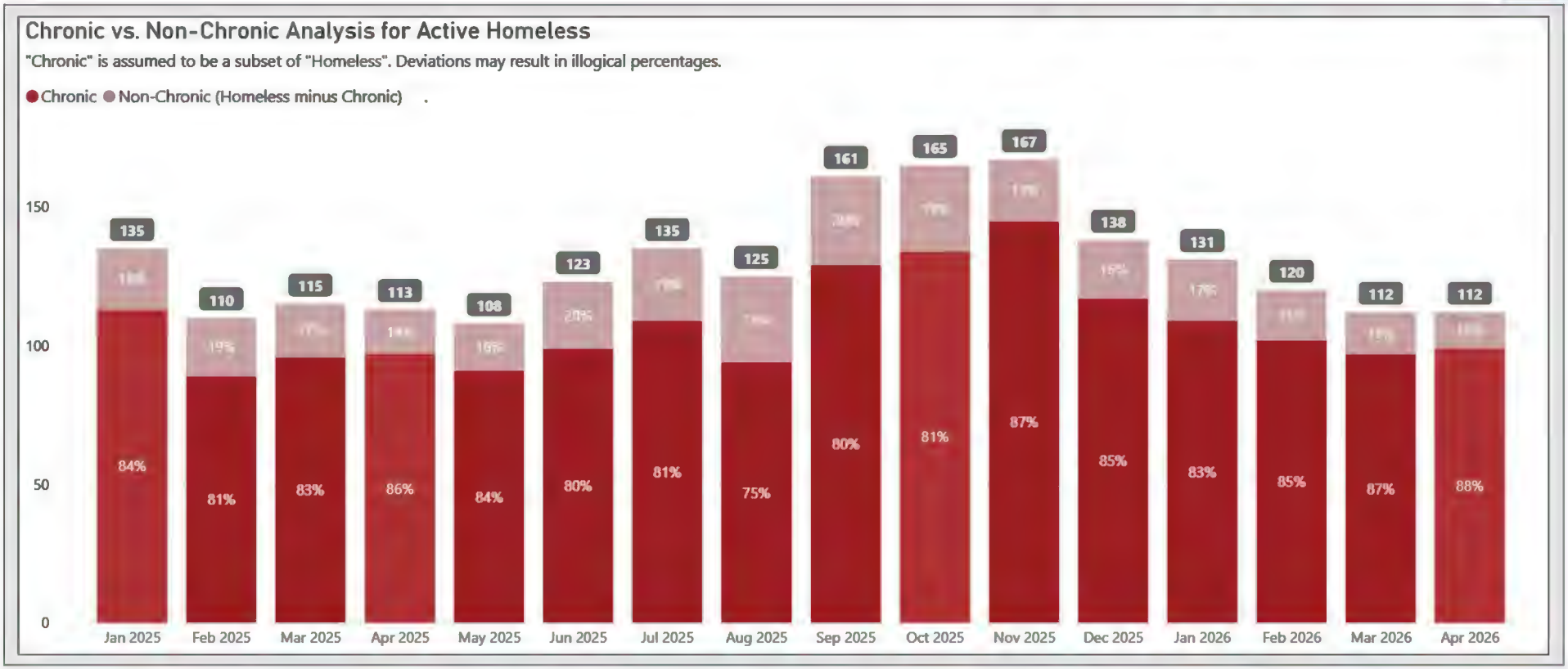
- JHS housing units
- JHS Connect Youth supportive units
- Detox and treatment programs (adult and youth)
- BGH - CDSU
- Hart Hubs
- Long-term care
- Retirement homes
- Ontario Health atHome – home care
- DSLG group homes
- LLGAMH group homes

Leeds and Grenville
Homelessness - Program Data

2025-2026 – HPP Program Data Report		
Program Area	**Projected # of unique households**	**Actual # of unique households**
Community outreach and Support Services	500	834
Emergency shelter solutions	450	525
Housing assistance **in 2025-2026 this category included JHS justice involved and youth workers	250	990
Supportive housing	100	59

These numbers represent reported unique inputs from each individual program – not unique households across the entire system. The transition to HIFIS will support continued data improvements and improved system oversight.

