



**Finance and Administration Standing Committee Meeting  
Agenda**

**Tuesday, April 14, 2026, 4:30 p.m.  
S.H. Blake Memorial Auditorium**

---

	<b>Pages</b>
<b>1. Finance and Administration Standing Committee in the S.H. Blake Memorial Auditorium (Council Chambers) at 4:30p.m.</b> Chair: Councillor Mark Bentz	
<b>2. Land Acknowledgement</b>	
<b>3. Disclosures of Interest</b>	
<b>4. Confirmation of Agenda</b> WITH RESPECT to the Tuesday, April 14, 2026 Finance and Administration Standing Committee meeting, we recommend that the agenda as printed, including any additional information and new business, be confirmed.	
<b>5. Minutes of Previous Meetings</b> Minutes of Finance and Administration Standing Committee, held on Tuesday, March 10, 2026, for information.	5 - 6
<b>6. Reports of Administration</b>	
<b>6.1 2025 Annual Safety Review Report</b> Report 162-2026 - City Manager's Office - Human Resources providing the Finance and Administration Standing Committee with an overview of corporate injury statistics, safety programming and claim cost information for 2025, for information only.  Kerri Bernandi, Manager - Safety & Wellness to provide a presentation.	7 - 30
<b>6.2 Report 90-2026 - Election Sign By-law</b> Report 90-2026 - City Manager's Office - Office of the City Clerk seeking endorsement from the Finance and Administration Standing Committee for the amendment to the Election Sign By-law, as outlined in the report.	31 - 39

Confidential Memorandum from Brendan Hardick, Solicitor II, dated March 31, 2026. **(Distributed Separately to Members of Council and the Executive Leadership Team only)**

Krista Power, Director of Legislative Services & City Clerk to provide a presentation.

WITH RESPECT to Report 90-2026 - City Manager's Office - Office of the City Clerk, we request endorsement of the Finance and Administration Standing Committee to forward the following recommendation to City Council:

WE RECOMMEND THAT the draft Amendment to the Election Sign By-law, as outlined in this report and appended as Attachment A, be approved;

AND THAT the by-law amendment as proposed in this report be presented to City Council for ratification.

**6.3 2026 Tax Policy**

40 - 58

Report 115-2026 - Corporate Services - Revenue seeking endorsement from the Finance and Administration Standing Committee to recommend to City Council the 2026 tax policies, including tax ratios, tax rates, and tax due dates, as detailed in the report.

Kathleen Cannon, Director - Revenue to provide a presentation.

WITH RESPECT to Report 115-2026 - Corporate Services - Revenue, we request endorsement of the Finance and Administration Standing Committee to forward the following recommendations to City Council:

WE RECOMMEND THAT the tax ratios and tax rates included in Attachment 8, as appended to this report, and outlined in Option 2 be approved for the 2026 taxation year;

AND THAT the final tax levy be due in two installments on August 5 and October 7, 2026;

AND THAT By-law 155-2026 be presented at the May 19<sup>th</sup> City Council for ratification.

**6.4 Internal Audit Charter and 2026 Internal Audit Work Plan**

59 - 77

Report 123-2026 - Corporate Services - Internal Audit, presenting the Internal Audit Charter and the 2026 Internal Audit Work Plan to the Finance and Administration Standing Committee for feedback and support in its role as the City of Thunder Bay's "Audit Committee".

WITH RESPECT to Report 123-2026 - Corporate Services - Internal Audit we recommend that the Finance and Administration Standing Committee support the updated Internal Audit Charter as presented;

AND THAT the Standing Committee support the 2026 Internal Audit Work Plan as presented;

AND THAT Administration conducts the audits in accordance with the 2026 Internal Audit Work Plan and presents the results to the Finance and Administration Standing Committee upon completion of each audit as appropriate.

**6.5 Thunder Bay Community Auditorium Capital Reserve Fund Request**

78 - 80

Report 156-2026 - Corporate Services - Finance seeking endorsement from the Finance and Administration Standing Committee for the request from the Thunder Bay Community Auditorium Inc. (the "Tenant") to be reimbursed from the Thunder Bay Community Auditorium Capital Reserve Fund, to pay for capital repairs that have been identified as essential within the facility, as detailed in the report.

WITH RESPECT to Report 156-2026 - Corporate Services - Finance , we request endorsement of the Finance and Administration Standing Committee to forward the following recommendations to City Council:

WE RECOMMEND THAT \$36,000 be provided to the Thunder Bay Community Auditorium Inc. for eligible capital repair costs, to be funded from the Thunder Bay Community Auditorium Capital Reserve Fund;

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

**6.6 Marina Fuel Storage & Dispensing System Replacement - NOHFC Funding Application**

81 - 83

Report 159-2026 - Infrastructure & Operations - Parks & Open Spaces seeking endorsement from the Finance and Administration Standing Committee to support an application to the Northern Ontario Heritage Fund Corporation (NOHFC) Enhance Your Community Funding Stream, to be approved for the Prince Arthur's Landing Marina Fuel Storage & Dispensing System Replacement project, as detailed in the report.

WITH RESPECT to Report 159-2026-Infrastructure & Operations-Parks

& Open Spaces, we request endorsement of the Finance and Administration Standing Committee to forward the following recommendations to City Council:

WE RECOMMEND THAT support for an application to the Northern Ontario Heritage Fund Corporation (NOHFC) Enhance Your Community Funding Stream be approved for the Prince Arthur's Landing Marina Fuel Storage & Dispensing System Replacement project;

AND THAT the Commissioner of Infrastructure and Operations be the authorized signing authority for the application;

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

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

**7. New Business**

**8. Adjournment**



**Finance and Administration Standing Committee Meeting Minutes**

**Tuesday, March 10, 2026, 4:30 p.m.  
S.H. Blake Memorial Auditorium**

Present: Mayor Ken Boshcoff  
Councillor Albert Aiello  
Councillor Mark Bentz  
Councillor Brian Hamilton  
Councillor Michael Zussino

Officials: Jeff Walters, Deputy City Clerk  
Patty Robinet, City Solicitor  
Keri Greaves, Acting City Manager  
Matthew Miedema, Director- Engineering, Infrastructure & Operations  
Michelle Warywoda, Director- Environment, Infrastructure & Operations  
Yvonne Opoku, Council & Committee Clerk

**1. Finance and Administration Standing Committee in the S.H. Blake Memorial Auditorium (Council Chambers) at 4:30 p.m.**

Chair: Councillor Mark Bentz

**2. Land Acknowledgement**

Councillor Michael Zussino provided a land acknowledgement.

**3. Disclosures of Interest**

**4. Confirmation of Agenda**

MOVED BY: Mayor Ken Boshcoff  
SECONDED BY: Councillor Brian Hamilton

WITH RESPECT to the Tuesday, March 10, 2026 Finance and Administration Standing Committee meeting, we recommend that the agenda as printed, including any additional information and new business, be confirmed.

CARRIED

**5. Minutes of Previous Meetings**

Minutes of Finance and Administration Standing Committee, held on Tuesday, February 10, 2026, for information.

**6. Reports of Administration**

**6.1 Financial Assistance Program for Lead Service Replacement Annual Update**

Report 104-2026 – Infrastructure & Operations – Environment providing an update on the Financial Assistance Program for Private Lead Water Service connections, for information.

Michelle Warywoda, Director- Environment and Matthew Miedema, Director- Engineering appeared before committee, provided a presentation and responded to questions.

**7. Adjournment**

The meeting adjourned at 4:48 p.m.

# Standing Committee Report

**REPORT NUMBER** 162-2026-City Manager's Office-Human Resources

**DATE**

**PREPARED** March 30, 2026

**FILE**

**STANDING**

**COMMITTEE** April 14, 2026

**MEETING DATE**

**SUBJECT** 2025 Annual Safety Review Report

## **PURPOSE**

The purpose of this report is to provide the Finance & Administration Standing Committee with an overview of corporate injury statistics, safety programming and claim cost information for 2025. This report is presented for information only.

## **EXECUTIVE SUMMARY**

Council has directed Administration to report annually on the corporation's safety performance and initiatives.

The overall number of reported incidents in 2025 increased by 3.2% from 586 incidents to 605. The number of Lost Time claims also increased by 6.1% from 2024. Over-exertion/strain and mental stress continue to be the leading causes of reported injuries. Mental stress injuries, primarily impacting paramedics, accounted for over 24% of all reported injuries. Across the corporation, Workplace Safety and Insurance Board (WSIB) claims decreased by almost 5% compared to 2024.

WSIB claim costs were reduced by almost \$911,000 through prevention efforts mainly focused on supports for mental health injuries that impact emergency services. WSIB costs still remain high because of the legacy costs required by Schedule 2 Employers. In 2025 costs related to injuries incurred in 2025 was approximately \$600,000 with the remaining \$5.2 million attributable to legacy claim costs.

Incidents of workplace violence resulting in an injury or near miss were up slightly in 2025 and incidents continue to be assessed for specific corrective actions to protect employees. The Employee Safety Task Force (ESTF), established in 2023 to specifically assess incidents experience by front line staff, was disbanded in 2025 as the action items established have been completed or are in progress.

The Ministry of Labour, Immigration, Training, and Skills Development (MLITSD) conducted 49 site visits in 2025, issuing orders requesting information such as documents, procedures, training records and a risk assessment. Each order was

resolved within the specified time frame. Four critical injuries were reported to the MLITSD in 2025.

The Safety Management System (SMS) was fully implemented by the end of 2025. The City of Thunder Bay's SMS is guided by the ISO 45001 standard, with the objective of driving continuous improvement through the identification and control of safety hazards. In accordance with best practice guidelines, an external audit will be conducted in 2026.

**KEY CONSIDERATIONS**

The Safety & Wellness Section is mandated to establish a safety program, act as a resource, and provide oversight of the safety program for all City of Thunder Bay (CTB) departments, excluding the Thunder Bay Police Service, affiliated boards and commissions.

**Ministry of Labour, Immigration, Training and Skills Development**

The Ministry of Labour, Immigration, Training and Skills Development (MLITSD), whose mandate is to eliminate workplace fatalities, injuries and illnesses by enforcing the Occupational Health and Safety Act (OHSA) and its associated regulations, attended CTB worksites on 49 occasions in 2025, as outlined in Table 1. The Ministry of Labour Immigration, Training and Skills Development (MLITSD) attended CTB worksites on 49 occasions in 2025, as outlined in Table 1.

Table 1: Number of MLITSD Site Visits Completed and Orders Received per Year

Year	2021	2022	2023	2024	2025
Total Visits	15	47	41	28	49
Visits with Orders Issued	4	10	8	8	10
Number of Orders Issued	13	17	14	17	13

Of the 49 MLITSD visits conducted in 2025:

- 19 were follow-up visits, 7 of which were compliance audits,
- 11 were proactive visits,
- 8 were in response to complaints from workers,
- 5 were related to critical injuries, although only 4 were actual critical injuries,
- 2 were occupational illnesses; NIHL and staphylococcus,
- 2 were continuations with consult from the regional ergonomist,
- 1 was about a work refusal,
- 1 was related to consolidating Joint Health and Safety Committees (JHSC).

All orders have been complied with and can be summarized as follows:

- 6 orders related to carbon monoxide and ammonia testing in Arenas and providing documentation and training to the MLITSD
- 2 orders to complete a workplace harassment investigation
- 1 order to provide injured workers training records after a critical injury
- 1 order to lock out fire poles until the JHSC conducts a risk assessment,

- 1 order to provide a Safety Data Sheet (SDS) for a product
- 1 order to provide information, instruction, and supervision to workers working around vehicular traffic
- 1 order to provide corporate procedures: Violence in the Workplace Prevention, Violence in the Workplace, Corporate Policy on Harassment, and most recent risk assessment for violence in the workplace.

### **Workplace Incidents**

Incidents that require health care or result in lost time are required to be reported to the Workplace Safety and Insurance Board (WSIB). Reporting of all incidents, including first aid and hazards/near misses is encouraged to identify trends and capture accurate data for prevention efforts. The incident reports are shared with management and JHSCs to assist in hazard identification and focus Safety & Wellness efforts.

#### Workplace Incidents by Classification

Incidents are classified in four categories:

- Hazards - incidents where the situation or environment has the potential to cause injury (i.e. an employee slipped but caught themselves before falling). Hazards are also known as “near misses”.
- First Aid - incidents where an employee is injured but does not require formal medical aid from a health care practitioner. This could include a cut that is bandaged in the workplace, or a first responder who seeks peer support following a challenging call.
- Health Care - incidents where an employee requires medical aid from a health care practitioner (i.e. employee goes to hospital to evaluate strained knee). Health care incidents are reportable to WSIB.
- Lost Time - incidents where an employee is injured and is required to be off work beyond the date of injury to recover. These injuries can range from muscle strains to mental stress. Lost time incidents are reportable to the WSIB.

A comparison of the total number of incidents based on classification over the last five years is summarized in Figure 1.

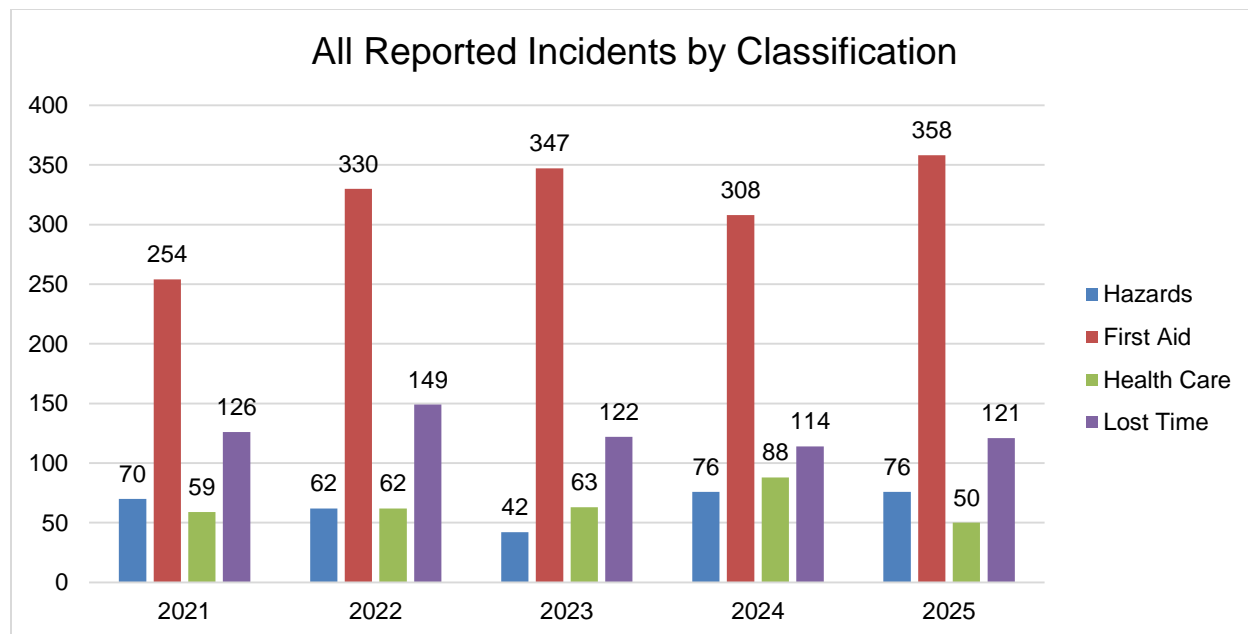


Figure 1: Total Incidents by Classification per Year

Note (1): The above incidents do not include Recurrent Claims, Police or Outside Boards claims.

Note (2): Numbers may fluctuate year over year based on WSIB activity such as claim approvals, denials, or appeals.

The overall number of reported incidents in 2025 increased by 3.2% from 586 incidents to 605. The number of Lost Time claims also increased by 6.1% from 2024.

### Workplace Incidents by Type of Injury

**Over Exertion and Strain (OES) Injuries** – 120 OES injuries were reported in 2025, comprising 19.6% of all injuries. These injuries are often caused by unpredictable lifts and transfers of long-term care residents and emergency services patients. In other physically repetitive jobs, like waste collection and transit, employees commonly suffer from back and shoulder injuries.

**Struck or Contact by Injuries** – 102 struck or contact by injuries were reported in 2025, comprising 16.7% of all injuries. These injuries most often happen when an employee is struck by a patient or long-term care resident, with the highest reports coming from Superior North EMS (SNEMS), and Pioneer Ridge. Prevention efforts concentrate on training staff to recognize early signs of negative behaviors and to better manage them.

**Mental Stress Injuries** – 147 mental stress injuries were reported in 2025, comprising 24.1% of all injuries. Most of the mental stress injuries reported were experienced by paramedics (80%). Prevention efforts are focused on improving access to mental health supports including peer support, debriefing after difficult calls, mental health counselling, and improving working conditions to bolster employee resiliency.

Figure 2 below summarizes the number of incidents by type over the past three years.

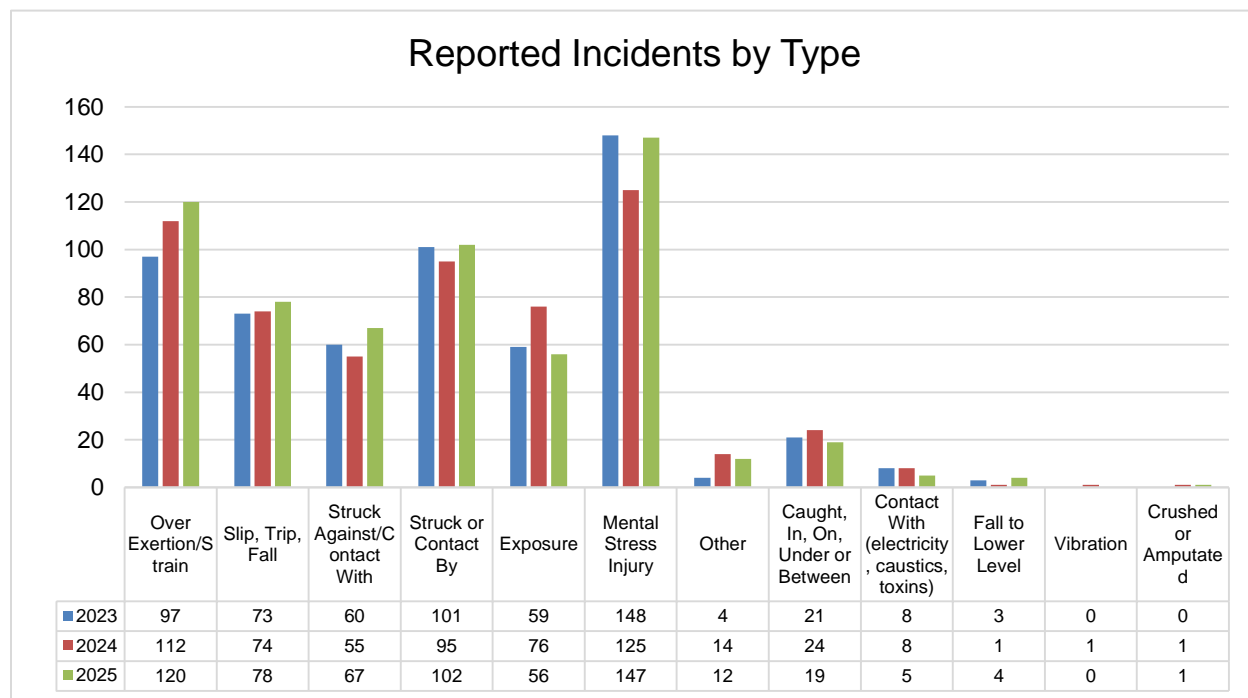


Figure 2: Incident Totals by Type and Year

Note: Incidents classified as “Other” are either incidents where there is not a direct workplace cause that could be identified by the Supervisor, or where the events are unusual and cannot be slotted within the standardized categories.

Incidents broken down by department are included in Appendix B. Per council’s previous requests for more comprehensive information, reportable incident data for operational areas has also been included for information in Appendix C. Both sets of graphs include only approved or pending WSIB claims and excludes, near misses, first aids and denied claims. For the data in Appendix C only the top 5 causes of reported incidents are included, so total may not match overall counts.

### Critical Injuries/Serious or Major Incidents

Critical injuries are defined as follows under Ontario Regulation 420/21 of the Occupational Health and Safety Act (OHSA):

“critically injured” means an injury of a serious nature that,

- a) places life in jeopardy,
- b) produces unconsciousness,
- c) results in substantial loss of blood,
- d) involves the fracture of a leg or arm but not a finger or a toe,
- e) involves the amputation of a leg, arm, hand or foot but not a finger or a toe,
- f) consists of burns to a major portion of the body, or
- g) causes the loss of sight in an eye.

Critical injuries and serious or major incidents, defined in the OSHA, require extensive investigation, must be reported to the MLITSD and may include incidents involving a non-worker where it can be reasonably determined that there is a connection between the hazard and the risk to workers.

A summary of reported critical injuries annually over the last five years is provided in Table 2.

Table 2: Number of Critical Injuries per Year

Year	# of Critical Injuries
2021	2
2022	2
2023	6
2024	6
2025	4

In 2025, four critical injuries were reported to the MLITSD. Three involved fractures, and one involved a loss of consciousness. Two of the fractures resulted from slips and falls. In one case, a worker slipped on a spilled beverage while cleaning the floor. In the other, an employee sustained a fracture while sliding down a fire pole with little to no resistance to slow the descent. The third fracture occurred when an employee's hand was caught between a log and a woodchipper chute. The loss of consciousness occurred when a worker fainted on the pool deck due to a non-work-related issue.

### **Workplace Safety and Insurance Board (WSIB)**

WSIB benefits are payable to any employee who is deemed to have incurred a health care or lost time workplace injury or illness as determined by WSIB. The CTB is a Schedule 2 employer, meaning that we are billed and pay actual benefit costs plus an administration fee. WSIB maintains full authority over the claims entitlement process.

\$5.3 million of the \$5.8 million in reported WSIB costs for 2025 are related to pensions, compensation health care and administration costs from legacy injuries. The remaining \$590,00 are costs related to injuries sustained in 2025. Legacy costs for Schedule 2 Employers can only be impacted through the death of the injured worker or their survivor, if applicable. Further, WSIB policy, at the time of injury dictates the level of benefit an injured worker receives. The CTB has no input on claim decisions or WSIB policy. For some context, examples of historical claims including the oldest claim on file currently receiving benefits, as well as historical claims with significant costs are captured below in Table 3.

