

Minutes

Budget and Finance Committee

May 13, 2025

Call to Order

The Budget and Finance Committee met at the County Administration Building on the above date. The Vice Chair, Councillor Eccles, called the meeting to order at 2:03 p.m. with all members present with the exception of Warden Matrosov, Councillor Carleton and Councillor Milne.

Councillors Dickert, Greig, Keaveney, Mackey, Nielsen and Eccles were present.

Staff: Randy Scherzer, CAO; Pat Hoy, Director of Transportation; Trevor Ireton, Engineering Manager; Shaun Anthony, Operations Manager; Sean Potter, Supervisor - Capital Assets; Sharon Melville, Administration Manager; Mary Lou Spicer, Director of Finance, Sue Murray, Deputy Treasurer; Garrett Reed, Manager of Accounting; Matt Hooghiem, Financial Analyst; Robert Hatten, Communications Manager; Tara Warder, Clerk; and Brittany Rier, Deputy Clerk

Declaration of Interest

There were no declarations of interest.

Items For Direction or Discussion

Transportation Services 10 Year Capital Review - Operations and Engineering

Director of Transportation, Pat Hoy, gave a brief introduction on the Transportation Services 10 Year Capital Plan and what it entails. He shared that it is a strategic financial document that outlines the County's short and long term investments in roads, bridges, storm sewers, facilities and equipment. The plan serves as a road map for sustainable development and maintenance of public assets. He explained that the plan shares how capital expenditures are determined and prioritized.

Shaun Anthony, Operations Manager, presented an overview on capital purchasing for the operations division within the transportation department, and noted the list of machinery, fleet, facilities, depots, domes and staff Grey County has within their scope.

He gave an explanation on the weighted point system the County uses to determine the lifecycle on these pieces of equipment. He provided a summary of the estimated lifecycle on the equipment the County has within the operations division. He noted that in 2022, the County had a fleet review completed. The information was used to enhance operations within the department.

He reviewed the recommendations of the study including increasing the lifespan of pickup trucks by two years and tandem snowplows by one year creating greater emphasis on preventative versus reactive maintenance.

He explained that the modeling showed that purchasing would provide the lowest total cost of ownership over a 12-year lifecycle, whereas renting may provide a preferable option for vehicles with higher than average annual kilometres travelled such as patrol trucks.

He explained that the purchase of a new vehicle is funded by a transfer or reserve from the sale of equipment and vehicle usage is charged to various budgets to ensure consistent funding on assets as they're used.

He noted a flaw in a piece of advice from the fleet challenge report was to issue a pause on replacements of conventional internal combustion engine trucks until electronic vehicle (EV) equipment was available. The department made a choice to stay on course with their asset management strategy, and continued to replace trucks as needed. He shared that the department would like to do their due diligence in testing a small sample size before moving ahead with EV equipment options. He shared that the department has committed to replacing 50% of new half tons with an EV option. He noted that the department needs to take into account how tariffs and inflation will affect the cost of vehicles and equipment going forward.

When reviewing the facilities, he noted that historically the County has used a consultant to conduct building condition assessment's (BCAs) to determine conditions of these facilities, and the related scope, timing and costs of repairs. Information was provided on reserve transfers and the new Patrol D build.

A map was shared showing the locations of the depots across Grey County. He shared that the County spans a total of 4498 square kilometres and the need for a new 4000 square foot depot within just west of Flesherton.

Lastly, he summarized the green house gas reduction targets with a goal of a 40% reduction in green house gas emissions by 2030 with a goal of being net zero by 2045, replacing 50% of pickups with EV options going forward and the requirement that all new County buildings be built to a net zero performance level.

The Committee discussed the potential cost to meet the 40% greenhouse gas emissions target for 2030. Shaun shared that the total budget impact has not been finalized yet but they are incorporating inflation into their projections to ensure the budget can support options that align with emission reduction targets. Randy Scherzer, CAO, shared that the costs are being collected in a smart and methodical way. He noted that when something is coming up for replacement, that is the time to look at

other options but the County doesn't want to replace things that aren't necessarily at end of life.

Questions were addressed regarding grants that have been applied for and clarification on lifecycles of vehicles, as well as impacts of potential urban roads downloads.

The Committee discussed if the wait times for equipment are decreasing post-Covid and if the County is looking at their procurement process particularly in purchasing Canadian equipment . Shaun confirmed that although there still is a wait time, they have come down significantly. He noted that they have seen a reduction in wait times for snow plows, half ton trucks and EV's. Further discussion occurred on the needs for bays in the various facilities.