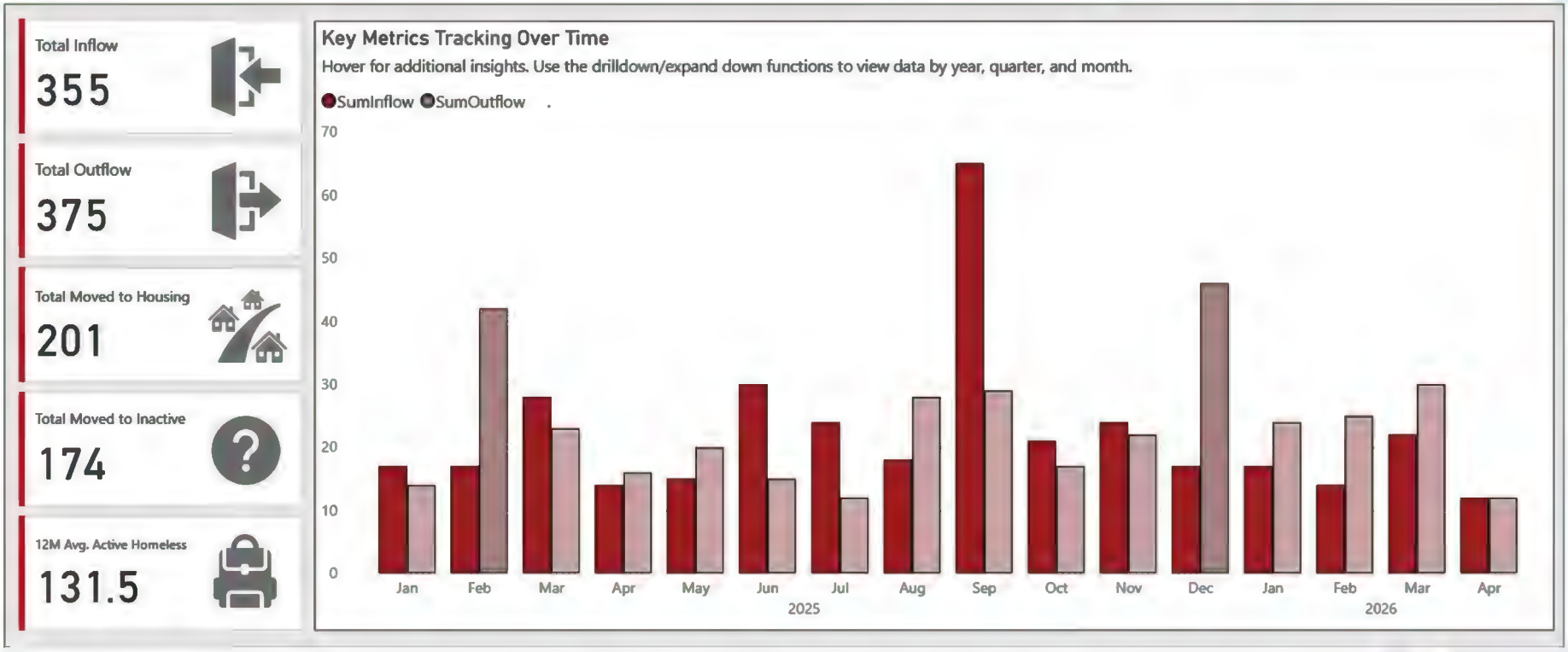
Leeds and Grenville
Homelessness – System Level Data



Feb 2025: opening of 25 cabins; **Dec 2025-April 2026**: opening of 24 additional units + re-focussed efforts on coordinated access process including intensive case management and outreach and increased community collaboration.