Table 3: Examples of Historic Claims included in WSIB costs

Year of Injury	Area	Monthly claim cost paid by the City
1967	Fire	\$ 270
1989	Homes	\$1,200
1996	Recreation	\$4,500
2003	Child Care	\$2,500

In addition to the monthly costs, the city continues to pay the WSIB administration fee on these historical claims as well as all new claims. For Schedule 2 Employers, WSIB provides a provisional administration rate to employers early in the year. This rate is based on the number of claims and expected WSIB costs for the administration of claims.

The 2025 provisional administration rate was set at 17.1% but is expected to be finalized at 17.4% once WSIB confirms their administration costs for 2025 which is anticipated to occur in July 2026. The provisional rate set for 2026 is 17.7%

As outlined in Appendix A there was a reduction of \$910,779.22 in WSIB costs for 2025 from 2024. As a Schedule 2 Employer the majority of costs incurred in a year are legacy costs. As previously discussed, legacy costs cannot be reduced as they are benefit payments to workers on approved claims and continue for the life of the claim. The only way to reduce annual WSIB costs is through injury prevention to reduce in year costs and future impacts. Investment in prevention strategies such as the dedicated mental health supports for SNEMS and Thunder Bay Fire Rescue (TBFR) are attributed to the reduction of the in-year costs for 2025. The program was implemented in 2023, but the downstream effects were not immediately realized, which is the norm for prevention programs.

Figure 3 below summarizes the total WSIB Claim Costs over the last five years, and the departments where the costs originate.

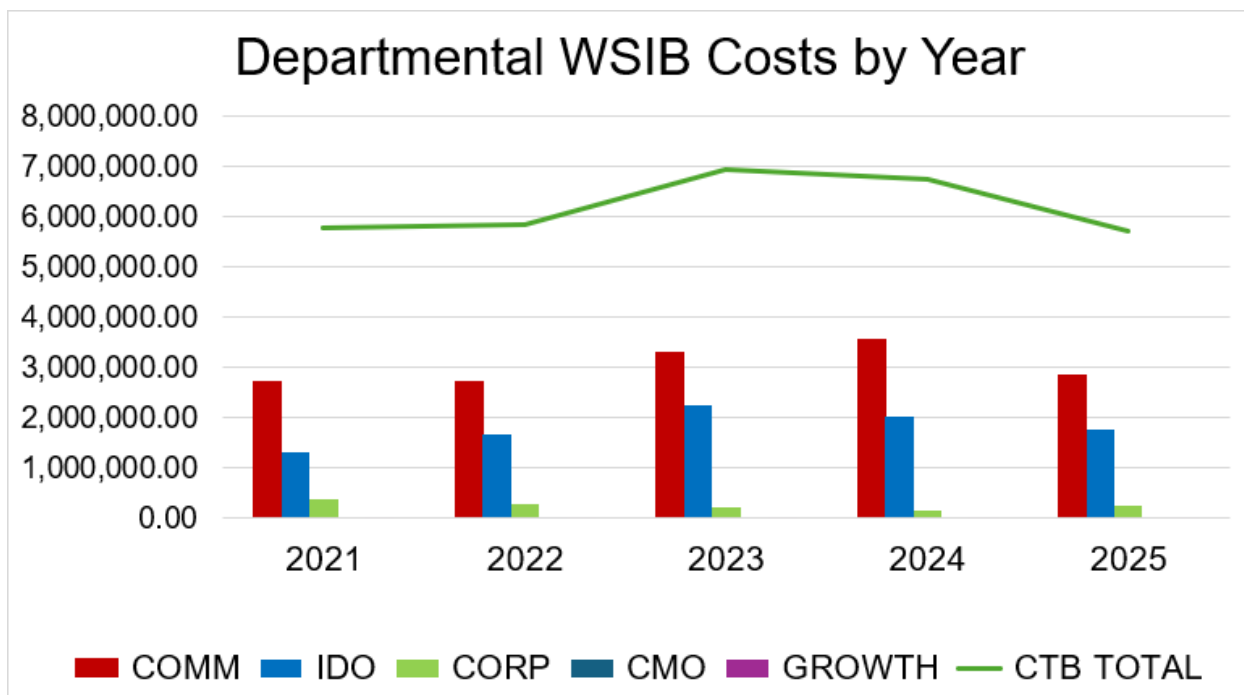


Figure 3: The total cost of approved claims per year by Department.

Thunder Bay Fire Rescue (TBFR), in the Infrastructure & Operations department, is the only work area that has claims for presumptive occupational cancers. A portion of WSIB costs from this department are related to legacy illness claims dating back to 1960. One claim was reported in 2025. Another from 2011, initially denied, was allowed in 2025 as the legislative requirement for colorectal cancer diagnosis to be obtained prior to the age of 61 was removed as of July 1, 2025.

### Mental Stress Injuries

First responders are at a higher risk of experiencing Mental Stress Injuries (MSI) due to routine exposure to traumatic events in the course of their work. Presumptive legislation recognizing PTSD in first responders was introduced in 2016, while additional mental health illnesses (chronic and traumatic stress) were added in 2018. Claim costs for MSI's represent more than half of the annual provincial WSIB costs despite representing approximately 24% of the compensable injuries. This is a trend experienced by emergency services across the province and supported by the WSIB data. Workers who have lost time for MSI's remain off work for longer durations and have a much lower rate of success in returning to work in their pre-injury occupation.

MSI's decreased since 2023 and remained relatively stable from 2024 to 2025. This aligns with the introduction of dedicated psychological support services for SNEMS and TBFR. The first year of the contract, awarded in 2023, was a developmental year that involved assessing the needs of each service and their respective employees to develop strategies to reduce stigma, creating relationships and encouraging employees to seek out and connect to care when needed. Through 2025, NWO Psychology, the dedicated service provider, began implementing their programming, which includes:

- Critical incident debriefing
- Timely access to one-on-one support
- Peer support program development
- Resiliency training
- Data driven/best practice recommendations for programming

The preliminary results and anecdotal feedback from staff is very encouraging in predicting ongoing success, however additional time and data is required to make firm conclusions.

Figure 4 below summarizes the MSI by Year.

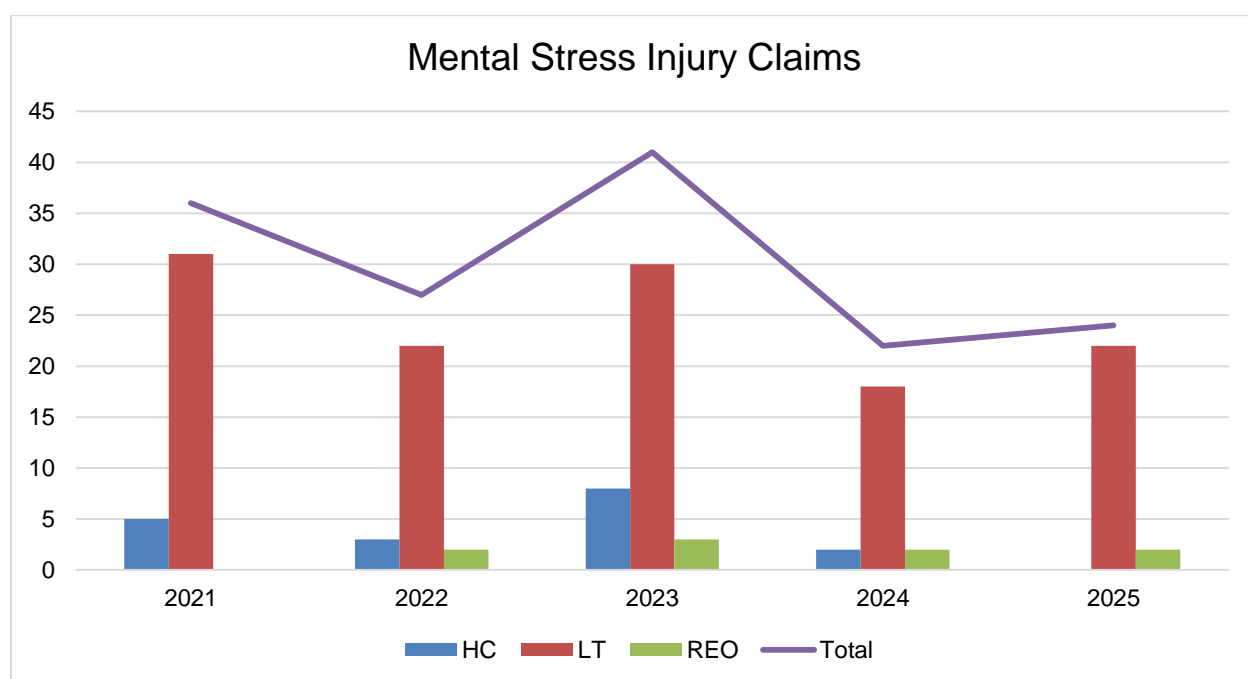


Figure 4: The number of mental stress claims per year by incident type (HC – Health Care, LT – Lost Time, REO – Reoccurring Injury).

### Workplace Violence

Incidents of violence directed at front-line CTB staff that result in injury or a near miss through the normal course of their work, are reported and tracked through the Parklane Online Incident Report (OLIR) system.

Table 4 below summarizes the number of violent incidents reported through the OLIR system from 2021 to 2025 and includes both reportable injuries resulting in a WSIB claim and near miss/first aid incidents.

Table 4: Incidents of Violence Reported Through Parklane OLIR

<b>Department/Section</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
SNEMS (District)	3	3	6	7	5
Transit	11	9	10	14	8
SNEMS (City)	49	61	56	51	43
Pioneer Ridge	45	21	30	24	26
Administrative Areas (Finance, Revenue, City Clerks, CIT, Parking Authority)	2	2	2	1	7
Recreation (Aquatics, Wellness, Children & Youth, Sport & Community Development) & Child Care	2	3	10	9	19
Operational Areas (Roads, S&W, Waste Collection, Arenas, Parks)	1	3	1	5	6
TBFR	1	1	1	0	2
<b>Total</b>	<b>114</b>	<b>103</b>	<b>116</b>	<b>111</b>	<b>116</b>

*Note: some occurrences did not result in an incident but were classified as a near miss – a punch thrown that did not connect with an employee would fall into this classification.*

The CTB continues to promote the reporting of workplace violence and recognizes that incidents of a threatening, harassing, or violent nature remain underreported. Reported incidents across frontline and operational areas are reviewed to assess the effectiveness of existing prevention strategies and to determine whether additional administrative, physical, or training controls are required. Violence prevention efforts remain tailored to each service area through Job Based Hazard Assessments and specialized training.

The Employee Safety Task Force (ESTF), established in early 2023, focused on addressing workplace violence, vicarious trauma, and moral injury experienced by frontline staff. Through collaborative action planning with management and frontline employees, the ESTF advanced a range of initiatives including de-escalation training, operational improvements, enhanced community supports, and advocacy for system-level resources.

The ESTF concluded in November 2025, as identified action items have been completed or are underway. The city is committed to providing safer workplaces for their employees and will re-establish the ESTF in the future if required.

## **Safety Management System (SMS) Implementation**

The SMS is a structured approach to identify and address safety hazards and associated risks to protect staff and the corporation. The SMS is a plan-do-check-act system of identifying hazards, implementing controls, assessing effectiveness (auditing), and correcting deficiencies.

Full implementation of the SMS Manual, guided by the ISO 45001 standard, was completed by the end of 2025 with each element having been audited once. With the goal of continuous improvement internal audits will continue each year, and per best practice every three years an external audit will be conducted to find additional opportunities for improvement. With the last external audit conducted in 2023, the Safety & Wellness staff are planning for an external audit in 2026.

In 2025, 47 internal audits were conducted across the corporation on Elements 8 – Health and Safety Document Control, 11 – Corrective Action Reporting, and 12 – Management of Change.

## **Legislative and Standards Update**

The Workplace Safety and Insurance Act, 1997 was amended to expand the presumptive cancer coverage for firefighters and fire investigators. The changes remove the previous requirement that colorectal cancer be diagnosed before the age of 61 for it to be presumed to be work related. As of July 1, 2025, firefighters with at least 10 years of service diagnosed with colorectal cancer are eligible for benefits regardless of the age of diagnosis.

Amendments to the Occupational Health and Safety Act (OHSA) through the Working for Workers Five Act 2024 require that washroom facilities provided for workers are maintained in a clean and sanitary condition. The employer must also keep and make available records of washroom cleaning with additional requirements to post and maintain the records.

## ***FINANCIAL IMPLICATION***

There are no direct financial implications associated with this report. The details of WSIB costs are provided in the Attachment to this report.

## ***BACKGROUND***

Each year the Safety & Wellness Section reports to Council outlining the status of the safety program in the previous year.

***REFERENCE MATERIAL ATTACHED***

Appendix A: Corporate WSIB Costs (excluding Police)

Appendix B: Graphs include approved, no further action, and pending Health Care and Lost Time claims.

***REPORT PREPARED BY***

Kerri Bernardi, Manager – Safety & Wellness

***REPORT SIGNED AND VERIFIED BY***

John Collin, City Manager

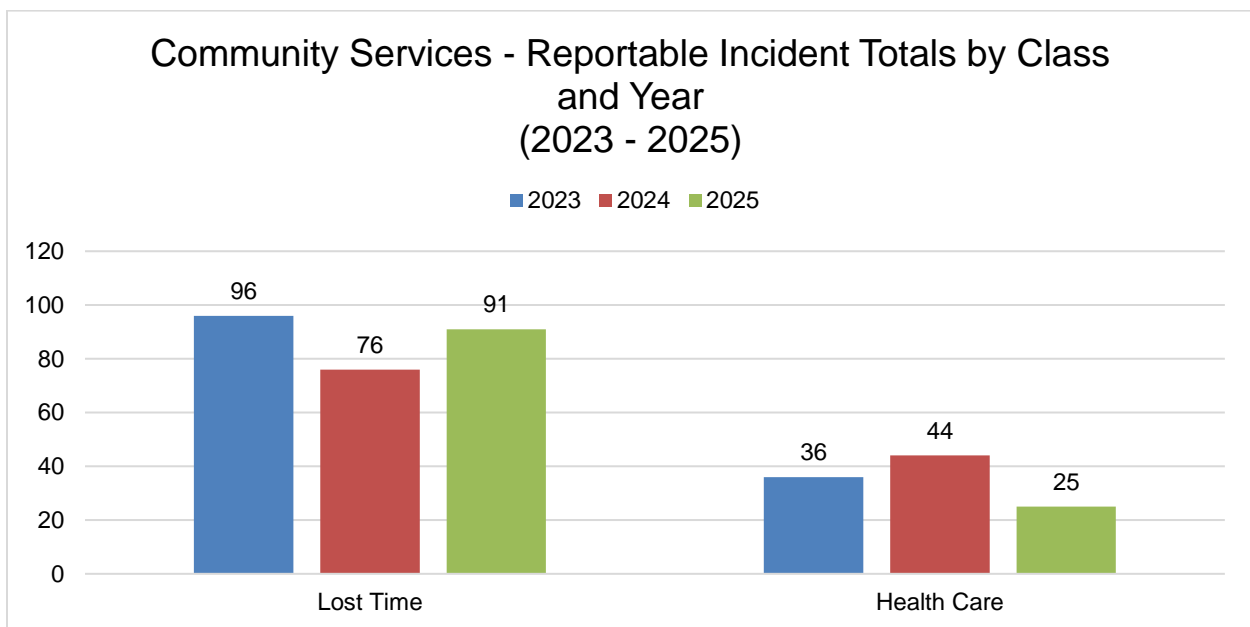
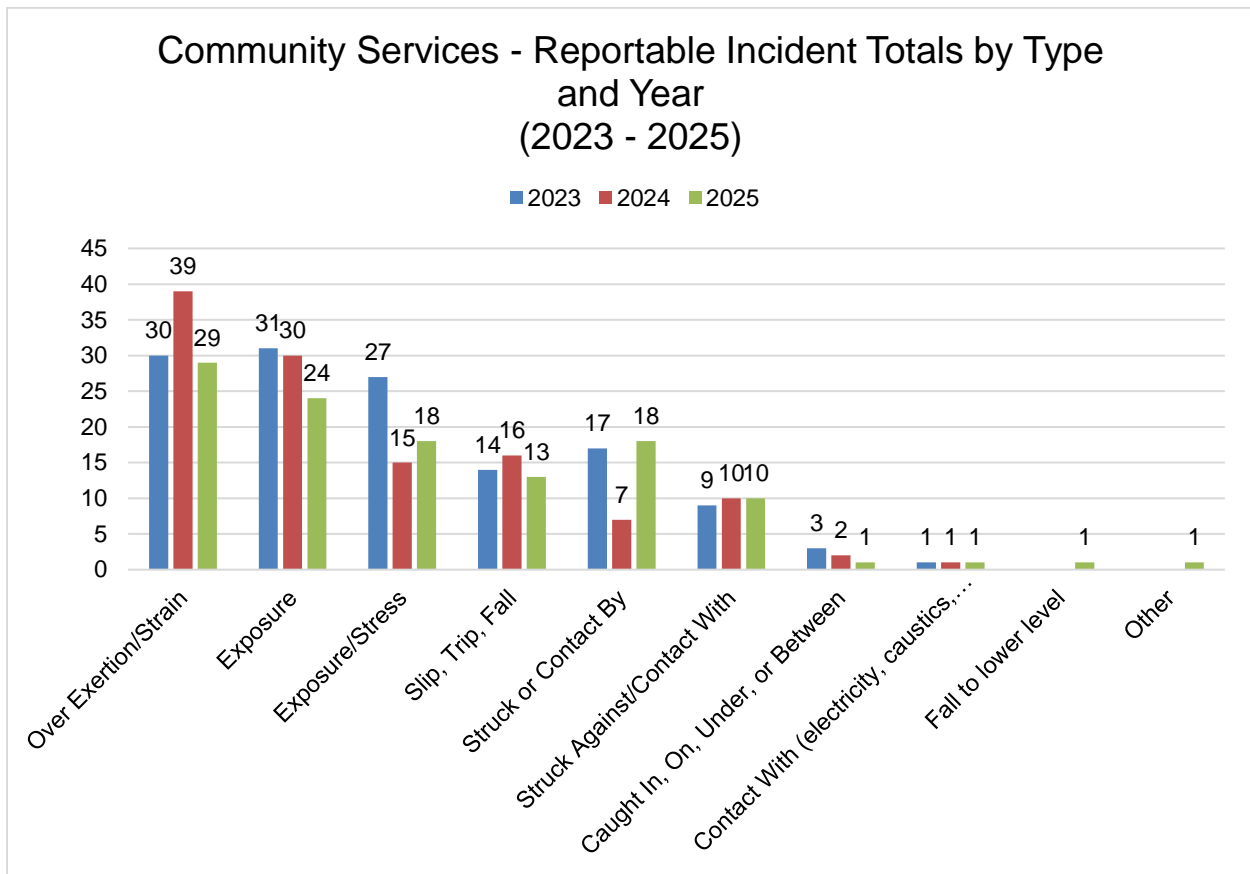
04/08/2026 (MM/DD/YEAR)

**Appendix A**

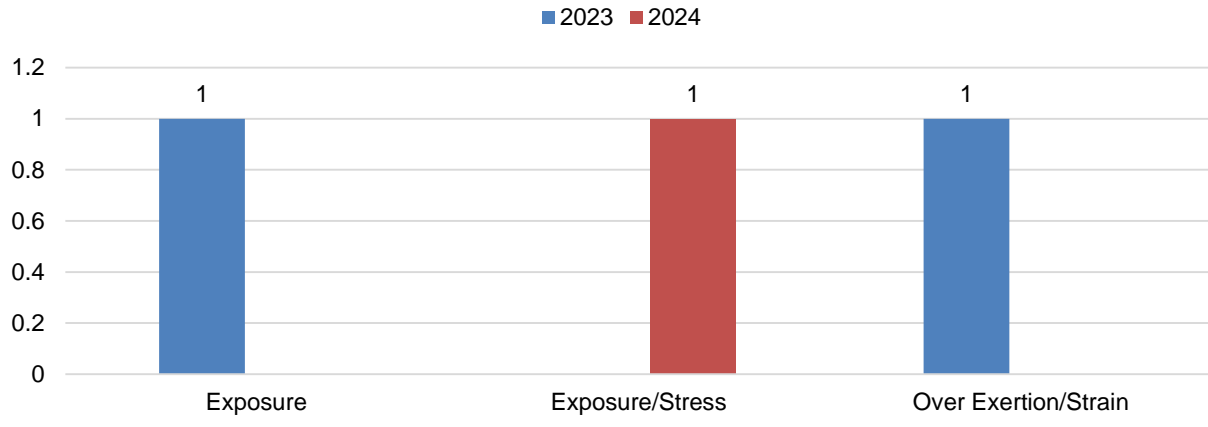
<b>City of Thunder Bay</b>					
<b>CORPORATE WSIB COSTS (less POLICE)</b>					
	<b>2023</b>	<b>2024</b>	<b>2025</b>		
ADDITIONAL CLAIM COSTS (not subject to WSIB Admin. Charges)	<u>TOTAL COSTS</u>	<u>TOTAL COSTS</u>	<u>TOTAL COSTS</u>	<u>COSTS: 2025 as a % of 2024 Costs</u>	<u>VARIANCE in \$ from previous year</u>
Private Physio therapy (Fast-track)	\$ -	\$ -	\$ -	=	\$
Miscellaneous	\$ -	\$ -	\$ -	=	\$
<b>TOTAL ADDITIONAL COSTS =</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>=</b>	<b>\$</b>
<b>ITEMIZED WSIB CLAIM COSTS - less POLICE:</b>					
Temporary Compensation	\$ 2,649,220.42	\$ 2,772,198.45	\$ 2,651,128.77	95.63%	= -\$ 121,069.68
Health Care	\$ 1,214,324.59	\$ 1,334,199.54	\$ 917,469.33	68.77%	= -\$ 416,730.21
Pensions	\$ 371,301.65	\$ 368,785.52	\$ 368,195.87	99.84%	= -\$ 589.65
Survivors	\$ 302,846.52	\$ 304,657.66	\$ 381,623.78	125.26%	= \$ 76,966.12
Rehabilitation	\$ 36,989.11	\$ 59,067.98	\$ 64,216.65	108.72%	= \$ 5,148.67
Non-Economic Loss (NEL)	\$ 287,549.08	\$ 193,507.34	\$ 141,505.24	73.13%	= -\$ 52,002.10
Future Economic Loss (FEL)	\$ 141,647.64	\$ 86,560.54	\$ 67,959.48	78.51%	= -\$ 18,601.06
Retirement	\$ 113,681.57	\$ 128,324.62	\$ 117,662.88	91.69%	= -\$ 10,661.74
Perm. Partial Disability Perm. Supplement	\$ 8,212.08	\$ 8,573.40	\$ 8,796.36	102.60%	= \$ 222.96
102 Advances	\$ 630,896.84	\$ 476,448.85	\$ 146,084.26	30.66%	= -\$ 330,364.59
<b>TOTAL ITEMIZED COSTS=</b>	<b>\$ 5,756,669.50</b>	<b>\$ 5,732,323.90</b>	<b>\$ 4,864,642.62</b>	<b>84.86%</b>	<b>= -\$ 867,681.28</b>
<b>TOTAL WSIB CLAIM COSTS: less POLICE (Additional &amp; Itemized costs total)</b>	<b>\$ 5,756,669.50</b>	<b>\$ 5,732,323.90</b>	<b>\$ 4,864,642.62</b>	<b>84.86%</b>	<b>= -\$ 867,681.28</b>
*Physician Fees (ADJUSTMENT APPLIED)	\$ 46,153.32	\$ 38,627.28	\$ 33,751.44	87.38%	= -\$ 4,875.84
* Administration Charges (ADJUSTMENT APPLIED)	\$ 1,677,965.30	\$ 1,526,870.47	\$ 1,401,359.95	91.78%	= -\$ 125,510.52
<b>* TOTAL =</b>	<b>\$ 7,480,788.12</b>	<b>\$ 7,297,821.65</b>	<b>\$ 6,299,754.01</b>	<b>86.32%</b>	<b>= -\$ 998,067.64</b>
<b>TOTAL Less Police with Phys &amp; Admin fees</b>	<b>\$ 6,962,212.93</b>	<b>\$ 6,766,915.70</b>	<b>\$ 5,856,136.48</b>	<b>86.54%</b>	<b>= -\$ 910,779.22</b>
Annual WSIB Administration Charges as a Percentage	18.30%	16.90%	17.10%		