Trevor Ireton, Engineering Manager, presented an overview of the department's 10 year capital budget for roads, bridges and storm water infrastructure. He reviewed the items that the department is responsible for maintaining across the County alongside the responsibility of the municipalities. He referenced the County's inventory of bridges and culverts and the work that the in-house bridge crew does to maintain these structures that were built in the mid-1900's. He noted the preventative maintenance that the crews complete are what helps with a longer service life and noted the costs savings of preventative maintenance.

He referenced the scope of the work of the storm sewers that the County maintains and the other projects are also affected noting the difficulty of replacing these storm sewer systems. He noted the importance of working alongside member municipalities on these replacements to try and align with other work happening on the system. He noted that the County and municipal systems form a bigger system and they they are all interconnected noting the importance of working together to ensure proper work is being completed to support each other.

Trevor Ireton shared that the County's roads, structures and stormwater assets are worth approximately \$1.88 billion. He shared how staff evaluate the needs and priorities of these assets through tools including the pavement condition index tool. He shared that the tool provides an average condition of the stretch of road and by using this tool the County can determine the types of treatments that can be done to repair or replace these sections of road. The tool can be used to see imagery of cracking on the road where the software can identify the type of cracking as well.

He noted that another item taken into consideration is road geometrics. Using these tools, they can determine if the vertical curve or horizontal curve of the road needs to be enlarged to allow for a relative safe speed for drivers to stop in time preventing running into unseen hazards on the road on the other side of the curve.

He noted the use of traffic data tools including a traffic counter posted on sign posts and traffic turning movement counts used at intersections where the County is looking at signalization or turning movements, and the impacts this will have on future developments.

He shared that maintenance and road classifications are used to drive different types of treatments.

He shared that OSIM inspections are completed every two years on bridges which is similar to that the municipalities. The inspection provides maintenance, rehabilitation and reconstruction suggestions. He shared the consultant that has been acquired will look at our 10 year capital plan and give us realistic and attainable goals on how we can address issues and staying ahead of them.

He shared that storm sewer CCTV inspections are used to provide conditions of our storm sewer network in terms of structural cracking, roots or rocks that need removed.

Finally, he shared that the Operations and Engineering staff conduct yearly culvert inspections. He emphasized the importance on working with member municipalities to meet obligations of both their capital plan and ours, and noted the importance of combining multiple projects for efficiency and cost savings.

Councillor Mackey left the meeting at 3:15 p.m.

He reviewed the four main funding sources that are utilized as part of planning for the County including the levy, development charges, grants and reserves. He explained the need for a structural reserve in terms of bridge replacements required in the future.

He shared how the department determines the budget through previous and projected levy requirements as well as inflationary and annual tax levy increases.

The Committee asked if the County is considering alternate types of road and bridge construction in terms of recycled pavement that could help to reduce costs. It was noted that these recycled alternatives tend to be better for roads with a lower traffic volume. He noted the County has a certain percentage of recycled materials that are accepted into their asphalt layers and that the County looks at ways of recycling where possible.

The Committee shared comments on the importance of a human element on these decisions and not just relying on software. The importance of having staff go out and view the roads rather than just relying solely on the PCI data was cited.

Mary Lou Spicer, Director of Finance, noted the importance of these meetings in helping to inform the Committee on projects when we move begin to compile the budget in the fall. This Committee will give the departments an opportunity to go through and explain those budgets.

The Committee provided feedback noting that these meetings should be used to look at the horizon of the next one to three years. More time and discussion needs to be had to get an enhanced idea of scope and the service level.

The Committee discussed the potential consideration on leasing opportunities for vehicles within the fleet. Pat Hoy noted the potential to look at this option in the future, but noted that more research needs to be done.

FR-BFC-09-25 2024 External Audit - MNP Planning Report

BFC06-25

Moved by: Councillor Greig

Seconded by: Councillor Keaveney

That report FR-BFC-09-25 titled County of Grey 2024 Audit Service Plan Report to the Members of Council dated April 10, prepared by MNP LLP, Chartered Professional Accountants be received for information.

Carried

Correspondence

There was no correspondence.

Other Business

Mary Lou Spicer mentioned for the June meeting that the County hopes to have a number of reports to provide to the Committee which will include more in-depth information. She noted the meeting will include presentations from Planning, Paramedic Services and IT.

Next Meeting Date

Wednesday, June 25, 2025 at 2:00 p.m.

Adjournment

The Budget and Finance Committee adjourned at 4:08 p.m. to the call of the Vice Chair.