Leeds Grenville
www.leedsgrenville.com

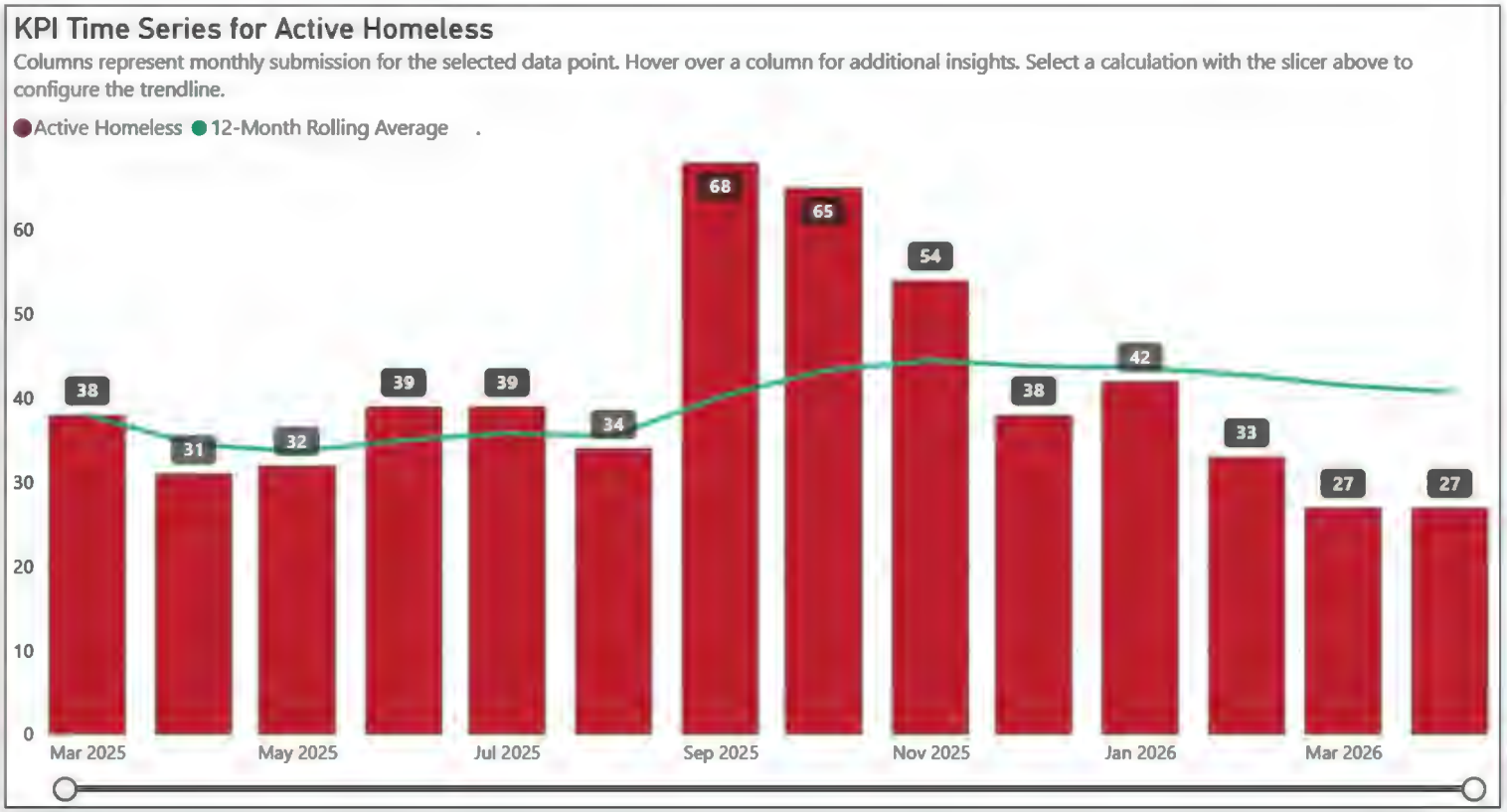
Leeds and Grenville
Homelessness – System Level Data



Feb 2025: opening of 25 cabins; **Dec 2025-April 2026**: opening of 24 additional units - sustained increase in outflow.