**Appendix B**

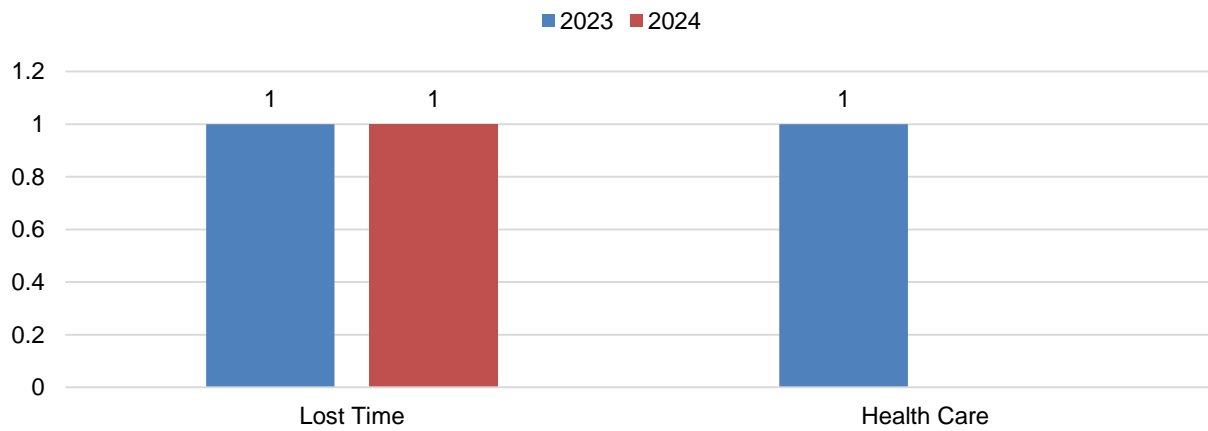
Graphs include approved, no further action, and pending Health Care and Lost Time claims. They do not include denied claims, First Aid, Hazard, Lost Time Recurrences, or Health Care Recurrences.



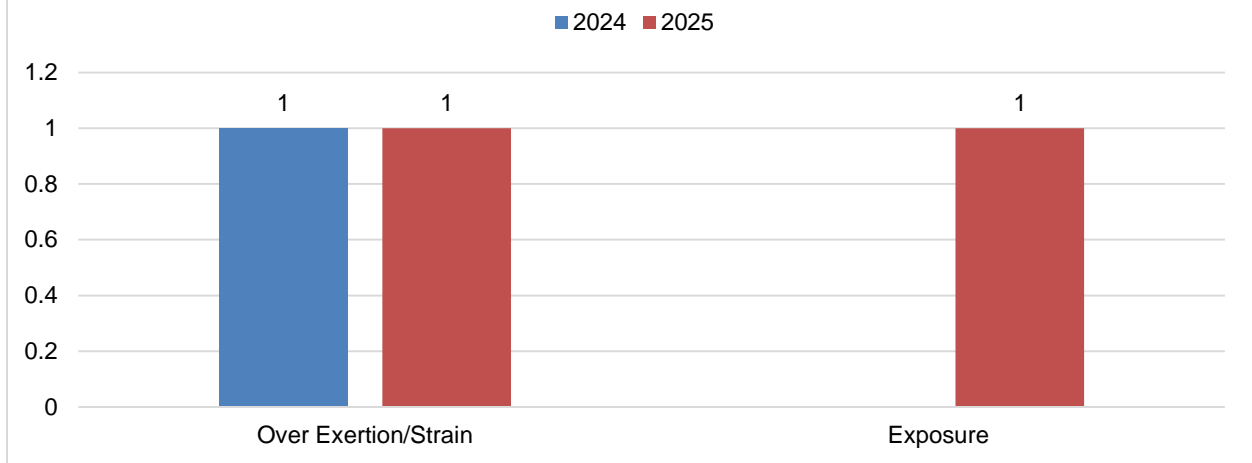
### City Manager's Office - Reportable Incident Totals by Type and Year (2023 - 2025)



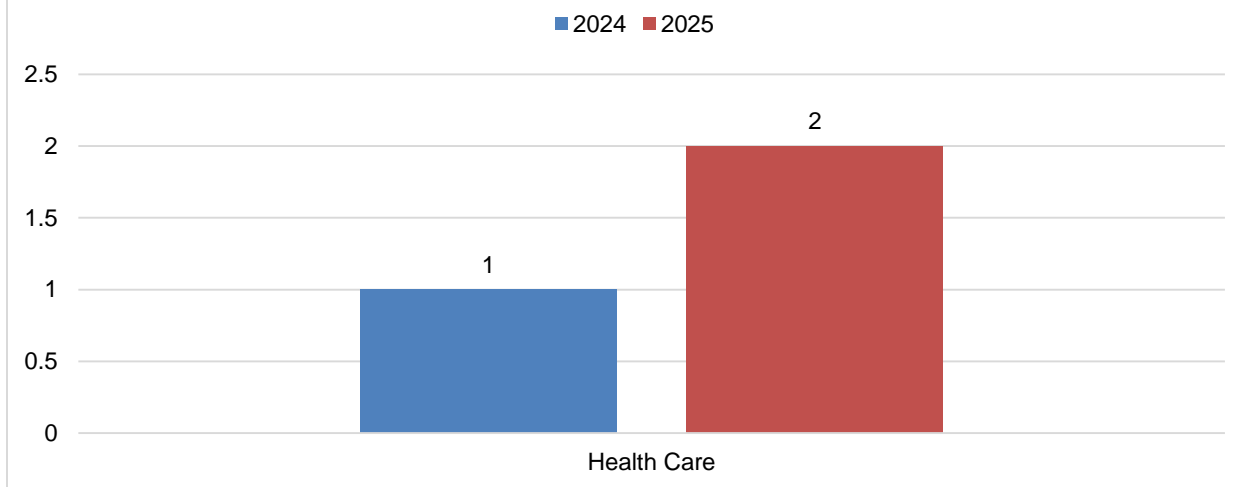
### City Manager's Office - Reportable Incident Totals by Class and Year (2023 - 2025)



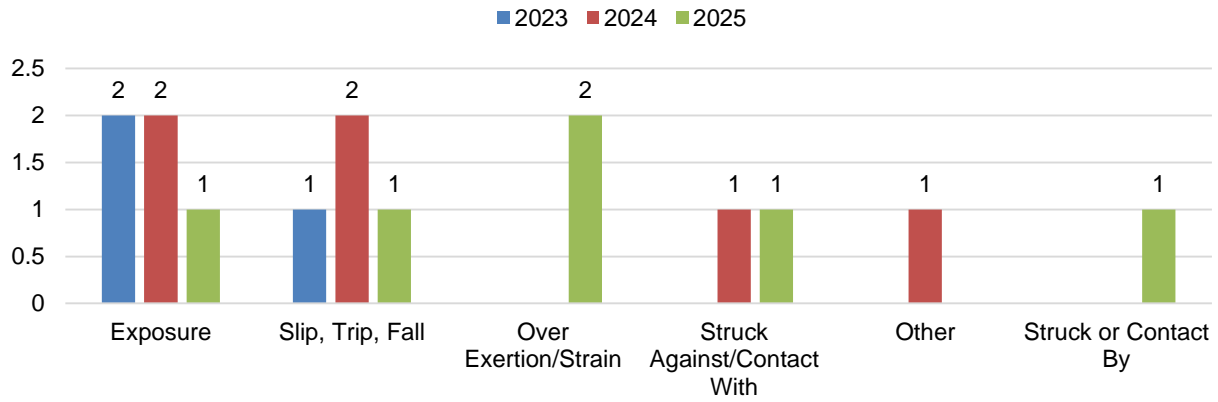
Growth - Reportable Incident Totals by Type and Year  
(2023 - 2025)



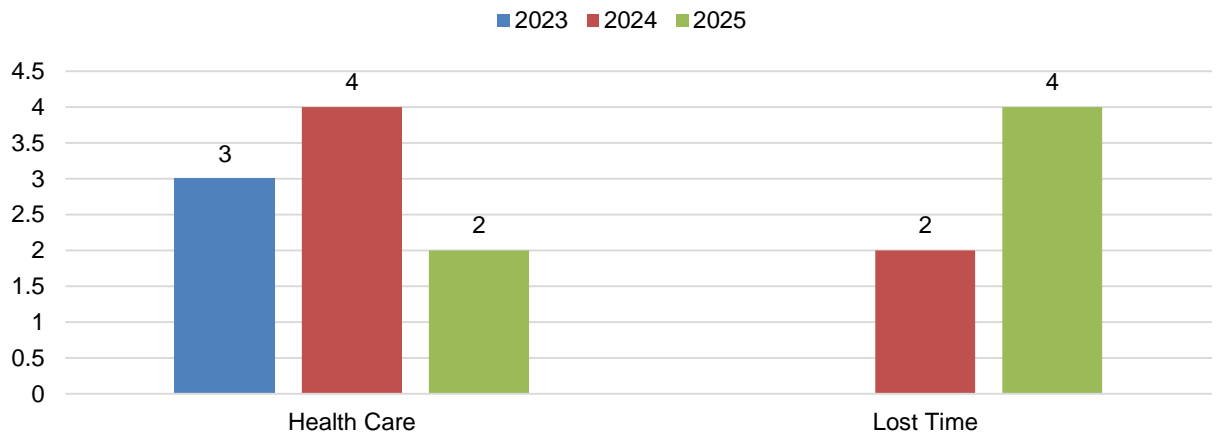
Growth - Reportable Incident Totals by Class and Year  
(2023 - 2025)



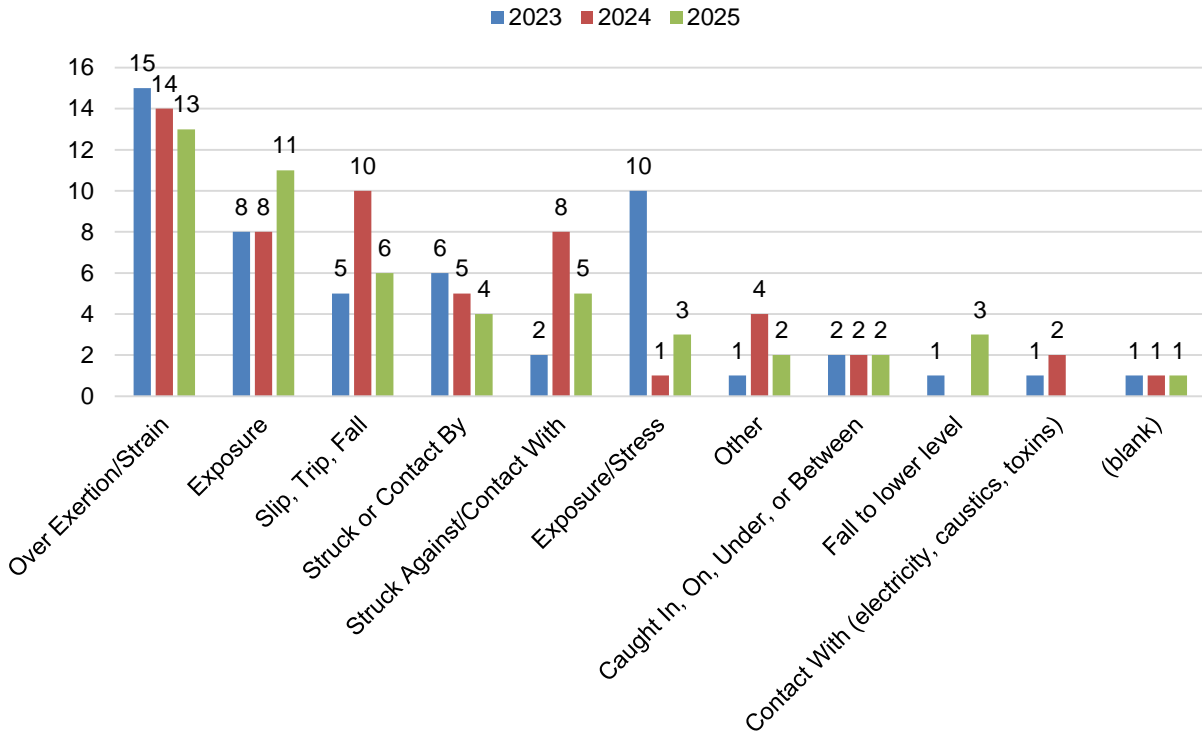
### Corporate Services - Reportable Incident Totals by Type and Year (2023 - 2025)



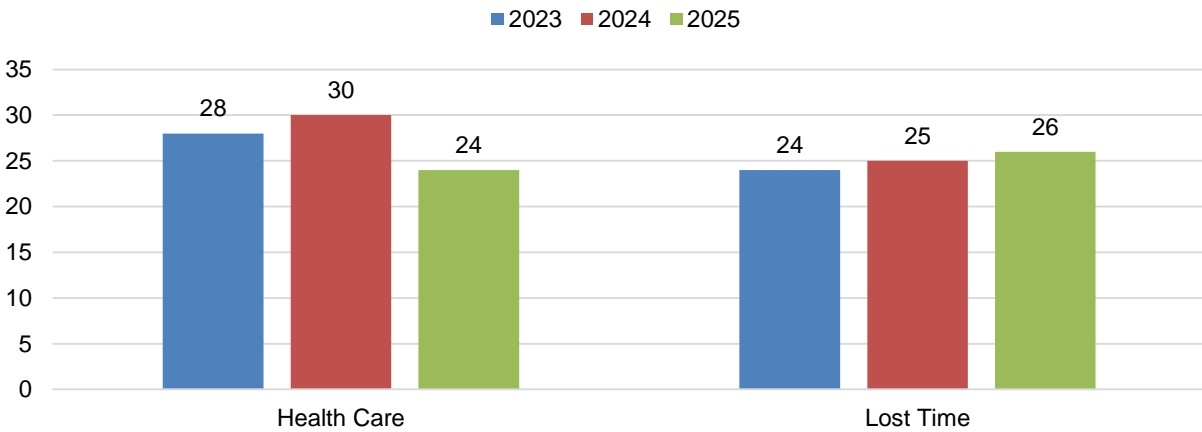
### Corporate Services - Reportable Incident Totals by Class and Year (2023 - 2025)



### Infrastructure & Operations - Reportable Incident Totals by Type and Year (2023 - 2025)



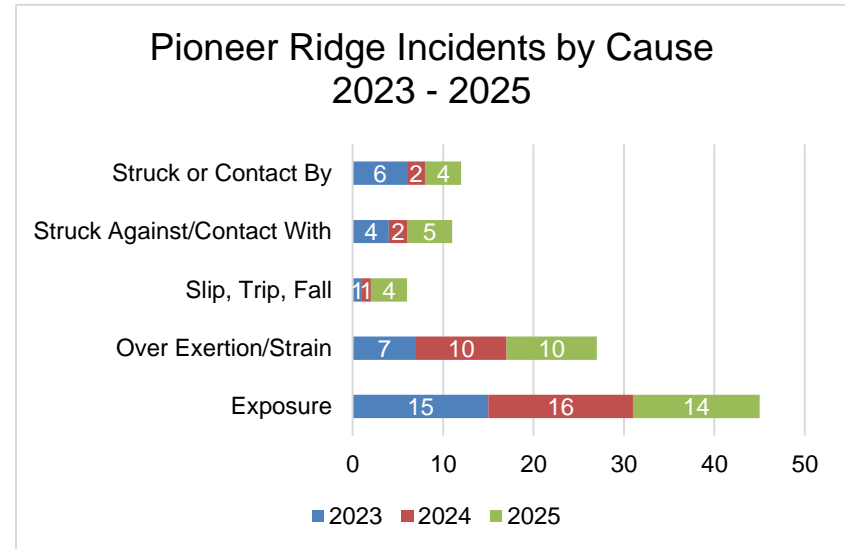
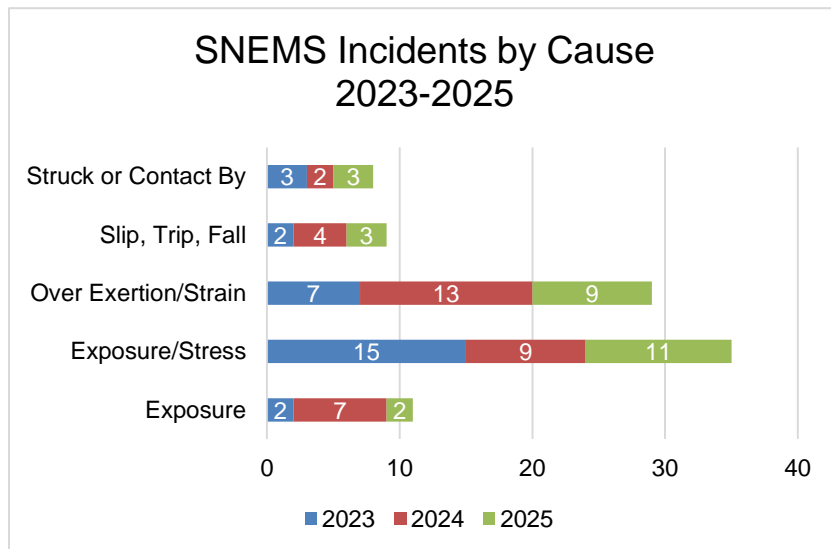
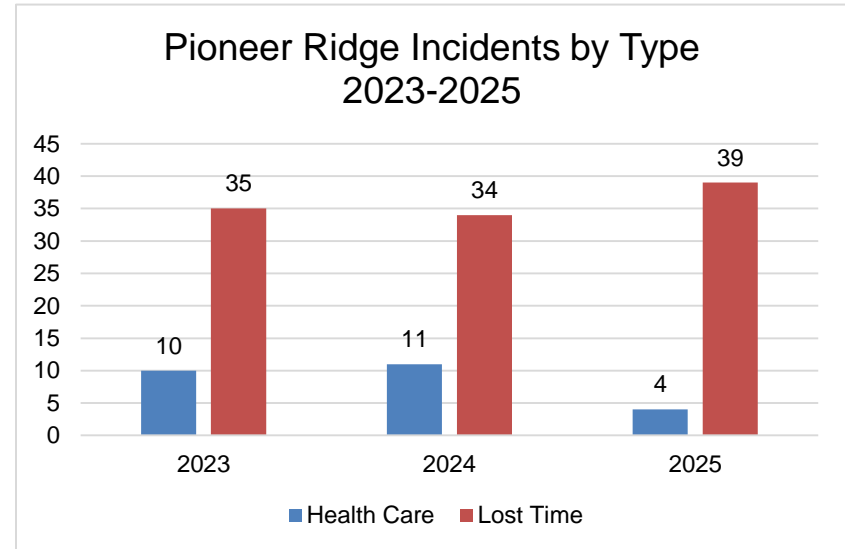
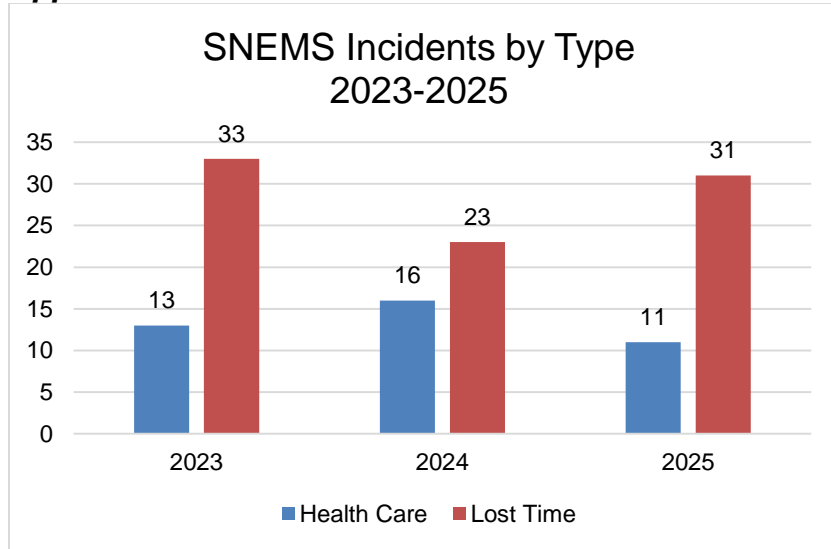
### Infrastructure & Operations - Incident Totals by Class and Year (2023 - 2025)



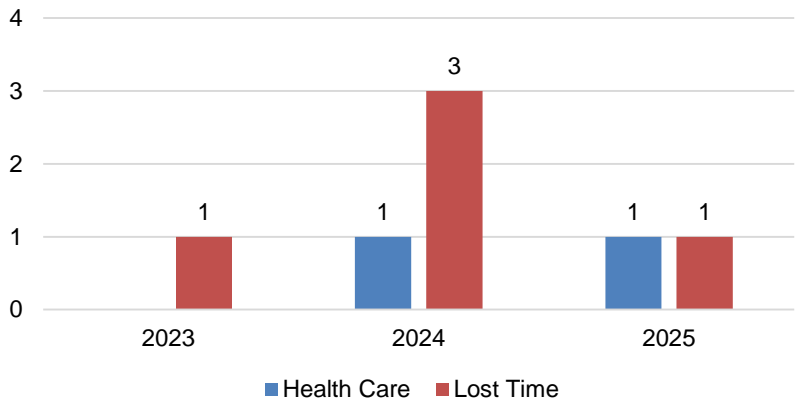
**Appendix B**

Graphs include approved, no further action, and pending Health Care and Lost Time claims. They do not include denied claims, First Aid, Hazard, Lost Time Recurrences, or Health Care Recurrences.

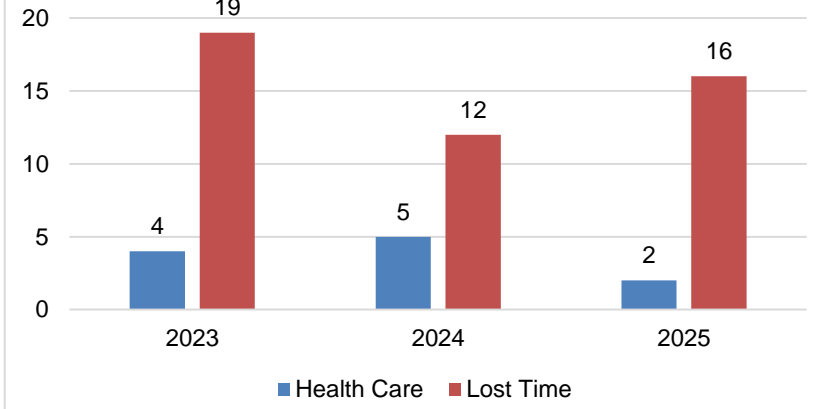
**Appendix C**



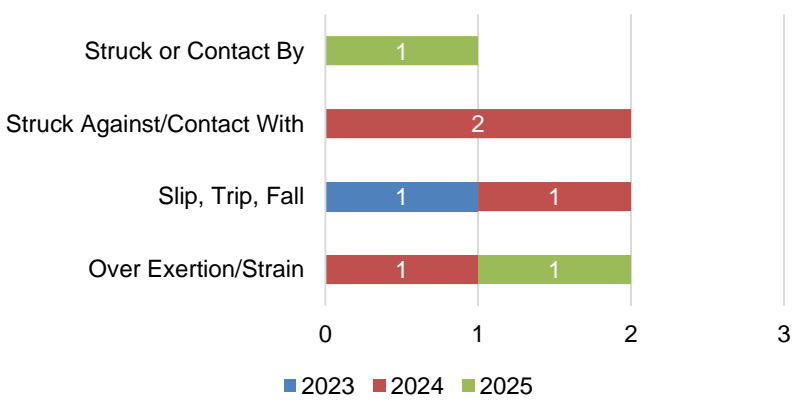
Childcare Centers Incidents by Type  
2023-2025



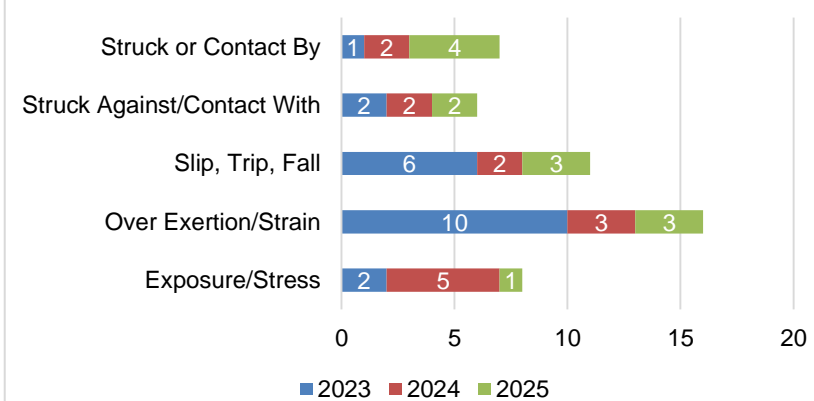
Transit Incidents by Type  
2023-2025



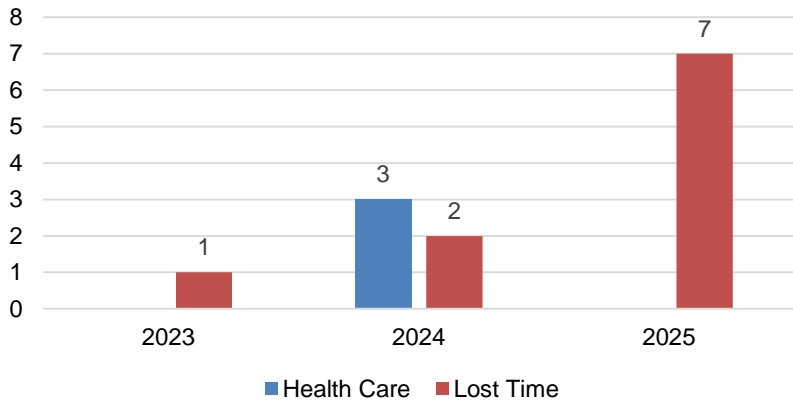
Childcare Centers Incidents by Cause  
2023-2025



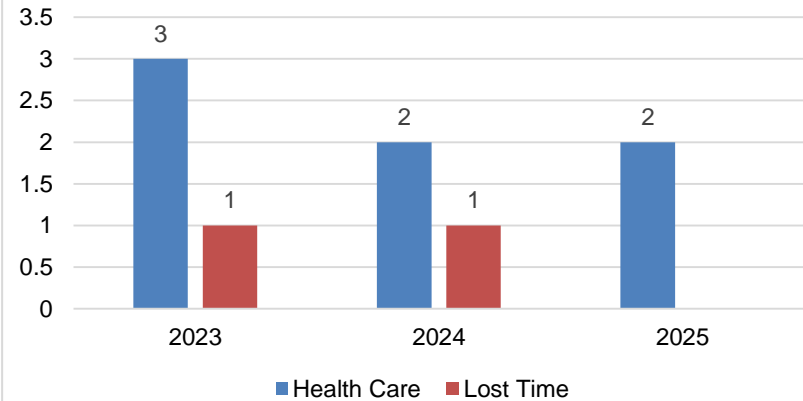
Transit Incidents by Cause  
2023-2025



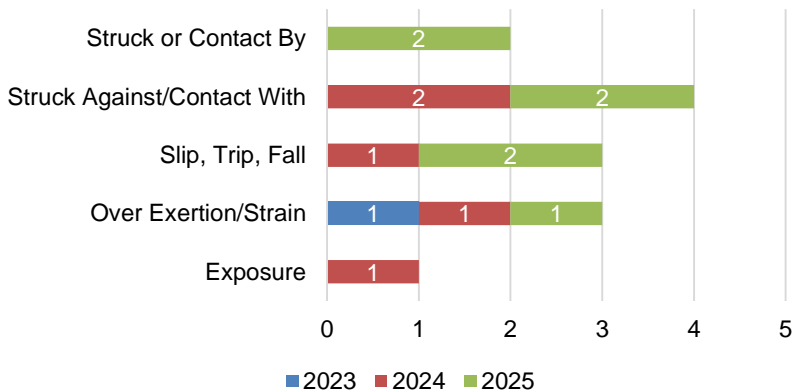
Fleet Incidents by Type  
2023-2025



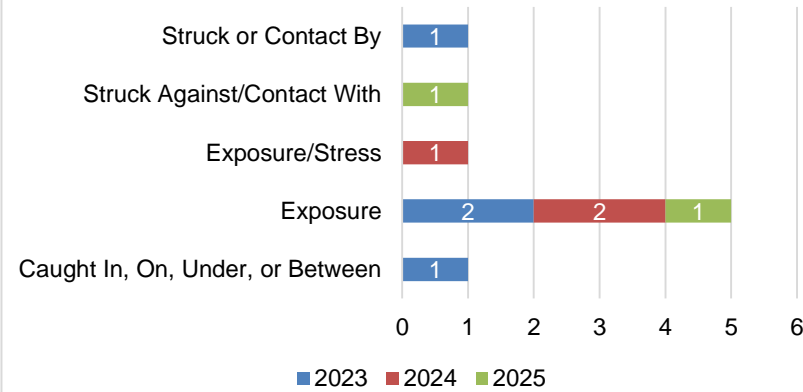
Facilities Services Incidents by Type  
2023-2025



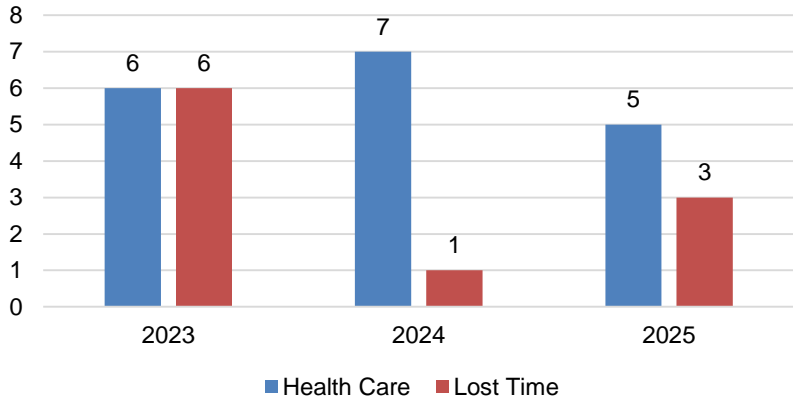
Fleet Incidents by Cause  
2023-2025



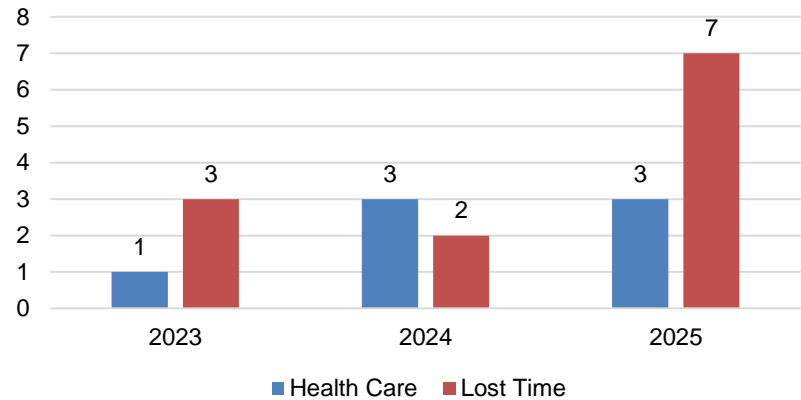
Facilities Services Incidents by Cause  
2023-2025



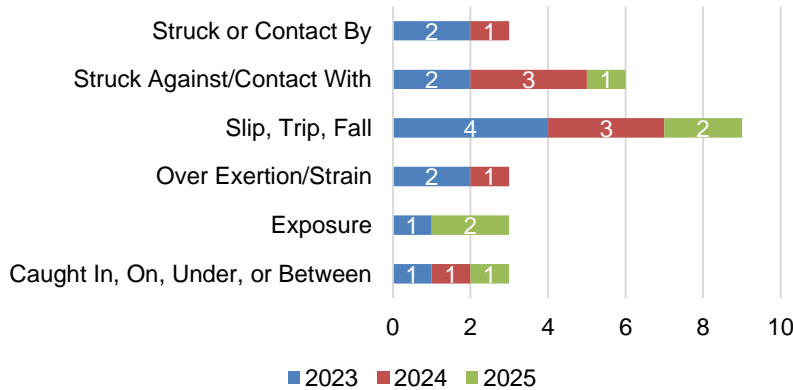
### Rec & Culture Incidents by Type 2023-2025



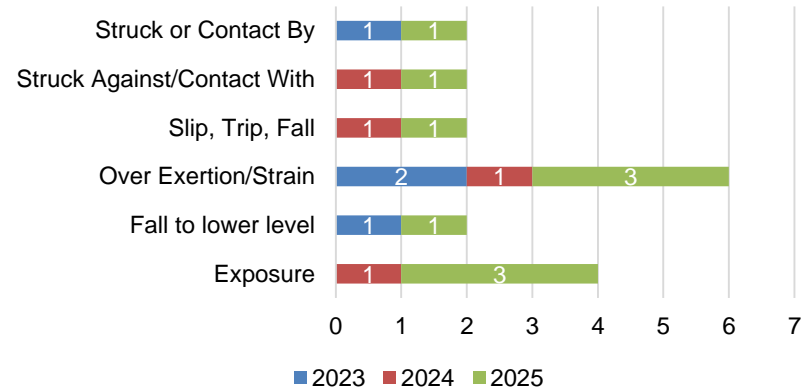
### Roads Incidents by Type 2023-2025



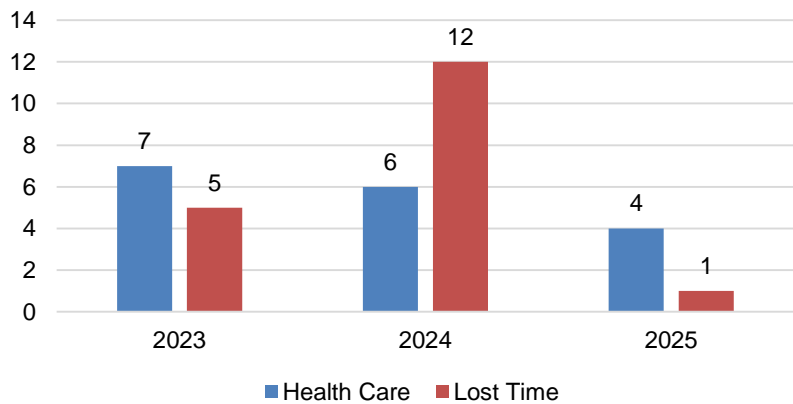
### Rec & Culture Incidents by Cause 2023-2025



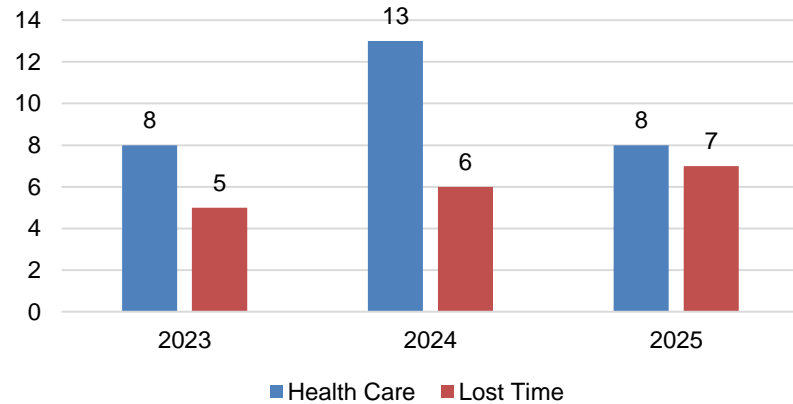
### Roads Incidents by Cause 2023-2025



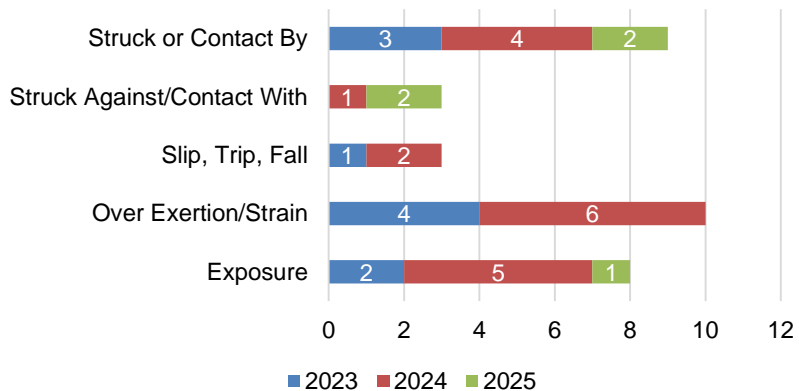
**Parks Incidents by Type  
2023-2025**



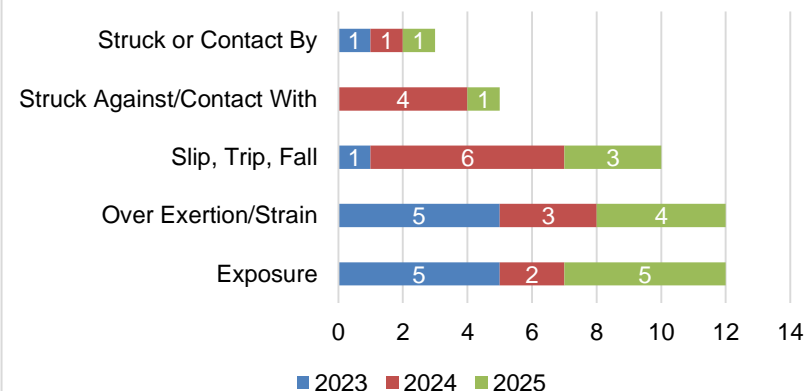
**Environment Incidents by Type  
2023-2025**



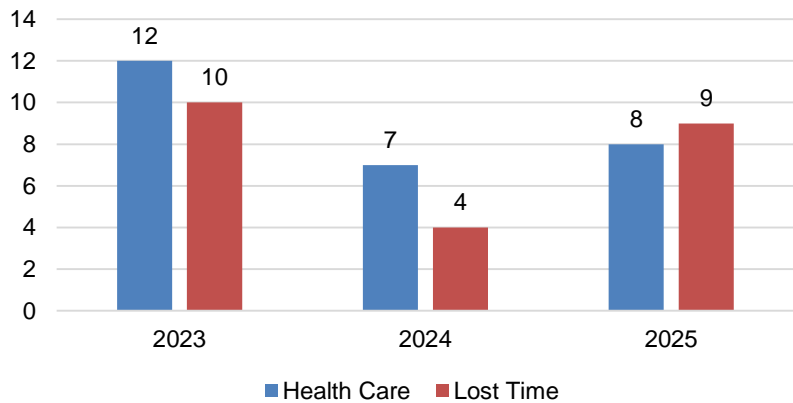
**Parks Incidents by Cause  
2023-2025**



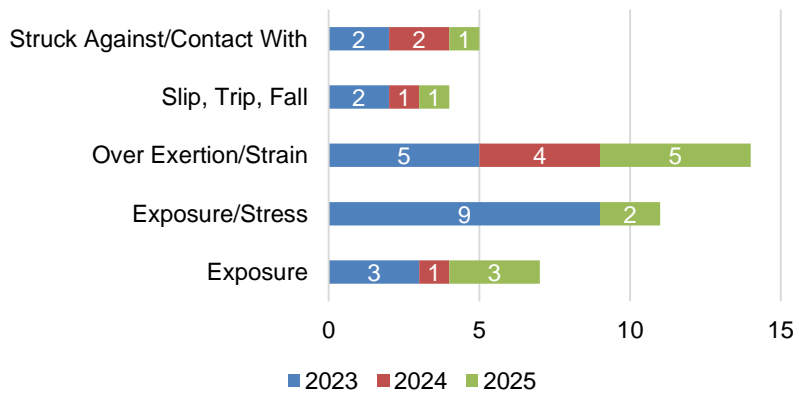
**Environment Incidents by Cause  
2023-2025**



### TBFR Incidents by Type 2023-2025



### TBFR Incidents by Cause 2023-2025



# Standing Committee Report

**REPORT NUMBER** 090-2026-City Manager's Office-Office of the City Clerk

**DATE**

**PREPARED**

February 18, 2026

**FILE**

**STANDING**

**COMMITTEE**

April 14, 2026

**MEETING DATE**

**SUBJECT**

Election Sign By-law Amendment

## **PURPOSE**

WITH RESPECT to Report 090-2026-City Manager's Office-Office of the City Clerk, we request endorsement of the Finance and Administration Standing Committee to forward the following recommendation to City Council:

WE RECOMMEND THAT the draft Amendment to the Election Sign By-law, as outlined in this report and appended as Attachment A, be approved;

AND THAT the by-law amendment as proposed in this report be presented to City Council for ratification.

## **EXECUTIVE SUMMARY**

The City of Thunder Bay's current Election Sign By-law, 56-2022, includes restrictions on size, number of signs per property, and placement of signs outside of a candidate's ward and on public property. Feedback from the 2022 Municipal Election and a change in landscape with respect to municipal approaches to election sign restrictions, resulted in a review of the current by-law. Administration is recommending amendments to the by-law to allow for a more permissive approach while maintaining safety and respect for private property owners. The proposed changes would remove restrictions on size, number of signs and specific locations and in place add general restrictions relative to safety standards for election signage.

## **KEY CONSIDERATIONS**

Election signs play an important role as communication tools in the democratic process. Since the 2022 Municipal and School Board Election, there has been increased dialogue and sensitivity to how election sign by-laws can support a resident's right to freedom of expression. The City of Thunder Bay has an opportunity to re-examine the

current by-law through this lens and proposes the removal of restrictions placed on the location and size of election signs; as well as clarification on the timeframe for when election signs are permitted.