Leeds and Grenville
Homelessness – System Level Data

Unsheltered Homelessness



Leeds and Grenville Homelessness Updates

2026-2027:

- Focus on **coordinated access and centralized intake.**
- 24-hour program that provides a coordinated access space and consistent point of engagement for the most complex and vulnerable BNL clients; centralized intake for housing resources within Leeds and Grenville.
- Coordinate services with other connected providers in Leeds and Grenville.
- Community **Request for Information** was issued by the Counties on June 29, 2026, seeking information and interest in both space and operations for a year-round 24-hour center (preferred) or a seasonal warming centre.
- Continued focus on outreach, intensive case management, and consistent engagement across the system
- *Current pending HRIF (round 3) grant application to support this work

HRIF Grant:

- Development and operations of 24 additional supportive housing units as part of the Pathways Program (JHS).
- Grant funding ends on September 30, 2026 – operating costs continued through HPP funding.
- Goal of reducing chronic homelessness by 18%.
- To date, **chronic homelessness has been reduced by 32%.**

Leeds Grenville

Leeds and Grenville Homelessness Updates

What the data tells us:

- **Opening supportive housing units has the single greatest impact on reducing homelessness in Leeds and Grenville.**
- Increasing outreach, intensive case management, and coordinated access efforts resulted in sustained positive results following the increase in supportive housing.
- The Counties is doing well housing individuals before they become chronically homeless through referrals to connected services and using resources such as emergency shelter units and short-term hotel stays.
- Individuals experiencing chronic homelessness, who have significant and complex needs, make up the majority of the homeless population in Leeds and Grenville.

Ministry of Municipal Affairs and Housing

Office of the Minister

777 Bay Street, 17th Floor
Toronto ON M7A 2J3
Tel.: 416 585-7000

Ministère des Affaires municipales et du Logement

Bureau du ministre

777, rue Bay, 17e étage
Toronto (Ontario) M7A 2J3
Tél. : 416 585-7000

Ontario

234-2026-3320

September 10, 2026

Dear Head of Council,

I am writing to advise that the content of proposed regulations under the *Municipal Accountability Act, 2026*, which received Royal Assent on June 2, 2026, is now posted on Ontario's regulatory registry for public comment.

The Act represents a significant step toward strengthening accountability and public confidence in local government. If the changes made by this Act are brought into force, the Ministry of Municipal Affairs and Housing is proposing regulations that would:

1. Establish a standardized municipal code of conduct for members of council and certain local boards;
2. Establish standardized municipal integrity commissioner inquiry processes; and
3. Establish education and training requirements for municipal integrity commissioners and for members of councils and certain local boards.

I value your perspective as Head of Council and encourage you to provide comments through the Regulatory Registry on behalf of your municipality, including any views or feedback from members of council: Proposal for Regulations to Establish a Standardized Municipal Code of Conduct; Municipal Integrity Commissioner Processes and Education and Training Requirements | regulatoryregistry.gov.on.ca

The proposal is open for public comment until October 2, 2026. Feedback will help inform the development of these regulations and support their effective implementation for the start of the new municipal council term on November 15, 2026.

If you have any questions regarding the proposal, please contact Robert Dodd, Chief of Staff, Minister's Office, Ministry of Municipal Affairs and Housing Robert.Dodd@ontario.ca.

I look forward to receiving your input.

Sincerely,

Hon. Robert J. Flack
Minister of Municipal Affairs and Housing

cc : Robert Dodd, Chief of Staff, Minister's Office, Ministry of Municipal Affairs and Housing
Martha Greenberg, Deputy Minister of Municipal Affairs and Housing
Laurie Miller, Assistant Deputy Minister, Local Government Division
Sean Fraser, Assistant Deputy Minister, Municipal and Housing Operations Division
Municipal Chief Administrative Officer
Municipal Clerk

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MEDIA RELEASE

FOR IMMEDIATE RELEASE
September 24, 2026

Leeds Grenville Welcomes New Doctors in Brockville and Prescott

The United Counties of Leeds and Grenville in a Joint Agreement with Brockville, Prescott and Gananoque welcomes four new primary care physicians through the region's Physician Recruitment Program.