This report recommends the removal of the following restrictions related to size, quantity, and location. This will allow candidates and property owners increased freedom to display election signs provided there is adherence to the safety standards in place:

**The sections below are recommended for deletion:**

- Section 3 Definitions:
  - (w): “Private Property” means real property that is not a Highway or Public Property.
  - (x): “Public Property” means real property owned or under control of the City of Thunder Bay, Provincial Government, Federal Government or any of their respective agencies, boards or commissions including but not limited to Highways, all road allowances, Boulevards, Parks, open spaces and vacant public lands.
- Section 4.4: Election Signs permitted under this by-law shall have dimensions that are not more than 1.2 meters in side width, for each of two sides, and not more than 2.0 meters Sign Height, except where a Billboard sign or mobile signs is utilized under a valid permit, then this Sign Height restriction for Election signs does not apply.
- Section 7.1: No person shall Place or permit to be placed an Election Sign, in any ward that they are not officially nominated or registered in.
- Section 8.1: No Election Sign shall be placed or permitted to be placed on Private Property without the property owner’s or an occupant’s consent.
- Section 8.2: No more than three (3) Election Signs will be allowed per Private Property lot.
- Section 8.3: Notwithstanding subsection 8.2, one Election Sign per Candidate per 500 meters of frontage is allowed for commercial or industrial properties.
- Section 9.1: No person shall Place or permit to the [sic] placed an Election Sign on any Public Property, including City boulevards and highways.
- Section 11.1: Despite the foregoing provisions regarding the timing of Placing Election Signs, election Signs may be erected on a Candidate’s Campaign Office, once the Candidate has filed their nomination with the City Clerk.

The allowance of election signs with permission on both public and private property is in line with a changing landscape and will further support residents the right to freedom of expression. To address the operational needs of the City, the requirement for the City to be neutral, and respect for property owners, the **following additions to the Election Sign By-law are recommended.**

**The sections below are recommended for addition/replacement of deleted sections above:**

- Section 7.4: No person shall Place or permit to be placed an Election Sign on any traffic signal or traffic control device;
- Section 7.5: No person shall Place or permit to be placed an Election Sign that obstructs the City from entering the highway or any portion of it for the purposes of snow removal or any maintenance, installation or repair.
- Section 7.6: No person shall Place or permit to be placed an Election Sign on City Boulevard lands without the permission of the owner of the adjacent property.
- Section 7.7: No person shall Place or permit to be placed an Election Sign on any property without the property owner's or an occupant's consent.
- Section 12.7: The City, a public utility, or their agents may remove or relocate Election Signs in order to exercise any power authorized by law, including but not limited to carrying out municipal maintenance practices, or the construction and maintenance of a public utility, as determined by the City or in a public utility's sole discretion. In all circumstances the costs or losses associated with the replacement of an Election Sign shall be the responsibility of the Candidate.

All Election Signs whether on private or public property must adhere to the restrictions in Section 7.2 and 7.3 related to street and intersection visibility, and accessibility that will remain:

- No Election Sign shall be located where it will interfere with the safe movement or visibility of any vehicle or pedestrian traffic or where it is a general hazard to public safety.
- No Election Sign shall be located so as to obstruct or impede any fire escape, fire exit, door, window, scuttle, skylight, flue, air intake or air exhaust, nor so as to prevent or impede the free access of emergency personnel to any part of a building, including any emergency water connection or fire hydrant.

In addition, the restrictions on election signs at or within 150 m of a voting location will remain in place to protect the integrity of the election process aligning with the requirements of the *Municipal Elections Act*.

Changes to the language in Section 6.1 (a) will establish a timeframe for the placement of election signs of approximately 6 months:

**“the Tuesday following Nomination Day** of a referendum, a municipal question or a municipal or school board election or by-election; or”

will be replaced with:

**“the day nominations open** for a referendum, a municipal question or a municipal or school board election or by-election; or”

This change will provide candidates the opportunity to make full use of the municipal election period.

Election signs can create waste and challenge community standards for aesthetics. It is important to note that the removal of select restrictions does not equate to an increase in the number of signs but rather encourages a balance of the protection of democratic rights with principles of safety and neutrality. It allows for greater freedom for both the candidate and property owner in how sign resources are applied. Ultimately, candidates are responsible for the management of their campaign resources both human and financial and are encouraged to consider environmental impact in planning their approach to election signs.

The financial cost for election signs can be a barrier to candidacy; however, the landscape has changed and candidates are no longer bound to physical signage as a measure of support. Digital platforms now offer an alternative to signs in the city. In addition, the removal of restrictions related to ward boundaries will allow candidates additional strategic freedom in sign placement.

The amended by-law will continue to be enforced on a complaint basis and through the Municipal Enforcement Services Office. Complaints will be assessed based on adherence to safety and public property restrictions.

### ***FINANCIAL IMPLICATION***

There are no financial implications associated with this report.

### ***BACKGROUND***

In May 2022, Report R 88/2022 (City Manager's Office – Office of the City Clerk) was presented recommending the creation of stand-alone Election Sign By-law 56-2022 to provide greater clarity for the public and candidates and assist By-Law Enforcement with managing complaints. The Election Sign By-law 56-2022 was enacted on June 27, 2022.

The City's Sign By-law 135-1992, as amended, provides for the regulation and management of all permanent and temporary signs in the municipality. The By-law, however, does not have provisions specifically to the temporary signs used in an election or by-election.

***REFERENCE MATERIAL ATTACHED***

Attachment A – DRAFT By-law 100-2026 - Amendment to the Election Sign By-law BL 56/2022

***REPORT PREPARED BY***

Crystal DePeuter, Municipal Election Coordinator and Krista Power, Director of Legislative Services & City Clerk – City Manager's Office

***REPORT SIGNED AND VERIFIED BY***

John Collin, City Manager

04/08/2026 (MM/DD/YEAR)



# Memorandum

Corporate By-law Number: [Report Number]

---

**TO:** Office of the City Clerk **FILE:**

**FROM:** Krista Power, Director of Legislative Services & City Clerk

**DATE PREPARED:** February 5, 2026

**SUBJECT:** A by-law to amend By-law 56-2022, being a By-law to manage and regulate Election Signs in the City of Thunder Bay, in the District of Thunder Bay.

**MEETING DATE:** City Council - May 5, 2026

---

**By-law Description:** A by-law to amend By-law 56-2022, being a By-law to manage and regulate Election Signs in the City of Thunder Bay, in the District of Thunder Bay.

**Authorization:** Resolution – City Council – May 5, 2026

**By-law Explanation:** The purpose of this by-law is to amend By-law 56-2022, being a By-law to manage and regulate the placement of election signs for federal, provincial, municipal and school board elections and by-elections.

**Schedules and Attachments:**

**Amended/Repealed By-law Number(s):**



THE CORPORATION OF THE CITY OF THUNDER BAY  
BY-LAW NUMBER 100-2026

A By-law to amend By-law 56-2022, being a By-law to manage and regulate Election Signs in the City of Thunder Bay, in the District of Thunder Bay.

Recitals

1. The *Municipal Act*, 2001, S.O. 2001, c.25, as amended, subsection 5(3) provides that a municipal power shall be exercised by by-law.
2. The *Municipal Act*, 2001, S.O. 2001, c.25, as amended, subsection 10(2) authorizes the municipality to pass by-laws respecting signs.
3. The City of Thunder Bay's Sign By-law was enacted on May 25, 1992, therefore it was necessary to enact a stand-alone by-law that regulates Signs for the federal, provincial, municipal and school board elections.
4. The City of Thunder Bay's Election Sign By-law was enacted on June 27, 2022.

ACCORDINGLY, THE COUNCIL OF THE CORPORATION OF THE CITY OF THUNDER BAY ENACTS AS FOLLOWS:

1. Section 3. "Definitions" is amended by deleting subsection w) and subsection x).
2. Section 4. "**General Requirements**" is amended by deleting subsection 4.4.
3. Section 6. "**Timing**" is amended by deleting section 6.1 (a):

the Tuesday following Nomination Day of a referendum, a municipal question or a municipal or school board election or by-election; or

and replacing it with:

the day nominations open for a referendum, a municipal question or a municipal or school board election or by-election; or

4. Section 7. "**Locations in general**" is amended by deleting subsection 7.1:

No person shall Place or permit to be placed an Election Sign, in any ward that they are not officially nominated or registered in.

and adding the following subsections:

7.4 No person shall Place or permit to be placed an Election Sign on any traffic signal or traffic control device;

7.5 No person shall Place or permit to be placed an Election Sign that obstructs the City from entering the highway or any portion of it for the purposes of snow removal or any maintenance, installation or repair.

7.6 No person shall Place or permit to be placed an Election Sign on City Boulevard lands without the permission of the owner or occupant of the adjacent property.

7.7 No person shall Place or permit to be placed an Election Sign on any property without the property owner's or an occupant's consent.

5. Section 8 "**Election signs on private property**" is deleted in its entirety.

6. Section 9 "**Election signs on public property**" is deleted in its entirety.

7. Section 10 "**Election signs near voting locations**" is amended by deleting subsection 10.2:

No person shall, at any time erect, cause or permit to be erected, or maintain an election Sign or vehicle sign within 150 meters of a Voting Location except on Private Property.

and replacing it with:

No person shall, at any time erect, cause or permit to be erected, or maintain an election Sign or vehicle sign off Voting Location property but within 150 meters of a Voting Location except with permission of the property owner.

8. Section 11 "**Campaign office exemptions**" is deleted in its entirety.

9. Section 12 "**Removal or damage of election signs**" is amended by adding subsection 12.7:

The City, a public utility, or their agents may remove or relocate Election Signs in order to exercise any power authorized by law, including but not limited to carrying out municipal maintenance practices, or the construction and maintenance of a public utility, as determined by the City or in a public utility's sole discretion. In all circumstances the costs or losses associated with the replacement of an Election Sign shall be the responsibility of the Candidate.

10. This By-law shall come into force and take effect on the date it is passed.

Enacted and passed this 5th day of May, A.D. 2026 as witnessed by the Seal of the Corporation and the hands of its proper Officers.

Andrew Foulds  
Speaker

Krista Power  
City Clerk

# Standing Committee Report

**REPORT NUMBER** 115-2026-Corporate Services-Revenue

**DATE**

**PREPARED** March 24, 2026

**FILE**

**STANDING**

**COMMITTEE** April 14, 2026

**MEETING DATE**

**SUBJECT** 2026 Tax Policy

## **PURPOSE**

WITH RESPECT to Report 115-2026-Corporate Services-Revenue, we request endorsement of the Finance and Administration Standing Committee to forward the following recommendations to City Council:

WE RECOMMEND THAT the tax ratios and tax rates included in Attachment 8, as appended to this report, and outlined in Option 2 be approved for the 2026 taxation year;

AND THAT the final tax levy be due in two installments on August 5 and October 7, 2026;

AND THAT By-law 155-2026 be presented at the May 19<sup>th</sup> City Council for ratification.

## **EXECUTIVE SUMMARY**

This report provides recommendations on the tax policy options and requirements under the *Municipal Act, 2001* for the setting of tax policies, tax rates, and tax due dates in preparation for the 2026 final property tax billing.

A fair and sustainable tax policy is a Council-approved guiding financial principle, supporting a structured and equitable approach to setting tax ratios for residential and non-residential properties while balancing competitiveness, revenue stability, and the City's long-term financial objectives.

While Administration still supports the implementation of the Council-approved Long-Term Property Tax Strategy as outlined in Option 1, it is recognized that subsequent Council decisions have not advanced the strategy as originally intended, with a greater emphasis placed on residential affordability. Therefore, this report recommends Option

2 which would reduce the large industrial ratio from 2.73 to 2.61 and maintain the ratios for all other classes as status quo.

The intent of this option is to continue reducing the large industrial tax ratio to eventually achieve parity with the industrial tax ratio. Currently, there are only three properties in the City classified as large industrial. Maintaining a separate class with so few properties increases tax volatility, which is further amplified by the higher tax ratio. Gradually aligning the large industrial ratio with the industrial ratio promotes greater equity among industrial taxpayers, reduces volatility, and supports the attraction and retention of large-scale industry in Thunder Bay.

The recommended option results in a total increase of \$66.83 (3.60%) per \$100,000 of full service residential assessment. Of this amount \$65.94 (3.55%) is related to the approved 2026 budget increase, while the remaining \$0.89 (.05%) reflects the impact of the recommended change to the large industrial tax ratio. Compared to the status quo option (Option 3), a residential property assessed at \$219,000, which is the median value in the City of Thunder Bay, would pay less than \$2 more if Option 2 is approved.

The recommended tax policies and ratios reflect a balanced approach to implementing the Council-approved long-term tax strategy, while also aligning with Council's decisions in recent years. This approach supports the continued progress toward improved tax equity and economic competitiveness while balancing affordability impacts on residential taxpayers.

### ***KEY CONSIDERATIONS***

A fair and sustainable tax policy is a Council-approved guiding financial principle. It supports a well-structured and equitable approach to setting tax ratios for residential and non-residential properties, balancing competitiveness, revenue stability, and the City's long-term financial objectives.

#### **Long-Term Property Tax Strategy – Supporting Growth**

In 2023, Council approved a long-term tax strategy designed to support stability in property tax distribution, mitigate risks related to assessment growth and appeals, and enhance fairness and competitiveness to drive economic growth.

Specifically, the following was adopted:

1. The commercial tax ratio be reduced from 2.042037 (2022) to 1.98, the provincial threshold ratio for the commercial property class;
2. The large industrial property class be phased out over the next four years by reducing the large industrial tax ratio by .12 each year until it equals the industrial tax ratio;

3. The multi-residential ratio be reduced by .01 each year and that Administration undertake further analysis once the Province concludes its review on potential approaches to reduce the current property tax burden on multi-residential properties;
4. When the commercial tax ratio reaches the provincial threshold ratio of 1.98, it be reduced by .01 each year thereafter;
5. The annual tax policy report will provide three options for Council's consideration including; one option which will reflect recommendations in paragraphs 1-4; one option which will reflect recommendations in paragraphs 1-2 only; and a status quo option (starting ratios with same tax policies as adopted by City Council in the previous year);
6. Administration report back to Council on the impact that the MPAC reassessment has on the distribution of the tax levy and any corresponding recommended changes to the long term tax strategy.

While Council approved the long-term tax strategy in 2023, decisions in subsequent years have reflected a more gradual approach to implementation, particularly in balancing tax ratio adjustments with affordability considerations for residential taxpayers.

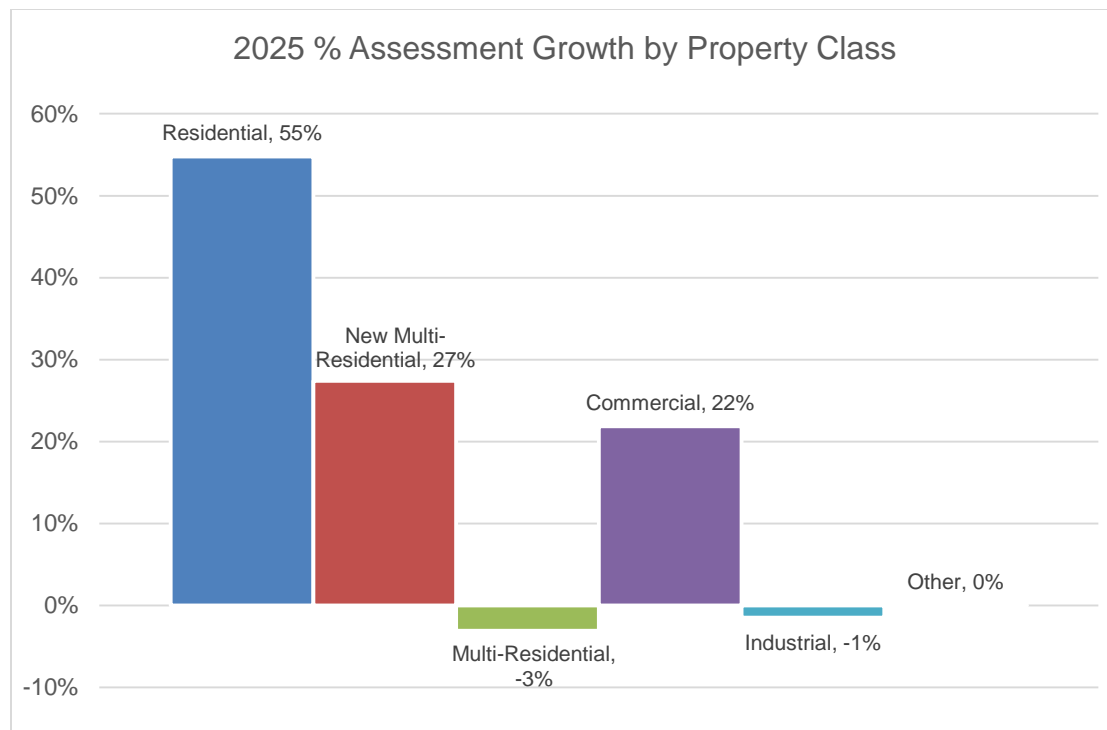
As a result, the recommended 2026 tax policy reflects both the direction of the long-term strategy and Council's demonstrated preference for a phased and slower transition.

### **MPAC Reassessment and Assessment Growth**

The Province postponed the property tax reassessment update for the 2021 to 2024 property taxation years and continues to postpone the reassessment. Because of this postponement, taxes remain based on an updated return roll using the fully phased-in January 1, 2016 current value assessment (CVA). Therefore, there are no re-assessment shifts (value/equity changes) in 2026 as shown in Attachment 1.

Assessment growth was 0.50%. As shown below, most of the growth continues to come from the residential class, followed by new multi-residential and commercial.

Assessment growth has contributed \$1,095,620 (0.46%) in taxation revenue in 2026, which will be directed to the Assessment Growth Reserve Fund to be invested in initiatives aimed at driving further growth in accordance with the approved 2026 budget. Investing in growth creates a positive cycle, driving further economic development and expanding the tax base, which over time may help reduce the tax burden on individual property owners.



“Other” includes Large Industrial, Aggregate Extraction, Landfill, Pipeline, Farmland, and Managed Forest.

### Education Taxes

The Province sets the education rates across all municipalities in Ontario and updates the rates on an annual basis to offset the impact of reassessment. Since reassessment was deferred, there were no changes to the education rates in 2026. Therefore, the overall tax levy increase including education is 3.54%.

### Municipal Tax Levy

City Council approved a 2026 growth adjusted municipal tax levy including payments in lieu of taxes of \$251,527,800. For billing purposes, the budget is allocated as follows to levy separately for urban/special services:

	2026	2025
Municipal General Tax Levy	\$223,870,352	\$210,990,105
<b>Urban/Special Services:</b>		
Garbage Collection	9,027,065	10,408,843
Street Lighting	3,543,005	4,353,084
Sewage and Drainage	1,284,388	1,486,968
Public Transportation	13,802,990	14,467,400
<b>Total Municipal Tax Levy</b>	<b>\$251,527,800</b>	<b>\$241,706,400</b>

### **Tax Ratios**

- A municipal tax ratio is the degree by which a property class is taxed relative to the residential class.
- The residential tax ratio is always 1.0.
- Tax ratios determine how much of the municipal tax burden is borne by each property class.
- Altering tax ratios does not alter the overall levy amount, only how it is distributed.
- The Province has established a range of fairness for each property class. With the exception of revenue neutral ratios, tax ratios cannot be moved further away from the range of fairness.
- The Province has established threshold ratios for the multi-residential (2.0), commercial (1.98) and industrial (2.63) property classes. Property tax increases cannot be spread evenly over all property classes if any tax ratio exceeds the provincial thresholds.
- Attachment 2 provides an overview of Thunder Bay's historical tax ratios including those recommended in 2026.

### **Optional Property Classes**

In addition to the standard property classes, municipalities can adopt optional classes. Optional classes provide flexibility in spreading the municipality's property tax burden within the commercial and industrial property classes.

All available optional classes were adopted by City Council in 1998 as a temporary solution to mitigate large shifts in the overall tax burden that would have otherwise occurred. The optional classes were not intended to be a permanent solution and in 2006, Council ceased using all but the large industrial optional class.

The large industrial ratio is 2.73 in 2025 compared to the industrial residual ratio of 2.370836.

There are currently three properties in the large industrial class. Having so few properties in the class increases the volatility of the class, which is magnified by the high ratios. In addition, reducing the large industrial ratio encourages large industry to Thunder Bay. Therefore, administration recommends that the large industrial ratio be reduced as outlined in option 2.

### 2026 Tax Policy

Administration continues to support the full implementation of the Long-Term Tax Strategy (Option 1); however, it also acknowledges Council’s direction over the past two years, which has maintained the status quo to support residential affordability.

Accordingly, Administration is recommending Option 2 for 2026, which proposes a targeted reduction to the large industrial tax ratio while maintaining existing tax ratios for all other property classes. This option advances a key component of the Council-approved tax strategy while having only a minimal impact on residential tax bills, reflecting Council’s continued focus on residential affordability.

<b>Summary of Options</b>			
	<b>Option 1 – Full Implementation</b>	<b>Option 2 – Phased Implementation (Recommended)</b>	<b>Option 3 – Status Quo</b>
Increase in tax bill per \$100,000 assessment on a full-service residential property related to 2026 Budget	\$65.94 3.55%	\$65.94 3.55%	\$65.94 3.55%
Multi-residential ratio	1.98	1.99	1.99
Commercial ratio	1.97	1.98	1.98
Large industrial ratio	2.61	2.61	2.73
Increase in tax bill per \$100,000 assessment on a full-service residential property related to tax ratios	\$3.71 0.20%	\$0.89 0.05%	\$0.00 0.00%
Supports economic growth	✓	✓(moderate)	✗
Balances affordability	✓(moderate)	✓	✓
Advances long-term strategy	✓	✓(phased)	✗
Overall Assessment	Accelerated progress with higher short-term impact	Balanced approach to progress and affordability	Maintains current state; delays progress

Option 1 – Approved Long-Term Tax Strategy – Not Recommended

This option represents the full implementation of the Council-approved long-term tax strategy for 2026.

Under this option, the multi-residential ratio is reduced from 1.99 to 1.98, the commercial ratio is reduced from 1.98 to 1.97 and the large industrial ratio is reduced from 2.73 to 2.61.

The total tax increase on a full-service residential property assessed at \$100,000 would be \$69.65, or a 3.75% increase. This increase reflects both the approved 2026 municipal budget and the impact of tax ratio adjustments.

Of the total increase shown in the chart below, \$65.94 or 3.55% is related to the 2026 budget. This amount would apply if no changes were made to the tax ratios. It reflects the additional funding required to support municipal services, programs, and infrastructure.

The remaining \$3.71 or 0.20% of the increase results from the changes to the tax ratios for commercial, large industrial, and multi-residential properties.

	Total Tax Increase per \$100,000 of full service residential assessment	% Increase
No change to ratios (budget increase)	\$65.94	3.55%
Commercial ratio reduced to 1.97	\$ 2.24	0.12%
Large industrial ratio reduced to 2.61	\$ 0.89	0.05%
Multi-residential ratio reduced to 1.98	\$ 0.58	0.03%
Total	\$69.65	3.75%

The median residential single family detached home in Thunder Bay has an assessment of \$219,000 and would see an increase of \$152.54.

Attachment 3 provides further details on the tax changes by property class for Option 1.

This option advances all elements of the long-term tax strategy and results in the greatest movement toward improved tax equity among property classes. However, it also results in a higher tax impact on residential properties compared to the other options.

While this approach accelerates progress toward the long-term tax strategy objectives, it introduces additional tax shifts in the current year. Given recent Council decisions on tax policy, this option is not recommended.

Option 2 – Long Term Tax Strategy – Phased Implementation (Recommended)

Option 2 reflects a balanced approach to implementing the long-term tax strategy by focusing on continued reduction of the large industrial tax ratio, while maintaining the other ratios at their current levels.

Under this option, the large industrial ratio is reduced from 2.73 to 2.61, consistent with Council's approved direction to phase out the large industrial class over time. The commercial ratio remains at the provincial threshold of 1.98, and the multi-residential ratio remains at 1.99.

The median residential single family detached home in Thunder Bay has an assessment of \$219,000 and would see an increase of \$146.36, \$6.18 less per year compared to recommended Option 1.

The tax changes by property class for Option 2 are shown in Attachment 4.

This option advances key elements of the long-term tax strategy, including reducing reliance on a small number of large industrial properties and improving the competitiveness of the large industrial tax class. At the same time, it maintains stability within the commercial and multi-residential classes and reduces additional tax impacts on residential properties beyond those already approved through the budget.

This approach is consistent with Council's decisions in recent years and reflects a prudent, phased transition toward the objectives of the long-term tax strategy. It balances the goals of tax equity, and economic competitiveness with affordability for residential taxpayers.

For these reasons, Option 2 is the recommended approach. In 2027, Administration will revisit the long-term tax strategy and present options for the new term of Council's consideration and approval.

Option 3 - Status Quo

Option 3 maintains the tax ratios at the 2025 approved levels and reflects a status quo approach. This approach is typically adopted when Council has achieved its desired ratios and is satisfied that the tax shifts that are occurring between property classes are not significant enough to warrant a different approach.

All ratios would remain at the 2025 approved ratios. The starting ratios and the tax changes by property class for Option 3 are shown in Attachment 5.

The median single-family detached home in Thunder Bay, assessed at \$219,000 would see an increase of 3.55% or \$144.42.

This option maintains stability in the short term and avoids any additional tax impacts resulting from changes to tax ratios. However, it does not advance the objectives of the long-term tax strategy, including improving tax equity among property classes and enhancing competitiveness for commercial and industrial properties to promote economic growth.

As a result, this approach delays progress toward the City's long-term tax policy goals and is not recommended.

Attachment 6 highlights the Municipal Tax Shift by property class comparing the recommended Option 2 with Option 1 and Option 3.

### **Tax Rates and Due Dates**

Attachment 7 provides the tax ratios and tax rates required to raise the 2026 Municipal Tax Levy using Option 1 – Long Term Tax Strategy. This option is not recommended.

Attachment 8 provides tax ratios and tax rates that would be required to raise the 2026 Municipal Tax Levy using option 2 – Long Term Tax Strategy - Phased Implementation. This option is recommended.

Attachment 9 provides tax ratios and tax rates that would be required to raise the 2026 Municipal Tax Levy using option 3 – Status Quo. This option is not recommended.

Final bills are anticipated to be ready for mailing end of June.

Administration recommends the final tax levy be due in two installments: August 5<sup>th</sup> and October 7<sup>th</sup>.

### ***FINANCIAL IMPLICATION***

Approval of the 2026 tax policies and tax rates as recommended will ensure that the 2026 tax levy will be sufficient to meet budgeted taxation revenue.

### ***BACKGROUND***

The provincial government sets the province-wide policies and rules with respect to property assessment and taxation. The Ministry of Finance sets assessment policy and standards and is responsible for establishing legislation and regulations governing tax policy. It also is responsible for setting education tax rates for all property classes. The Ministry of Education is responsible for establishing the deadlines for municipalities to pay their education tax installments and is responsible for allocating the education taxes to the school boards.

The Municipal Property Assessment Corporation (MPAC) is responsible for assessing all property in Ontario. MPAC conducts its activities in accordance with the provisions of the Assessment Act, as well as regulations issued under the Act by the Province. Municipalities use the values MPAC establishes for properties when they calculate property taxes.

Municipalities have been granted some decision-making responsibility by the Province relating to municipal taxation. In this regard, there are options made available by the Province through the Municipal Act, 2001, and regulations issued thereunder whereby certain tax policy decisions must be made by December 31 of each year.

Since the introduction of current value assessment by the Province in 1998, inequities in tax treatment have been identified in the multi-residential, commercial, and industrial property classes in many cities including Thunder Bay. On April 24, 2023, City Council approved Report 128/2023 – Long Term Tax Strategy Update, with a continued focus on reducing property tax ratios to enhance long-term financial stability and achieve greater fairness and relative competitiveness over time.

***REFERENCE MATERIAL ATTACHED***

- Attachment 1 – Assessment Changes 2025-2026
- Attachment 2 – History of Tax Ratios
- Attachment 3 – Impact of Using Option 1 – Long Term Tax Strategy
- Attachment 4 – Impact of Using Option 2 – Long Term Tax Strategy Phased Implementation - Recommended
- Attachment 5 – Impact of using Option 3 – Status Quo
- Attachment 6 – Impact Options have on Distribution of the Tax Levy
- Attachment 7 – 2026 Tax Rates & Ratios for Option 1
- Attachment 8 – 2026 Tax Rates & Ratios for Option 2 –Recommended
- Attachment 9 – 2026 Tax Rates & Ratios for Option 3

***REPORT PREPARED BY***

Kathleen Cannon, CPA, Director – Revenue

***REPORT SIGNED AND VERIFIED BY***

Keri Greaves, CPA, Commissioner – Corporate Services & City Treasurer

04/08/2026 (MM/DD/YEAR)

**Assessment Changes 2025 - 2026**  
(No Reassessment in 2026)

PROPERTY CLASS	2025 Returned Roll	2025 Yearend Roll	2025 Growth	2026 Returned Roll	2026 Value Change	% Growth	% Value Change	% Total Change
	A	B	C (B - A)	D	E (D - B)	F (C/A)	G (E/B)	H (D/A)
Residential	9,333,194,795	9,365,242,925	32,048,130	9,365,242,925	0	0.34	0.00	0.34
New Multi-Residential	46,968,600	62,993,600	16,025,000	62,993,600	0	34.12	0.00	34.12
Multi-Residential	465,627,681	463,825,881	-1,801,800	463,825,881	0	-0.39	0.00	-0.39
Commercial	1,775,371,089	1,788,153,590	12,782,501	1,788,153,590	0	0.72	0.00	0.72
Industrial	46,514,939	45,652,234	-862,705	45,652,234	0	-1.85	0.00	-1.85
Large Industrial	59,573,300	59,574,000	700	59,574,000	0	0.00	0.00	0.00
Aggregate Extraction	2,583,800	2,708,800	125,000	2,708,800	0	0.00	0.00	0.00
Landfill	690,000	690,000	0	690,000	0	0.00	0.00	0.00
Pipeline	39,443,000	39,429,000	-14,000	39,429,000	0	-0.04	0.00	-0.04
Farm	3,915,100	3,915,100	0	3,915,100	0	0.00	0.00	0.00
Managed Forest	2,002,700	2,177,900	175,200	2,177,900	0	8.75	0.00	8.75
<b>Total Taxable/PIL</b>	<b>11,775,885,004</b>	<b>11,834,363,030</b>	<b>58,478,026</b>	<b>11,834,363,030</b>	<b>0</b>	<b>0.50%</b>	<b>0.00</b>	<b>0.50%</b>

**Tax Ratios for the City of Thunder Bay  
1998 to 2026**

	Residential	New Multi- Residential	Multi- Residential	Commercial	Shopping Centre	Office Building	Parking/ Vac Land	Industrial	Large Industrial (No Band)	Aggregate Extraction	Landfill	Pipelines	Farmland	Managed Forests
1998	1.000000		2.903900	2.445000	2.213600	2.582300	1.493900	3.230100	3.471800			2.198400	0.250000	0.250000
1999	1.000000		2.903900	2.445000	2.213600	2.582300	1.493900	3.230100	3.471800			2.198400	0.250000	0.250000
2000	1.000000		2.903900	2.445000	2.213600	2.582300	1.493900	3.230100	3.471800			2.198400	0.250000	0.250000
2001	1.000000		2.538500	2.445000	2.213600	2.582300	1.493900	3.230100	3.471800			2.152000	0.250000	0.250000
2002	1.000000		2.538500	2.394081	2.167501	2.528523	1.462789	3.162832	3.399498			2.152000	0.250000	0.250000
2003	1.000000		2.538500	2.020900	1.829700	2.134400	1.234800	2.475700	2.660900			2.152000	0.250000	0.250000
2004	1.000000		2.740000	2.020900	1.829700	2.134400	1.234800	2.382400	2.681200			2.152000	0.250000	0.250000
2005	1.000000		2.740000	1.980000	1.866300	2.091700	1.259500	2.430000	2.627500			2.152000	0.250000	0.250000
2006	1.000000		2.740000	1.952709				2.430000	2.627500			2.152000	0.250000	0.250000
2007	1.000000		2.740000	1.952709				2.430000	2.627500			2.152000	0.250000	0.250000
2008	1.000000		2.740000	1.952709				2.430000	2.627500			2.152000	0.250000	0.250000
2009	1.000000		2.740000	1.952709				2.430000	2.627500			2.152000	0.250000	0.250000
2010	1.000000		2.740000	1.952709				2.430000	2.465000			2.152000	0.250000	0.250000
2011	1.000000		2.740000	1.952709				2.430000	2.465000			2.152000	0.250000	0.250000
2012	1.000000		2.740000	1.952709				2.430000	2.465000			2.152000	0.250000	0.250000
2013	1.000000		2.708571	1.980000				2.559283	2.596145			2.271603	0.250000	0.250000
2014	1.000000	1.000000	2.685576	1.980000				2.540000	3.230648			2.388795	0.250000	0.250000
2015	1.000000	1.000000	2.649522	2.045366				2.503555	3.325639			2.502278	0.250000	0.250000
2016	1.000000	1.000000	2.631000	2.067700				2.445300	3.376233			2.612379	0.250000	0.250000
2017	1.000000	1.000000	2.566505	2.144417				2.488302	3.368219		2.453732	2.691541	0.250000	0.250000
2018	1.000000	1.000000	2.422438	2.137932				2.441050	3.304256		2.583329	2.768387	0.250000	0.250000
2019	1.000000	1.000000	2.285000	2.115246				2.415148	3.170000		2.583329	2.768387	0.250000	0.250000
2020	1.000000	1.000000	2.142500	2.108740				2.407719	2.975329		2.583329	2.768387	0.250000	0.250000
2021	1.000000	1.000000	2.000000	2.076437				2.370836	2.881955		2.583329	2.768387	0.250000	0.250000
2022	1.000000	1.000000	2.000000	2.042037				2.370836	2.850000		2.583329	2.768387	0.250000	0.250000
2023	1.000000	1.000000	1.990000	1.980000				2.370836	2.730000		2.583329	2.768387	0.250000	0.250000
2024	1.000000	1.000000	1.990000	1.980000				2.370836	2.730000		2.583329	2.768387	0.250000	0.250000
2025	1.000000	1.000000	1.990000	1.980000				2.370836	2.730000	1.929164	2.583329	2.768387	0.250000	0.250000
2026 (Recommended)	1.000000	1.000000	1.990000	1.980000				2.370836	2.610000	1.929164	2.583329	2.768387	0.250000	0.250000

**Notes:**

In 2006 City Council stopped using the optional commercial property classes (shopping centre, office building, and parking/vac Land).

In 2014 City Council created the optional new multi-residential property class and confirmed a tax ratio of 1.0 for the class.

In 2017 the Province created a new property class for landfills.

In 2024 the Province created a new property class effective 2025, comprised of the industrial portion of properties used for Aggregate Extraction

**Analysis of 2026 Tax Change by Property Class  
Option 1 - Long Term Tax Strategy  
Not Recommended**

Property Class	2026 Tax Ratio	2025 Municipal Taxation at Year-end \$	2025 Education Taxation at Year-end \$	2025 Total Taxation at Year-end \$	2026 Municipal Taxation \$	2026 Education Taxation \$	2026 Total Taxation \$	Difference Between 2025 and 2026 Taxation					
								Municipal \$	Municipal %	Education \$	Education %	Total Change \$	Total Change %
Residential	1.000000	157,422,264	14,327,204	171,749,468	164,104,567	14,327,204	178,431,771	6,682,303	4.24%	-	0.00%	6,682,303	3.89%
New Multi-Residential	1.000000	1,072,972	96,380	1,169,352	1,116,848	96,380	1,213,228	43,876	4.09%	-	0.00%	43,876	3.75%
Multi-residential	1.980000	15,719,056	709,654	16,428,710	16,279,886	709,654	16,989,540	560,830	3.57%	-	0.00%	560,830	3.41%
Commercial	1.970000	60,148,232	14,895,660	75,043,892	62,353,447	14,895,660	77,249,107	2,205,215	3.67%	-	0.00%	2,205,215	2.94%
Industrial	2.370836	1,838,281	403,778	2,242,059	1,915,465	403,778	2,319,243	77,184	4.20%	-	0.00%	77,184	3.44%
Large Industrial	2.610000	2,756,783	524,251	3,281,034	2,745,686	524,251	3,269,937	(11,097)	-0.40%	-	0.00%	(11,097)	-0.34%
Aggregate Extraction	1.929164	82,410	13,842	96,252	86,428	13,842	100,270	4,018	4.88%	-	0.00%	4,018	4.17%
Landfills	2.583329	27,536	6,762	34,298	29,015	6,762	35,777	1,479	5.37%	-	0.00%	1,479	4.31%
Pipelines	2.768387	1,859,236	346,975	2,206,211	1,935,264	346,975	2,282,239	76,028	4.09%	-	0.00%	76,028	3.45%
Farm	0.250000	15,296	1,498	16,794	16,094	1,498	17,592	798	5.22%	-	0.00%	798	4.75%
Managed Forests	0.250000	8,464	833	9,297	8,911	833	9,744	447	5.28%	-	0.00%	447	4.81%
<b>Total</b>		240,950,530	31,326,837	272,277,367	250,591,611	31,326,837	281,918,448	9,641,081	4.00%	-	0.00%	9,641,081	3.54%

**Analysis of 2026 Tax Change by Property Class  
Option 2 - Long Term Tax Strategy Phased Implementation  
Recommended**

Property Class	2026 Tax Ratio	2025 Municipal Taxation at Year-end \$	2025 Education Taxation at Year-end \$	2025 Total Taxation at Year-end \$	2026 Municipal Taxation \$	2026 Education Taxation \$	2026 Total Taxation \$	Difference Between 2025 and 2026 Taxation					
								Municipal \$	Municipal %	Education \$	Education %	Total Change \$	Total Change %
Residential	1.000000	157,422,264	14,327,204	171,749,468	163,843,961	14,327,204	178,171,165	6,421,697	4.08%	-	0.00%	6,421,697	3.74%
New Multi-Residential	1.000000	1,072,972	96,380	1,169,352	1,115,072	96,380	1,211,452	42,100	3.92%	-	0.00%	42,100	3.60%
Multi-residential	1.990000	15,719,056	709,654	16,428,710	16,336,089	709,654	17,045,743	617,033	3.93%	-	0.00%	617,033	3.76%
Commercial	1.980000	60,148,232	14,895,660	75,043,892	62,570,332	14,895,660	77,465,992	2,422,100	4.03%	-	0.00%	2,422,100	3.23%
Industrial	2.370836	1,838,281	403,778	2,242,059	1,912,420	403,778	2,316,198	74,139	4.03%	-	0.00%	74,139	3.31%
Large Industrial	2.610000	2,756,783	524,251	3,281,034	2,741,323	524,251	3,265,574	(15,460)	-0.56%	-	0.00%	(15,460)	-0.47%
Aggregate Extraction	1.929164	82,410	13,842	96,252	86,292	13,842	100,134	3,882	4.71%	-	0.00%	3,882	4.03%
Landfills	2.583329	27,536	6,762	34,298	28,969	6,762	35,731	1,433	5.20%	-	0.00%	1,433	4.18%
Pipelines	2.768387	1,859,236	346,975	2,206,211	1,932,187	346,975	2,279,162	72,951	3.92%	-	0.00%	72,951	3.31%
Farm	0.250000	15,296	1,498	16,794	16,069	1,498	17,567	773	5.05%	-	0.00%	773	4.60%
Managed Forests	0.250000	8,464	833	9,297	8,897	833	9,730	433	5.12%	-	0.00%	433	4.66%
<b>Total</b>		240,950,530	31,326,837	272,277,367	250,591,611	31,326,837	281,918,448	9,641,081	4.00%	-	0.00%	9,641,081	3.54%

**Analysis of 2026 Tax Change by Property Class  
Option 3 - Status Quo  
Not Recommended**

Property Class	2026 Tax Ratio	2025 Municipal Taxation at Year-end \$	2025 Education Taxation at Year-end \$	2025 Total Taxation at Year-end \$	2026 Municipal Taxation \$	2026 Education Taxation \$	2026 Total Taxation \$	Difference Between 2025 and 2026 Taxation					
								Municipal \$	Municipal %	Education \$	Education %	Total Change \$	Total Change %
Residential	1.000000	157,422,264	14,327,204	171,749,468	163,761,604	14,327,204	178,088,808	6,339,340	4.03%	-	0.00%	6,339,340	3.69%
New Multi-Residential	1.000000	1,072,972	96,380	1,169,352	1,114,512	96,380	1,210,892	41,540	3.87%	-	0.00%	41,540	3.55%
Multi-residential	1.990000	15,719,056	709,654	16,428,710	16,327,876	709,654	17,037,530	608,820	3.87%	-	0.00%	608,820	3.71%
Commercial	1.980000	60,148,232	14,895,660	75,043,892	62,538,874	14,895,660	77,434,534	2,390,642	3.97%	-	0.00%	2,390,642	3.19%
Industrial	2.370836	1,838,281	403,778	2,242,059	1,911,458	403,778	2,315,236	73,177	3.98%	-	0.00%	73,177	3.26%
Large Industrial	2.730000	2,756,783	524,251	3,281,034	2,865,914	524,251	3,390,165	109,131	3.96%	-	0.00%	109,131	3.33%
Aggregate Extraction	1.929164	82,410	13,842	96,252	86,249	13,842	100,091	3,839	4.66%	-	0.00%	3,838	3.99%
Landfills	2.583329	27,536	6,762	34,298	28,955	6,762	35,717	1,419	5.15%	-	0.00%	1,419	4.14%
Pipelines	2.768387	1,859,236	346,975	2,206,211	1,931,216	346,975	2,278,191	71,980	3.87%	-	0.00%	71,979	3.26%
Farm	0.250000	15,296	1,498	16,794	16,060	1,498	17,558	764	4.99%	-	0.00%	764	4.55%
Managed Forests	0.250000	8,464	833	9,297	8,892	833	9,725	428	5.06%	-	0.00%	428	4.60%
<b>Total</b>		240,950,530	31,326,837	272,277,367	250,591,611	31,326,837	281,918,448	9,641,081	4.00%	-	0.00%	9,641,081	3.54%

## Tax Ratio Options - Impact on Distribution of 2026 Municipal Tax Levy

Property Class	A	B	Municipal Tax Levy \$ Change between Option 1 and Option 2	% Change
	2026 Municipal Tax Levy Option 1 (Not recommended)	2026 Municipal Tax Levy Option 2 (Recommended)		
Residential	164,104,567	163,843,961	260,606	0.16%
New Multi-Residential	1,116,848	1,115,072	1,776	0.16%
Multi-Residential	16,279,886	16,336,089	(56,203)	-0.34%
Commercial	62,353,447	62,570,332	(216,885)	-0.35%
Industrial	1,915,465	1,912,420	3,045	0.16%
Large Industrial	2,745,686	2,741,323	4,363	0.16%
Aggregate Extraction	86,428	86,292	136	0.16%
Landfills	29,015	28,969	46	0.16%
Pipelines	1,935,264	1,932,187	3,077	0.16%
Farm	16,094	16,069	25	0.16%
Managed Forest	8,911	8,897	14	0.16%
<b>Total</b>	<b>250,591,611</b>	<b>250,591,611</b>	<b>-</b>	<b>0.00%</b>

Property Class	B	C	Municipal Tax Levy \$ Change between Option 2 and Option 3	% Change
	2026 Municipal Tax Levy Option 2 (Recommended)	2026 Municipal Tax Levy Option 3 (Not recommended)		
Residential	163,843,961	163,761,604	82,357	0.05%
New Multi-Residential	1,115,072	1,114,512	560	0.05%
Multi-Residential	16,336,089	16,327,876	8,213	0.05%
Commercial	62,570,332	62,538,874	31,458	0.05%
Industrial	1,912,420	1,911,458	962	0.05%
Large Industrial	2,741,323	2,865,914	(124,591)	-4.35%
Aggregate Extraction	86,292	86,249	43	0.05%
Landfills	28,969	28,955	14	0.05%
Pipelines	1,932,187	1,931,216	971	0.05%
Farm	16,069	16,060	9	0.06%
Managed Forest	8,897	8,892	5	0.06%
<b>Total</b>	<b>250,591,611</b>	<b>250,591,611</b>	<b>-</b>	<b>0.00%</b>