Dr. Pournamathi Kandeeswaran has relocated to Brockville from the United Kingdom and has been working with Brockville Family Medical Centre since the end of June.

Dr. Muhammad Saqib has relocated to Brockville from the United Kingdom and has been working with Dr. Riyaz and team in Brockville since mid August.

Dr. Ben Ladowski has relocated to Prescott from the United States and is now working with the Prescott Family Medical Associates as of the beginning of September.

Dr. Zohal Saiq has relocated to Brockville from the United Kingston in mid September and will be taking over Dr. Pajot's practice at the Chelsea Court Health Centre.

Dr. Kandeeswaran, Dr. Saqib and Dr. Ladowski doctors will be rostering new patients from the provincial Health Care Connect list. Individuals must have a valid Ontario health number to register online.

In January 2025, the United Counties of Leeds and Grenville engaged Health Workforce Innovations to help address the growing shortage of family physicians across the region. Recognizing the urgent need for primary care providers, George Smitherman and Sherri Hudson-Fournier presented a recruitment strategy focused on attracting highly trained internationally educated physicians whose qualifications and expertise align with Canadian family doctors.

In partnership with the Town of Prescott, the City of Brockville, and the Town of Gananoque, the Counties have committed to working with Health Workforce Innovations through January 2028 to strengthen local primary care capacity. This initiative aims to recruit additional family physicians to meet current community needs and prepare for anticipated physician retirements in the coming years.

Residents who do not currently have a family physician are encouraged to register with Ontario's Health Care Connect program to help connect them with available primary care services as it is anticipated more announcements will occur later this year and into 2027.

Quotes

"The Counties recognized the importance of residents having access to regular medical care," says Warden Corinna Smith-Gatcke. "The joint agreement between our partner municipalities in the hiring of Health Workforce Innovations is now seeing positive results."

"Having access to reliable primary care has been a top priority for Brockville. I know everyone joins me in extending a warm, heartfelt welcome to Dr. Kandeeswaran and Dr. Saqib as they become part of our community," says Brockville's Mayor Matt Wren

"Working with the Counties in this joint effort recognizes that residents will travel between municipalities to receive medical care by a family physician," said Gauri Shankar, Mayor of Prescott. "Having Dr. Ladowski become part of the Prescott team is an important step to improving local healthcare."

"The most impactful moments in our work are seeing the faces of joy and relief amongst patients getting connected to their own doctor," said Mr. Smitherman. "We have promoted Leeds Grenville to hundreds of doctors and brough a few dozen to tour the area. The warmth and respect shown to them in Leeds Grenville is far and away our greatest selling feature," said Ms. Fournier-Hudson.

-30-

Media Inquiries:
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613-342-3840, ext. 5365 or 613-803-0248
Ann.Weir@uclg.on.ca

where **lifestyle** grows good **business**
synonyme de **qualité de vie** et de **réussite** en **affaires**

The Corporation of Town of

GANANOQUE

MOTION / RESOLUTION
MUNICIPAL HERITAGE ADVISORY PANEL

Date: September 23, 2026	**Motion No. 2026 – 06**
Subject:	**Frontenac Heritage Foundation Award Nomination – Heritage Conservation Award (Umbrella)**
Moved By:	Joanne van Dreumel
Seconded By:	Derryl Wood

BE IT RESOLVED THAT THE MUNICIPAL HERITAGE ADVISORY PANEL ACCEPT FRONTENAC HERITAGE FOUNDATION'S (FHF) NOMINATION OF THE TOWN FOR ITS HERITAGE CONSERVATION AWARD FOR RESTORATION WORKS ON THE SUSAN PUSH UMBRELLA, AS PRESENTED.