**2026 Tax Rates Summary**  
**Option 1 - Long Term Tax Strategy**

**Not Recommended**

	Residential	New Multi-Residential	Multi-Residential	Commercial			Industrial		
				Occupied	Excess Land	Vacant Land	Occupied	Excess Land	Vacant Land
<b>Tax Ratios</b>	1.000000	1.000000	1.980000	1.970000			2.370836		
Education	0.00153000	0.00153000	0.00153000	0.00880000	0.00880000	0.00880000	0.00880000	0.00880000	0.00880000
General	0.01564423	0.01564423	0.03097558	0.03081913	0.03081913	0.03081913	0.03708990	0.03708990	0.03708990
Garbage	0.00063347	0.00063347	0.00125427	0.00124794	0.00124794	0.00124794	0.00150185	0.00150185	0.00150185
PubTrans	0.00108148	0.00108148	0.00214133	0.00213052	0.00213052	0.00213052	0.00256401	0.00256401	0.00256401
SewDrain	0.00010427	0.00010427	0.00020645	0.00020541	0.00020541	0.00020541	0.00024721	0.00024721	0.00024721
Street Lighting	0.00026610	0.00026610	0.00052688	0.00052422	0.00052422	0.00052422	0.00063088	0.00063088	0.00063088
Total Full Service 2026	0.01925955	0.01925955	0.03663451	0.04372722	0.04372722	0.04372722	0.05083385	0.05083385	0.05083385

	Large Industrial		Aggregate Extraction	Landfills	Pipelines	Farm	Managed Forests
	Occupied	Excess Land	Occupied	Occupied	Occupied	Occupied	Occupied
<b>Tax Ratios</b>	2.610000		1.929164	2.583329	2.768387	0.250000	0.250000
Education	0.00880000	0.00880000	0.00511000	0.00880000	0.00880000	0.00038250	0.00038250
General	0.04083144	0.04083144	0.03018029	0.04041419	0.04330928	0.00391106	0.00391106
Garbage	0.00165336	0.00165336	0.00122207	0.00163646	0.00175369	0.00015837	0.00015837
PubTrans	0.00282266	0.00282266	0.00208635	0.00279382	0.00299396	0.00027037	0.00027037
SewDrain	0.00027214	0.00027214	0.00020115	0.00026936	0.00028866	0.00002607	0.00002607
Street Lighting	0.00069452	0.00069452	0.00051335	0.00068742	0.00073667	0.00006653	0.00006653
Total Full Service 2026	0.05507412	0.05507412	0.03931321	0.05460125	0.05788226	0.00481490	0.00481490

2026 Tax Rates Summary

Option 2 - Long Term Tax Strategy Phased Implementation

Recommended

	Residential	New Multi-Residential	Multi-Residential	Commercial			Industrial		
				Occupied	Excess Land	Vacant Land	Occupied	Excess Land	Vacant Land
<b>Tax Ratios</b>	1.000000	1.000000	1.990000	1.980000			2.370836		
Education	0.00153000	0.00153000	0.00153000	0.00880000	0.00880000	0.00880000	0.00880000	0.00880000	0.00880000
General	0.01561955	0.01561955	0.03108290	0.03092671	0.03092671	0.03092671	0.03703139	0.03703139	0.03703139
Garbage	0.00063247	0.00063247	0.00125862	0.00125229	0.00125229	0.00125229	0.00149948	0.00149948	0.00149948
PubTrans	0.00107960	0.00107960	0.00214840	0.00213761	0.00213761	0.00213761	0.00255955	0.00255955	0.00255955
SewDrain	0.00010409	0.00010409	0.00020714	0.00020610	0.00020610	0.00020610	0.00024678	0.00024678	0.00024678
Street Lighting	0.00026565	0.00026565	0.00052864	0.00052599	0.00052599	0.00052599	0.00062981	0.00062981	0.00062981
Total Full Service 2026	0.01923136	0.01923136	0.03675570	0.04384870	0.04384870	0.04384870	0.05076701	0.05076701	0.05076701

	Large Industrial		Aggregate Extraction	Landfills	Pipelines	Farm	Managed Forests
	Occupied	Excess Land	Occupied	Occupied	Occupied	Occupied	Occupied
<b>Tax Ratios</b>	2.610000		1.929164	2.583329	2.768387	0.250000	0.250000
Education	0.00880000	0.00880000	0.00511000	0.00880000	0.00880000	0.00038250	0.00038250
General	0.04076703	0.04076703	0.03013267	0.04035044	0.04324096	0.00390489	0.00390489
Garbage	0.00165075	0.00165075	0.00122014	0.00163388	0.00175092	0.00015812	0.00015812
PubTrans	0.00281776	0.00281776	0.00208273	0.00278896	0.00298875	0.00026990	0.00026990
SewDrain	0.00027167	0.00027167	0.00020081	0.00026890	0.00028816	0.00002602	0.00002602
Street Lighting	0.00069335	0.00069335	0.00051248	0.00068626	0.00073542	0.00006641	0.00006641
Total Full Service 2026	0.05500056	0.05500056	0.03925883	0.05452844	0.05780421	0.00480784	0.00480784

2026 Tax Rates Summary

Option 3 - Status Quo

Not Recommended

	Residential	New Multi-Residential	Multi-Residential	Commercial			Industrial		
				Occupied	Excess Land	Vacant Land	Occupied	Excess Land	Vacant Land
<b>Tax Ratios</b>	1.000000	1.000000	1.990000	1.980000			2.370836		
Education	0.00153000	0.00153000	0.00153000	0.00880000	0.00880000	0.00880000	0.00880000	0.00880000	0.00880000
General	0.01561173	0.01561173	0.03106734	0.03091123	0.03091123	0.03091123	0.03701285	0.03701285	0.03701285
Garbage	0.00063215	0.00063215	0.00125798	0.00125166	0.00125166	0.00125166	0.00149872	0.00149872	0.00149872
PubTrans	0.00107900	0.00107900	0.00214721	0.00213642	0.00213642	0.00213642	0.00255813	0.00255813	0.00255813
SewDrain	0.00010407	0.00010407	0.00020710	0.00020606	0.00020606	0.00020606	0.00024673	0.00024673	0.00024673
Street Lighting	0.00026551	0.00026551	0.00052836	0.00052571	0.00052571	0.00052571	0.00062948	0.00062948	0.00062948
Total Full Service 2026	0.01922246	0.01922246	0.03673799	0.04383108	0.04383108	0.04383108	0.05074591	0.05074591	0.05074591

	Large Industrial		Aggregate Extraction	Landfills	Pipelines	Farm	Managed Forests
	Occupied	Excess Land	Occupied	Occupied	Occupied	Occupied	Occupied
<b>Tax Ratios</b>	2.730000		1.929164	2.583329	2.768387	0.250000	0.250000
Education	0.00880000	0.00880000	0.00511000	0.00880000	0.00880000	0.00038250	0.00038250
General	0.04262002	0.04262002	0.03011759	0.04033023	0.04321931	0.00390293	0.00390293
Garbage	0.00172577	0.00172577	0.00121952	0.00163305	0.00175004	0.00015804	0.00015804
PubTrans	0.00294567	0.00294567	0.00208157	0.00278741	0.00298709	0.00026975	0.00026975
SewDrain	0.00028411	0.00028411	0.00020077	0.00026885	0.00028811	0.00002602	0.00002602
Street Lighting	0.00072484	0.00072484	0.00051221	0.00068590	0.00073503	0.00006638	0.00006638
Total Full Service 2026	0.05710041	0.05710041	0.03924166	0.05450544	0.05777958	0.00480562	0.00480562

# Standing Committee Report

**REPORT NUMBER** 123-2026-Corporate Services-Internal Audit

**DATE**

**PREPARED** March 13, 2026

**FILE**

**STANDING**

**COMMITTEE** April 14, 2026

**MEETING DATE**

**SUBJECT** Internal Audit Charter and 2026 Internal Audit Work Plan

**PURPOSE** The purpose of this report is to present the Internal Audit Charter and the 2026 Internal Audit Work Plan to Standing Committee – Finance and Administration for feedback and support in its role as the City of Thunder Bay’s “Audit Committee”.

WITH RESPECT to Report 123-2026-Corporate Services-Internal Audit we recommend that the Finance and Administration Standing Committee support the updated Internal Audit Charter as presented;

AND THAT the Standing Committee support the 2026 Internal Audit Work Plan as presented;

AND THAT Administration conducts the audits in accordance with the 2026 Internal Audit Work Plan and presents the results to the Finance and Administration Standing Committee upon completion of each audit as appropriate.

## **EXECUTIVE SUMMARY**

Internal Audit provides independent assurance that City programs, finances, and operations are functioning as intended.

The Internal Audit Division has updated the Internal Audit Charter to reflect current public sector internal auditing standards, the City’s organizational structure, and expectations for independence, accountability, and reporting. The Charter defines the mandate, authority, and responsibilities of the Internal Audit function.

The 2026 Internal Audit Work Plan was developed through a formal risk assessment process that evaluated potential audit areas using criteria such as financial materiality, inherent risk, operational complexity, potential for savings or revenue improvement, and time since last review. The plan prioritizes high-risk and strategically significant areas that support effective governance, accountability, and continuous improvement.

Together, the Charter and Work Plan form the foundational governance framework for internal auditing at the City and provide Council and Administration with clear expectations for audit delivery in 2026. These documents collectively ensure the City's internal audit function remains independent, transparent, and aligned with municipal best practices.

This report also supports the Standing Committee's oversight role by ensuring that the Internal Audit Charter and annual Work Plan are formally reviewed with feedback and support provided each year.

### **KEY CONSIDERATIONS**

The Internal Audit Charter and 2026 Work Plan establish the core governance and accountability framework for the Internal Audit Division.

#### **Internal Audit Charter**

The Internal Audit Charter (the Charter) confirms Internal Audit's authority, independence, and unrestricted access to information, while aligning with the Institute of Internal Auditors (IIA) Standards. It clarifies Internal Audit's mandate to provide independent assurance, advisory services, investigations, and follow-up work.

#### Key Changes to the Internal Audit Charter

The Internal Audit Charter was comprehensively updated for 2026 to align with current International Standards for the Professional Practice of Internal Auditing, and the City's revised governance structure. Key changes include:

- Complete reorganization of the Charter into a more comprehensive governance framework.
- Expanded Purpose and Scope of Work sections that clarify Internal Audit's role in supporting governance, risk management, and internal control across the Corporation.
- Expansion of Internal Audit authority, including access rights to systems, data, personnel, and physical locations, and the ability to request explanations from staff and contractors.
- Clear articulation of prohibited activities to ensure independence and avoid management responsibility.
- Strengthened independence framework, including updated functional reporting to Council and administrative reporting to Corporate Services, with unrestricted access to senior leadership.
- Detailed Responsibilities section, including risk-based planning, execution of audits, reporting, follow-up, and escalation of unresolved issues.
- New Advisory and Consulting Services section, defining acceptable non-assurance engagements that do not impair independence.

- New External Auditor Coordination and Collaboration section, outlining expectations for collaboration and information sharing.
- New Investigations section, clearly defining Internal Audit's role in fraud investigations.
- New Organizational Structure section, clarifying roles of the Manager of Internal Audit, Internal Audit Analyst, and the use of contracted professionals.
- Updated Approval and Review requirements, ensuring annual review and Council approval of the Charter.
- Removal of outdated elements from 2025, including references to the Audit Committee governance scorecard and the three-year work-planning model.

### **2026 Work Plan**

The 2026 Work Plan was developed using a structured, risk-based methodology that considered financial materiality, inherent risk, operational complexity, value-added potential, and the time since last audit. The plan includes a balanced mix of mandatory audits, high-risk operational reviews, continuous auditing activities, and follow-up on prior recommendations. Audit priorities focus on areas such as credit card compliance, Payment Card Industry Data Security Standard (PCI DSS) requirements, inventory management, cash handling, fuel controls, vendor payment monitoring, revenue assurance, and vending machine and ATM operations. These projects support effective governance, financial stewardship, and strong internal controls across the organization.

#### Mandatory / Legislated Audits:

##### **Credit Card Compliance Audit**

This annual audit reviews adherence to the Corporate Credit Card Policy, ensuring cards are used appropriately, transactions are supported, and controls prevent misuse. It also identifies opportunities to strengthen corporate oversight and efficiency.

##### **Eye on the Street Program Audit**

Conducted as required under the Code of Practice for CCTV operation. The audit verifies that footage is properly managed, stored, accessed, and deleted, and that the program complies with MFIPPA and human rights requirements.

##### **PCI DSS – Point-of-Sale Device Audit**

Required under PCI DSS Requirement 9.9. Internal Audit confirms that merchant locations inspect payment terminals daily/weekly, maintain tamper-prevention controls, and safeguard cardholder data in accordance with PCI DSS 4.0.1.

Risk-Based Audits:

**Vending Machine & ATM Operations Audit**

Assesses whether vending machines and ATM operations are appropriately governed and financially accounted for. The audit addresses revenue leakage, contract oversight, and operational risks across multiple decentralized locations.

**Fuel Management Audit**

Evaluates controls over fuel sites and fuel cards to ensure fuel is safeguarded, accurately tracked, and used in compliance with City policies. The audit focuses on preventing misuse, improving reconciliation processes, and strengthening oversight.

**Beverage Management Audit – Golf Courses & Fort William Gardens**

Reviews alcohol inventory, sales controls, Smart Serve compliance, and adherence to provincial regulations. The audit aims to reduce theft risk, ensure accurate reporting, and support responsible alcohol service.

**Property Lease Revenue Audit**

Examines the accuracy of lease billing, indexing, and contract tracking. This audit ensures revenues are complete, timely, and aligned with contractual terms, while identifying potential missed or outdated charges.

**Cash Handling Audit – Phase 1**

Targets high-volume or high-risk cash locations. The audit evaluates segregation of duties, cash counting/deposit practices, safeguarding measures, and compliance with corporate cash handling policies.

Continuous Auditing:

**Duplicate Vendor Payments Review**

A year-round automated review to detect duplicate or erroneous vendor payments, recover funds, and identify control weaknesses contributing to preventable errors.

**Follow-Up on Past Recommendations**

Evaluates the implementation status of outstanding recommendations from previous audits, confirms completed actions, and identifies repeat or systemic issues requiring management attention.

Contingency & Emerging Risks:

A portion of the annual work plan is reserved to address unplanned investigations, management or Council requests, emergent risks, or issues requiring immediate assurance.

Together, the Internal Audit Charter and 2026 Work Plan create a balanced mix of mandatory, risk-based, and continuous auditing activities, while reserving capacity to respond to emerging risks and investigations. This approach ensures Internal Audit remains responsive and focused on the area's most critical to safeguarding municipal assets, supporting financial stewardship, and enhancing operational effectiveness.

### ***FINANCIAL IMPLICATION***

There are no direct financial impacts arising from approval of the Internal Audit Charter or the 2026 Work Plan. Indirect financial impacts may arise through audit recommendations that identify operational efficiencies, cost avoidance, revenue improvements, or strengthened internal controls.

### ***BACKGROUND***

Under the previous governance structure, the Audit Committee was responsible for reviewing and approving both the Internal Audit Charter and the annual Internal Audit Work Plan. With the transition of oversight responsibilities to the Standing Committee, the review, endorsement, and monitoring of the Charter and Work Plan now formally rest with the Finance and Administration Standing Committee. This transition aligns the City's governance model with municipal best practices and strengthens Council's oversight of the Internal Audit function, ensuring continued independence, accountability, and compliance with professional standards.

### ***REFERENCE MATERIAL ATTACHED***

Attachment A - Internal Audit Charter

Attachment B - 2026 Internal Audit Work Plan

### ***REPORT PREPARED BY***

John Tyson, Manager - Internal Audit Division – Corporate Services Department

### ***REPORT SIGNED AND VERIFIED BY***

Keri Greaves, CPA, Commissioner – Corporate Services & City Treasurer

04/01/2026 (MM/DD/YEAR)

## PURPOSE

The purpose of the Internal Audit Division is to provide independent, objective assurance and consulting services designed to add value and improve the City of Thunder Bay's operations.

Internal Audit supports the City in achieving its objectives by applying a systematic and disciplined approach to evaluate and enhance the effectiveness of risk management, internal control, and governance processes.

## AUTHORITY

The Internal Audit Division is authorized by City Council to have full, unrestricted, and timely access to all records, documents, systems, physical assets, and personnel of the Corporation of the City of Thunder Bay that are relevant to the performance of audit work. This authority extends to all City departments, divisions, programs, and operations.

Internal Audit is authorized to:

1. Obtain information from any employee, contractor, consultant, or third party acting on behalf of the City, to the extent permitted by law and contractual agreements.
2. Access all electronic systems, data, and technology resources necessary to conduct audit work, including read-only access to applications, databases, and financial systems.
3. Enter City facilities, worksites, and operational locations to observe processes, verify assets, and gather evidence.
4. Request and receive explanations from management and staff regarding the design and effectiveness of controls, risk management practices, and governance processes.
5. Determine audit scopes, select audit techniques, allocate audit resources, and issue audit reports without interference from management or other parties.
6. When required under the Municipal Act, 2001, Internal Audit may meet in closed session with City Council to discuss sensitive audit matters.

Internal Audit is **not authorized to:**

- Direct the activities of City employees not assigned to Internal Audit.
- Implement internal controls, policies, or procedures.
- Assume management's responsibilities.
- Engage in any operational decision-making.

Management and employees across the Corporation are required to fully cooperate with Internal Audit and ensure that all information requested is complete, accurate, and provided in a timely manner.

## **INDEPENDENCE AND OBJECTIVITY**

The Internal Audit Division shall remain free from interference in determining the scope of internal audit work, performing audit procedures, and communicating results. To ensure organizational independence, the Internal Audit Division reports:

- Functionally to the Finance and Administration Standing Committee for the approval of the audit plan and oversight of audit activity, and to City Council for the approval of the Internal Audit Charter and receipt of audit reports for information.
- Administratively to the Commissioner of Corporate Services Department for HR processes, budgeting, and allocation of office resources.

Internal Audit will have unrestricted access to the City Manager, Commissioners, and Members of City Council as required to fulfill its responsibilities.

Internal auditors must maintain objectivity in performing their duties. They shall not engage in any activities or decision-making roles that could impair, or reasonably be perceived to impair, their unbiased judgment. Internal auditors are prohibited from:

- Designing, installing, or operating internal controls;
- Developing or implementing policies, procedures, or systems they may later audit;
- Assuming operational responsibilities or participating in management decision-making;
- Auditing functions for which they had operational responsibility within the previous twelve (12) months.

The Manager of Internal Audit shall disclose to the Finance and Administration Standing Committee and City Council any situation that may compromise, or appear to compromise, the independence or objectivity of the Internal Audit Division.

## **PROFESSIONAL STANDARDS**

Internal Audit will be guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA).

## **SCOPE OF WORK**

The scope of work of the Internal Audit Division encompasses the independent examination and evaluation of the adequacy and effectiveness of the City's governance, risk management, and internal control processes across all City operations.

Internal Audit's work is intended to determine whether:

- Risks are appropriately identified, assessed, and managed across the organization.
- Key controls designed to mitigate risks are effective, efficient, and operating as intended.
- Financial, managerial, and operational information is accurate, reliable, complete, and timely.

- Activities comply with applicable federal and provincial legislation, municipal by-laws, City Council directives, and City policies and procedures.
- Resources and assets are acquired economically, used efficiently, safeguarded from loss, and properly accounted for.
- Programs, plans, and objectives are clearly defined, properly communicated, and achieved as intended.
- Significant legislative, regulatory, and emerging issues that may impact the City are identified and addressed appropriately by management.
- Practices support quality, continuous improvement, and good governance across the organization.

Internal Audit may also conduct special reviews, investigations, advisory engagements, and follow-up activities in response to requests from City Council, the Finance and Administration Standing Committee or senior leadership, provided such work does not impair Internal Audit's independence or objectivity and remains consistent with the approved Internal Audit Work Plan.

## **RESPONSIBILITIES**

Internal Audit is responsible for providing independent and objective assurance and consulting services to support City Council, senior management, and staff in achieving the City's objectives. Internal Audit is responsible for:

### **Audit Planning**

- Developing a risk-based annual Internal Audit Work Plan for approval by the Finance and Administration Standing Committee, and presentation to City Council for information.
- Updating the Internal Audit Work Plan as required based on emerging risks, new priorities, or requests from City Council, the Finance and Administration Standing Committee, or senior management, while maintaining Internal Audit independence.

### **Execution of Audit Work**

- Conducting performance, operational, compliance, financial, and other audits as appropriate.
- Implementing the approved Internal Audit Work Plan and undertaking special reviews or advisory engagements when appropriate and consistent with Internal Audit's mandate.
- Determining the adequacy and effectiveness of internal accounting, financial, operational, and administrative controls.
- Reviewing systems and activities for compliance with applicable legislation, regulations, municipal by-laws, City Council directives, and City policies and procedures.
- Reviewing the means of safeguarding assets and, where appropriate, verifying the existence of such assets.

## **Reporting and Follow-Up**

- Reporting audit findings, recommendations, and agreed-upon action plans to senior management and the Finance and Administration Standing Committee, and to City Council for information.
- Evaluating management's corrective actions and performing follow-up reviews to assess whether agreed-upon actions have been implemented.
- Escalating significant unresolved issues or unsatisfactory corrective actions to senior leadership, the Finance and Administration Standing Committee, and City Council when appropriate.

## **Advisory and Consulting Services**

Internal Audit may provide consulting or advisory services that do not impair independence or objectivity, including:

- Providing independent and objective advice relating to internal control, risk management, operational efficiency, and fraud prevention.
- Providing independent advice on management's evaluations of new or changing programs, services, processes, systems, or organizational structures.
- Conducting special projects, reviews, investigations, or research at the request of the Finance and Administration Standing Committee, City Council, or senior management and subject to resource availability and the approval of the Standing Committee.
- Providing education or training on audit-related topics such as risk assessment and internal controls.

## **Coordination and Collaboration**

- Coordinating with the City's external auditors to minimize duplication and support effective audit coverage.
- Sharing internal audit results and participating in external audit planning and risk assessment, where appropriate.
- Consulting regularly with senior management regarding audit findings to ensure awareness of significant issues.

## **Investigations**

- Supporting or assisting in the investigation of suspected fraudulent activities within the City.
- Reporting investigation results to senior management, the Finance and Administration Standing Committee, and City Council as appropriate.

## **Management Responsibilities**

Management is responsible for designing, implementing, maintaining, and monitoring effective internal controls, risk management practices, and governance processes. Internal Audit does not assume any management responsibilities in the course of its work.

## **REPORTING AND COMMUNICATION**

Internal Audit communicates the results of its work in a clear, transparent, and timely manner.

Internal Audit will:

- Present the annual audit plan to the Finance and Administration Standing Committee for approval and subsequently provide the plan to City Council for information.
- Provide final audit reports and follow-up results for senior management and the Finance and Administration Standing Committee, with copies provided to City Council for information.
- Outline findings, recommendations, and management responses in all formal reports to ensure a complete, transparent, and balanced perspective.

## **ORGANIZATIONAL STRUCTURE**

The Internal Audit Division consists of:

### **Manager of Internal Audit**

The Manager of Internal Audit is responsible for the overall leadership, administration, and delivery of the City's internal audit program. This includes developing and executing the annual audit plan, overseeing audit engagements, ensuring adherence to professional standards, and reporting audit results to the Finance and Administration Standing Committee, while reporting administratively to the Commissioner of Corporate Services.

The Manager provides strategic direction, safeguards the independence and integrity of the Internal Audit function, and serves as the primary liaison with senior management, external auditors, and oversight bodies.

### **Internal Audit Analyst**

The Internal Audit Analyst supports the planning, execution, and reporting of audit engagements. This role conducts audit fieldwork, performs analysis, evaluates internal controls, and assists in preparing audit findings and recommendations.

The Analyst works under the direction of the Manager of Internal Audit and contributes to performance, compliance, operational, financial, and special audits. When specialized skills are

required or workload demands increase, qualified contracted professionals may be engaged to supplement the Internal Audit Division to ensure effective coverage.

### **APPROVAL AND REVIEW OF THE CHARTER**

The Internal Audit Charter is a foundational governance document establishing the mandate and authority of the division. This Charter shall be:

- Reviewed annually by the Manager of Internal Audit.
- Endorsed for recommendation by the Finance and Administration Standing Committee.
- Formally approved by City Council

**OVERVIEW**

The Internal Audit Division has developed the 2026 Work Plan using a structured risk-based methodology consistent with the Internal Audit Charter and the Institute of Internal Auditors (IIA) Standards. The plan reflects a balanced combination of:

- **Mandatory audits** required under corporate policy or program governance structures
- **Risk-based audits** targeting areas of financial, operational, and compliance risk
- **Continuous auditing activities** to deliver timely assurance and oversight
- **Follow-up reviews** to verify implementation of past audit recommendations
- **Corporate initiatives**, where Internal Audit provides subject-matter expertise while maintaining independence

The 2026 plan focuses on high-risk areas including credit card compliance, PCI DSS requirements, cash handling, inventory management, vendor payments, and revenue assurance. Mandatory responsibilities relating to the Eye on the Street Program and Credit Card Policy continue to be included.

**CRITERIA**

A formal risk assessment process was applied to determine the 2026 audit priorities. This framework evaluates potential audits using the following criteria:

1. **Financial Materiality** – magnitude of financial activity or asset value
2. **Inherent Risk** – susceptibility to error, fraud, or control breakdowns
3. **Savings or Value-Added Potential** – opportunities to reduce cost, increase revenue, or improve efficiency
4. **Complexity of Activity** – degree of process sophistication, volume, and system dependency
5. **Time Since Last Audit** – length of time that has elapsed since last examination. This methodology ensures that audit resources are focused on areas presenting the highest risk to the corporation.

**INTERNAL AUDITS 2026 – MANDATORY/LEGISLATED AUDITS**

The following internal audit projects are submitted to the Standing Committee for endorsement:

**1. Credit Card Compliance Audit**

**Estimated Schedule:** Q1-Q3

Under the Corporate Credit Card Policy, Internal Audit conducts annual audits to assess:

- Compliance with policy and procedures
- Adequacy of internal controls
- Appropriate use, authorization, and monitoring
- Opportunities to strengthen governance and efficiency

An annual report will be presented to the Standing Committee.

### 2. Eye on the Street Program Audit

**Schedule:** Q1, Q2, Q3, Q4

As required by the *Code of Practice for the Operation of a Closed-Circuit Television System for Downtown Surveillance*, Internal Audit performs an independent quarterly audit to ensure:

- Compliance with program policies and the Code of Practice
- Proper recording, storage, access, and deletion of footage
- Adequate security over surveillance systems

The audit constitutes a record under MFIPPA and is retained by the City for the period prescribed in the Records Retention By-law.

#### **Additional Audit Requirements (per Code of Practice)**

- Quarterly audits are performed by Internal Audit, with results provided to the Manager for inclusion in the annual report.
- All audit reports constitute records under MFIPPA and must be retained in accordance with the City's Records Retention By-law.
- Audit procedures are outlined in **Appendix E** of the Code of Practice.
- No individual may be present in the Command Centre while camera images are displayed unless accompanied by a Service Provider representative.
- The Audit Team reviews a random sample of recorded footage to confirm compliance with the Code of Practice, the Human Rights Code, and MFIPPA.
- The Audit Team provides the Service Provider with selected times and locations within the applicable 14-day recording period for review.
- The Service Provider arranges access for the Audit Team to view the requested footage within the Command Centre.
- If needed, the Service Provider may copy footage for the Audit Team, with all access logged in the Camera Monitoring Logs.
- Recorded information cannot leave the Command Centre except through a formal TBPS law enforcement request or a valid MFIPPA access request.

An annual report will be provided to the Standing Committee.

### 3. Payment Card Industry Data Security Standards (PCI DSS) Point of Sale Device Audit

**Estimated Schedule:** Q1, Q2, Q3, Q4

The Payment Card Industry Data Security Standard is an information security standard for organizations that handle branded credit cards from the major card schemes. The PCI Standard is mandated by the card brands but administered by the Payment Card Industry Security Standards Council. An organization accepting credit card payments must ensure that any credit card data stored, processed, or transmitted with a City Merchant ID must be protected and security controls must conform to the Payment Card Industry Data Security Standard (PCI DSS). The purpose of PCI DSS is to protect Payment Card Information and prevent loss or disclosure of such information.

Under PCI DSS Requirement 9.9, Internal Audit performs quarterly audits of merchant Point-of-Sale (POS) device inspection logs to confirm:

- Daily merchant inspections are occurring
- Weekly checklists are completed, reviewed, and retained
- Devices are safeguarded against tampering or substitution
- Internal controls align with PCI DSS v4.0.1 requirements

Non-compliance will be escalated through the PCI governance structure.

### INTERNAL AUDITS 2026 – RISK-BASED AUDITS

Risk-based audits are selected using the corporate risk assessment methodology and focus on areas with high financial, operational, or compliance risk. These audits provide assurance on significant controls and processes that safeguard City resources.

### 4. Vending Machine and ATM Operations Audit

**Estimated Schedule:** Q2, Q3

The City has a decentralized inventory of vending machines and ATM units located across arenas, recreation centres, administrative buildings, transit terminals, and public facing facilities. Many machines have varying ownership models, commission structures, contract terms, and unclear operational oversight. This presents financial, operational, and compliance risks.

**Audit Objective:**

To determine whether vending and ATM operations are properly governed, financially accounted for, and managed in accordance with City policies, contractual requirements, and best practice.

**Risk Statement:** Financial loss, revenue leakage, utility cost absorption, contract management gaps, non compliance with procurement and asset management policies, and reputational risk.

A report will be presented to the Standing Committee.

## 5. Fuel Audit

**Estimated Schedule:** Q1- Q2

Fuel management is coordinated by the Fleet Services Division, Community Services Department. Its purpose is to ensure that fuel is properly safeguarded, accurately tracked, and used in accordance with City policies, supporting operational efficiency and financial accountability. The City of Thunder Bay operates multiple fuel sites and manages fuel cards for fleet vehicles, representing a high-cost operational resource.

**Risk Statement:**

There is a risk that fuel may be misused, inaccurately tracked, or inadequately controlled, leading to financial loss, operational inefficiencies, or non-compliance with City policies.

**Audit Objective:**

The City's fuel management program will be evaluated to:

- Assess the adequacy and effectiveness of fuel card controls and site access
- Review transaction logs and reconciliation processes for completeness and accuracy
- Identify potential inefficiencies, unauthorized use, or control gaps
- Provide recommendations to strengthen oversight and safeguard a high-cost operational resource

A report will be presented to the Standing Committee.

## 6. Beverage Management Audit

**Estimated Schedule:** Q1-Q2

Internal Audit will examine the management, control, and compliance of alcohol sales at municipally operated golf courses and Fort William Gardens concessions stands. The audit will ensure that alcohol is properly tracked, sold responsibly, and managed in accordance with municipal, and provincial regulations.

The audit will focus on:

- Inventory reconciliation and security
- Sales accuracy and cash control processes
- Prevention of theft, loss, or unauthorized use

- Staff training, including Smart Serve certification
- Compliance with provincial regulations and municipal alcohol policies
- Evaluating the effectiveness of alcohol service procedures, including pricing strategies, and customer service
- Risk mitigation related to intoxication or service issues

**Risk Statement:** Reputational, Legal/Regulatory Risk

A report will be presented to the Standing Committee.

### **7. Continuous Auditing - Duplicate Vendor Payments**

**Estimated Schedule:** Q1-Q4

This continuous audit will focus on detecting duplicate or erroneous vendor payments.

Objectives include:

- Identifying duplicate invoices or payment errors
- Supporting recovery of funds where applicable
- Assessing root causes and control weaknesses
- Recommending enhancements to automated and manual controls

A report will be presented to the Standing Committee.

### **8. Property Lease Revenue Audit**

**Estimated Schedule:** Q3-Q4

With annual lease billings exceeding \$4 million, this audit will evaluate:

- Accuracy and completeness of lease billing
- Controls over tracking, indexing, and updating lease agreements
- Timeliness of invoicing and collections
- Alignment of contract terms with billed rates
- Potential additional revenue opportunities

**Risk Statement:** Missed indexation, late billing, outdated lease terms

A report will be presented to the Standing Committee.

### **9. Cash Handling Audit – Phase 1**

**Estimated Schedule:** Q4

**Risk Statement:**

Fraud and Financial Control risk.

Cash handling represents significant financial and reputational risk. Phase 1 audit will prioritize high-volume or high-risk locations. This audit will evaluate:

- Segregation of duties
- Receiving, processing, and deposit procedures
- Safeguarding of cash and equivalents
- Oversight and supervisory controls
- Compliance with cash handling policies

A report will be presented to the Standing Committee.

## **10. Continuous Auditing - Follow up on Past Recommendations**

**Estimated Schedule:** Q4

Since 2012, Internal Audit has issued 247 recommendations across 49 reports, with an implementation rate of 85%. This review will:

- Assess the status of all outstanding recommendations
- Verify implementation for those reported as completed
- Identify repeat issues or systemic control concerns

A report will be presented to the Standing Committee

## **CORPORATE INITIATIVES**

In addition to internal audit function, the Internal Audit Division is the lead for the following corporate initiatives:

### **1. BMA Municipal Study**

**Schedule:** Q3-Q4

The City of Thunder Bay participates in a municipal comparative study conducted by BMA Management Consulting Inc. In 2025, 128 cities including Thunder Bay took part in a study done by BMA Management Consulting Inc. that compared financial information, user fees, tax policies and rates, sewer and water services, and taxes as a percentage of income.

Internal Audit coordinates the City's participation in the annual BMA Municipal Comparative Study. Responsibilities include:

- Ensuring timely and accurate data submissions

## City of Thunder Bay – Internal Audit 2026 Work Plan

---

- Supporting departmental data validation
- Facilitating management review of comparative indicators

### **2. Payment Card Industry Data Security Standards (PCI DSS) compliance initiative (All Year)**

**Schedule:** Ongoing All Year

Internal Audit will support the City's PCI DSS compliance program with Finance and Corporate Information & Technology (CIT) by monitoring remediation progress, advising departments on control requirements, and validating that applicable PCI DSS standards are followed. In 2026, Internal Audit will continue its transition from an operational role to an independent audit-only role to preserve objectivity for future PCI compliance audits.

### **CONTINGENCY & EMERGING RISKS**

A portion of Internal Audit hours will be reserved to address:

- Unexpected investigations
- Emerging risks (cyber, procurement changes, etc.)
- Management or Council requests
- Special investigations or advisory engagements
- Unanticipated operational or financial issues

Audit timelines may be adjusted during the year in response to operational needs or emerging risks, with any changes reported to the Standing Committee.

This flexibility ensures Internal Audit can respond effectively to new or changing risks during the year.

### **SUMMARY & CONCLUSION**

The 2026 Internal Audit Work Plan provides a balanced mix of mandatory, risk-based, and continuous auditing activities aligned with the City's highest-risk areas. The plan focuses on financial stewardship, operational efficiency, safeguarding of municipal assets, compliance with legislative and policy requirements, and strengthening internal controls across departments. It supports transparent reporting to Council, reinforces accountability, and helps ensure that City services are delivered efficiently, responsibly, and in accordance with best practices in municipal governance and the Institute of Internal Auditors (IIA) Standards. The planned audits are achievable within the current Internal Audit staffing and resource levels.

**2026 Audit Schedule Overview**

Audit Project	Q1	Q2	Q3	Q4
Credit Card Compliance Audit	●	●	●	–
Eye on the Street Program Audit	●	●	●	●
PCI DSS POS Device Audit	●	●	●	●
Vending Machine Audit	–	●	●	–
Fuel Audit	●	●	–	–
Beverage Management Audit	●	●	–	–
Duplicate Vendor Payments (Continuous Auditing)	●	●	●	●
Property Lease Revenue Audit	–	–	●	●
Cash Handling Audit – Phase 1	–	–	–	●
Follow-Up on Past Recommendations	–	–	–	●
BMA Municipal Study	–	●	–	●
PCI DSS Compliance Initiative (Corporate)	●	●	●	●

**Legend:**

● = Planned audit activity

# Standing Committee Report

**REPORT NUMBER** 156-2026-Corporate Services-Finance

**DATE**

**PREPARED**

March 27, 2026

**FILE**

**STANDING**

**COMMITTEE**

April 14, 2026

**MEETING DATE**

**SUBJECT**

Thunder Bay Community Auditorium Capital Reserve Fund Request

## **PURPOSE**

WITH RESPECT to Report 156-2026-Corporate Services-Finance, we request endorsement of the Finance and Administration Standing Committee to forward the following recommendations to City Council:

WE RECOMMEND THAT \$36,000 be provided to the Thunder Bay Community Auditorium Inc. for eligible capital repair costs, to be funded from the Thunder Bay Community Auditorium Capital Reserve Fund;

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

## **EXECUTIVE SUMMARY**

The purpose of this Report is to seek endorsement of the request from the Thunder Bay Community Auditorium Inc. (the “Tenant”) to be reimbursed from the Thunder Bay Community Auditorium Capital Reserve Fund, to pay for capital repairs that have been identified as essential within the facility and detailed in this report. This reserve fund was established in 2023 to support the long-term sustainability of the TBCA facility.

## **KEY CONSIDERATIONS**

The Thunder Bay Community Auditorium (TBCA) is a City-owned facility that is operated by the Thunder Bay Community Auditorium Inc. (the “Tenant”) under a lease agreement between the City (the “Landlord”) and the Tenant. As per the terms of the lease, the Tenant is responsible to maintain the facility.

In 2022, City Council approved the establishment of the Thunder Bay Community Auditorium Capital Reserve Fund to support the longevity of the facility and financial sustainability of operations. An initial contribution of \$100,000 was included in the City’s 2023 Operating Budget with further annual contributions of \$150,000 to be included in

the Operating Budgets from 2024 to 2027 until the commencement of Capital Reserve Rent payments by the Tenant.

Withdrawals from the Thunder Bay Community Auditorium Capital Reserve Fund are for TBCA facility capital expenditures, restricted in accordance with the TBCA lease agreement. The Tenant is formally requesting \$36,000 to address urgent health and safety needs, including upgrades to the fire sprinkler system and backflow prevention devices to ensure continued compliance and safe operation of the facility.

The capital improvements are essential in nature and driven by health and safety risk mitigation considerations.

**Summary of Capital Improvements:**

1. <b>Fire Sprinkler System</b>	
• Replacement and installation	\$ 13,000
2. <b>Back Flow Valve</b>	
• Replace original units nearing end of life	<u>\$ 23,000</u>
<b>Total</b>	<b>\$ 36,000</b>

The Tenant is also developing a multi-year renovation plan to preserve the facility, reduce operating costs and enhance the audience’s experience. A Request for Proposal for engineering and architectural services is underway, with a vendor expected to be selected by the end of April and the final report to the Tenant by the end of June. This planning will support grant applications and long-term facility preservation.

Administration has reviewed the requested expenses and has determined that they meet the criteria for eligible use of the Thunder Bay Community Auditorium Capital Reserve Fund as a funding source.

***FINANCIAL IMPLICATION***

The Thunder Bay Community Auditorium Capital Reserve Fund was created to support capital improvements in the facility. The estimated uncommitted balance in this reserve fund is currently approximately \$350,000 and is sufficient to cover the requested \$36,000.

***BACKGROUND***

The Thunder Bay Community Auditorium is a City-owned facility that is operated under a lease agreement between the City and the Tenant.

In January 2026 (Report 016-2026-Corporate Services-Finance) City Council approved the request from the Tenant to provide \$93,000 from the TBCA Reserve Fund towards an engineering assessment required to proceed with larger capital project planning with the goal of leveraging external funding opportunities.

In November 2025 (Report 335-2025-Corporate Services-Finance) City Council approved the request from the Tenant to provide \$119,627 from the TBCA Reserve Fund toward eligible capital costs.

In December 2022 (Report 221-2022-Corporate Services & Long-Term Care) City Council established the Thunder Bay Community Auditorium Capital Reserve Fund, to be used for the exclusive purpose of capital improvements, renovations, repairs, and maintenance of the Facility operated by the Tenant. Based on the direction within this report, Administration included an initial contribution of \$100,000 to the TBCA Capital Reserve Fund in the 2023 Budget funded by the Capital General Reserve Fund. Subsequent annual contributions of \$150,000 in each of 2024, 2025 and 2026 were funded by the tax levy, approved through the respective annual budget processes. A \$150,000 contribution for 2027 will be presented for Council consideration through the regular annual budget process.

The Tenant continues to be a recipient of annual Sustaining Funding through the Community, Youth & Cultural Funding Program.

***REFERENCE MATERIAL ATTACHED***

None.

***REPORT PREPARED BY***

Andrea Morrison CPA, CA, Director Finance, Corporate Services

***REPORT SIGNED AND VERIFIED BY***

Keri Greaves, CPA, Commissioner – Corporate Services & City Treasurer

04/01/2026 (MM/DD/YEAR)

# Standing Committee Report

**REPORT NUMBER** 159-2026-Infrastructure & Operations-Parks & Open Spaces

**DATE**

**PREPARED**

March 27, 2026

**FILE**

**STANDING**

**COMMITTEE**

April 14, 2026

**MEETING DATE**

**SUBJECT**

Marina Fuel Storage & Dispensing System Replacement - NOHFC Funding Application

## **PURPOSE**

WITH RESPECT to Report 159-2026-Infrastructure & Operations-Parks & Open Spaces, we request endorsement of the Finance and Administration Standing Committee to forward the following recommendations to City Council:

WE RECOMMEND THAT support for an application to the Northern Ontario Heritage Fund Corporation (NOHFC) Enhance Your Community Funding Stream be approved for the Prince Arthur's Landing Marina Fuel Storage & Dispensing System Replacement project;

AND THAT the Commissioner of Infrastructure and Operations be the authorized signing authority for the application;

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

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

## **EXECUTIVE SUMMARY**

Administration is requesting a resolution of support from City Council for a funding application that has been submitted to the Northern Ontario Heritage Fund Corporations (NOHFC) Community Enhancement Program – Enhance Your Community Funding Stream.

This funding will support the replacement of the Marina Boater Services fuel storage and dispensing system which was previously tendered in 2025, received a single bid

that was significantly higher than the allocated budget and therefore the project could not be awarded.

The project is being re-designed and re-tendered in 2026, and Administration has identified and applied to multiple external funding opportunities, including the NOHFC Community Enhancement Program that would offset potential increased project costs.

### ***KEY CONSIDERATIONS***

City Council approved a project in the 2022 Rate-Supported Capital Budget for the Marina Fuel Storage and Dispensing System Replacement in the amount of \$300,000. In 2025 as part of the Marina Boater Services Financial Plan Report 086-2025-Infrastructure & Operations-Parks & Open Spaces, the project budget was increased to \$1,000,000.

Administration tendered the marina fuel storage and pumping system renewal twice in 2025. One in July, which received no bid submissions, and then again in September which received one bid in the amount of \$2,303,900 (excluding HST). The bid received was 130% higher than the \$1,000,000 available funds which were based on the estimated project cost. Due to the increased project cost the project could not be awarded.

Administration is currently working on a re-design of the fuel system project that will have the storage tanks installed above ground vs below ground. This may have a positive impact on the number of bids received and result in a more competitive tender process.

In January of 2026 Administration identified and applied to multiple external funding opportunities for which the fuel system replacement project would be eligible. The NOHFC application has moved to stage 2 which requires a resolution of Council in support of the application which confirms City funding contributions along with a commitment to cover any cost overruns should they occur.

If successful, these grants will offset increased project costs and reduce the financial impacts of this project on the Marina Boaters Services Financial Plan which was approved by Council in 2025. The approved Financial Plan included \$1,000,000 for this project.

Administration will await the results of all funding applications prior to proceeding to tender with the revised design to ensure all required funding is in place. Should the funding applications not be successful and the new bid price exceed available approved funds Administration will return to Council with options.

**CONSULTATION**

The Marina Advisory Committee (MAC) has been informed of the increased estimated project costs of the fuel system project and are in support of the application for external funding to NOHFC.

**FINANCIAL IMPLICATION**

City Council has approved a total budget of \$1.0 million for the Marina Fuel Storage and Dispensing System Replacement. There are no direct financial implications. The work included in this contract, including debt servicing cost, will be fully funded by the Marina Boater Service rate-based program and external funding contributions.

**BACKGROUND**

Administration brought forward Report 086-2025-Infrastructure & Operations-Parks & Open Spaces - Marina Boater Services Financial Plan to Council which included recommendations to secure required debenture funding to proceed with the marina fuel system renewal in 2025.

**REFERENCE MATERIAL ATTACHED**

None.

**REPORT PREPARED BY**

Cory Halvorsen, Manager – Parks & Open Spaces

**REPORT SIGNED AND VERIFIED BY**

Kayla Dixon, Commissioner – Infrastructure & Operations

04/09/2026 (MM/DD/YEAR)