AND FURTHER, FORWARD TO COUNCIL NOTICE OF THE TOWN'S NOMINATION, AS CORRESPONDENCE.

Ayes 5 **Nays** 0

Carried: X
Defeated: _____
Tabled / Deferred: _____

matt harper

Chair, Matt Harper

The Corporation of Town of

GANANOQUE

MOTION / RESOLUTION
MUNICIPAL HERITAGE ADVISORY PANEL

Date: September 23, 2026	**Motion No. 2026 – 07**
Subject:	**"Gananoque After Dark: Our History on the Waterfront" Proposal**
Moved By:	Dave Anderson
Seconded By:	Joanne van Dreumel

BE IT RESOLVED THAT THE MUNICIPAL HERITAGE ADVISORY PANEL RECEIVE THE "GANANOQUE AFTER DARK: OUR HISTORY ON THE WATERFRONT" PROPOSAL BY MUNICIPAL HERITAGE ADVISORY PANEL MEMBER DAVE ANDERSON, ATTACHED HERETO.

AND FURTHER RECOMMEND THAT COUNCIL APPROVE THE PROPOSAL IN PRINCIPLE, AND DIRECT STAFF TO INVESTIGATE THE FEASIBILITY OF THE PROPOSAL AS A PILOT PROJECT, FUNDED BY THE PANEL'S EXISTING OPERATIONS BUDGET.

Ayes 5 **Nays** 0

Carried: X
Defeated: _____
Tabled / Deferred: _____

matt harper

Chair, Matt Harper

Proposal — *Gananoque After Dark: Our History on the Waterfront*

Proposal for consideration by the Gananoque Heritage Advisory Panel

I would like to propose that the Heritage Advisory Panel explore the feasibility of using the large exterior wall of the **Gananoque Waterworks Pump House, 110 Kate Street**, facing the marina, as a location for an evening heritage projection program.

The Gananoque Waterworks Pump House is itself an important part of the Town's heritage. Constructed between 1903 and 1905 as Gananoque's first municipal waterworks project, the building retains an important presence on the waterfront and has been recognized for its historical, architectural and contextual significance.

The wall facing the marina is highly visible and provides a large, relatively unobstructed surface that is currently illuminated by exterior spotlights. The concept would be to temporarily turn off or reduce the existing lighting during designated projection periods and use a suitably located and secured projector to display historical images of Gananoque on the wall. The appropriate location for the projector would be determined in consultation with Town staff, taking into consideration electrical infrastructure, required clearances, public safety, security and projection quality.

The project could draw upon historical photographs from the Town's archives and other local collections to tell the story of Gananoque and its waterfront. Images might include historic views of the harbour and waterfront, early industries and businesses, boats and vessels associated with the Thousand Islands, historic buildings and streetscapes, community events, and photographs of residents from earlier generations. If suitable historical film or video footage exists and the necessary permissions can be obtained, short film segments could also eventually be incorporated.

Rather than simply displaying individual photographs, the images could be assembled into a curated presentation telling a particular story about Gananoque. Different programs could potentially be developed over time—for example, **Gananoque's Waterfront Through the Years**, **Life on the St. Lawrence**, or **Then and Now: Gananoque in Photographs**.

The presentation could operate for approximately one hour beginning at dusk on selected evenings. A program of still photographs with brief captions could run continuously during that period, allowing residents, visitors and people walking along the waterfront to stop and watch for as long as they wish.

The program could be presented under the title:

Gananoque After Dark: Our History on the Waterfront

I suggest that the Heritage Advisory Panel initially investigate this as a **pilot project**. The first phase would determine the appropriate projector and equipment, electrical requirements, projector location and security, the ability to temporarily control the existing exterior lighting, image quality and visibility from the waterfront, and any operational or safety considerations. Copyright and permission requirements for archival photographs and film would also need to be confirmed.

If feasible, funding for the pilot could be considered from the Heritage Advisory Panel's existing budget. A relatively modest initial investment could establish whether the concept is successful before the Town considers a more permanent installation.

The objective would be to create a simple and visually engaging way of bringing Gananoque's history into a public space. The location is particularly appropriate because the waterfront has played such an important role in the Town's history—and because the Waterworks Pump House is itself part of that history. Instead of installing another physical interpretive structure, an existing heritage building could become a temporary canvas through which Gananoque's history is shared.

If successful, the project could eventually become a regular summer heritage feature and could be refreshed periodically with different themes and material from Gananoque's historical collections.

Recommended next step: That the Heritage Advisory Panel authorize an initial feasibility investigation and costing for a one-evening pilot of **Gananoque After Dark: Our History on the Waterfront**, using the marina-facing wall of the Gananoque Waterworks Pump House.

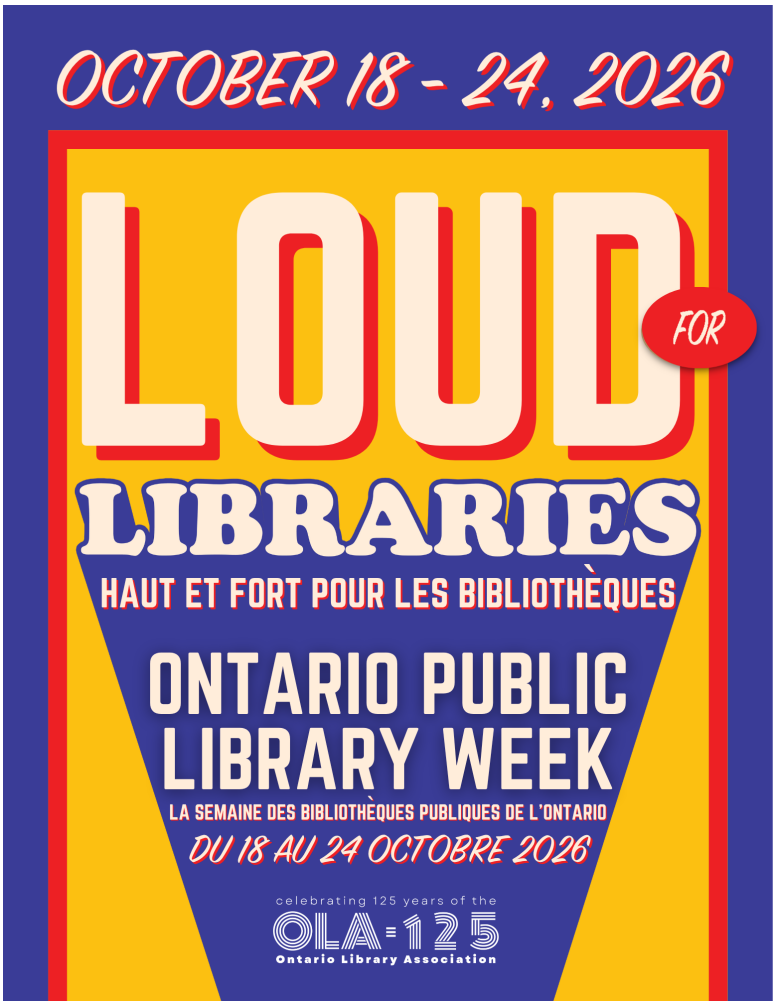
Dave Anderson



From: John Beddows
To: Lynsey Zufelt
Cc: Penny Kelly
Subject: Ontario Library Week Poster - Correspondence
Date: September 30, 2026 12:42:01 PM
Attachments: image.png

Good afternoon Lynsey, Penny,

Please add this poster to the agenda under correspondence for the next Council meeting. Website is at: https://accessola.com/ontario-public-library-week/



Thank you,

John

John S. Beddows, CD1, MPA
Mayor
The Corporation of the Town of Gananoque