

# **Minutes**

## **Budget and Finance Committee**

**June 25, 2025**

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### **Call to Order**

The Budget and Finance Committee met at the County Administration Building on the above date. Vice Chair Kevin Eccles called the meeting to order at 2:00 p.m. with the following members present:

Councillors Kevin Eccles, Scott Greig, Dane Nielsen, Scott Mackey, Sue Carleton, Shirley Keaveney, Warren Dickert and Warden Andrea Matrosovs.

Councillor Brian Milne sent his regrets.

Councillor Carleton participated electronically.

### **Declaration of Interest**

There were no declarations of interest.

### **Delegations**

#### **2024 Audit - Traci Smith and Priya Mahindru, MNP**

Councillor Carleton joined the meeting at 2:02 p.m.

Traci Smith of MNP outlined the scope of the 2024 financial audit including a review of the financial statements. She noted that on an annual basis, MNP is required to confirm their independence from the County.

She shared that the materiality for the 2024 audit was \$4.8 million which remained unchanged from their preliminary assessment. It was noted that there were no significant deficiencies found and no unadjusted differences were made during the course of the audit.

Traci Smith shared a snapshot from December 31, 2024, of the County's statement of financial position where the financial assets totalled \$139 million and included \$128 million in cash and investments. The liabilities totalled \$96 million which included \$29 million in normal trade payables and accrued liabilities and \$50 million in deferred revenue. \$25 million of this amount comes from unspent development charges and \$9

million comes from unspent community building funds (previously known as Gas Tax funding) to be spent on future capital projects. She noted that these are reserves that are legislated and that they stay on the balance sheet as a liability until the money is actually spent.

She noted that \$11 million was received late in 2024 for Long-Term Care redevelopment in advance of the expenditures being incurred making the deferred revenue slightly higher than it has been in the past.

Net financial assets totaled \$43 million and is a key financial indicator where she explained that it is the total financial assets less liabilities. Accumulated surplus totaled \$316 million which is the equity of the County and includes both monetary and physical assets.

The statement of operations and accumulated surplus was shared where revenues totaled \$194 million which included taxes, user fees for various services, grants and other revenue. She noted that external resources for revenue for operating and capital is included in revenue, but it doesn't include any transfers from reserves. The expenses include all operating costs, but don't include any actual capital purchased or transfers to reserves.

She shared that the County's annual surplus was \$23 million and noted that this is different from the operating surplus of \$4.4 million which was transferred to reserves. She noted that the annual surplus is what is used to pay for capital assets. She noted that 2024 had anticipated Long-Term Care redevelopment to be further along and explained why it is such a large negative number which isn't typical.

The Committee asked for further expansion on transfer to reserves in terms of progress at Rockwood Terrace and sought clarification on the variances that are quite significant.

Director of Finance/County Treasurer, Mary Lou Spicer, noted that the budgeted transfer from reserve was used first plus a portion of the grant. Under capital acquisitions, she explained there was a budget of \$102 million where only \$42.2 million was spent, including smaller projects for housing and transportation.

BFC07-25

Moved by: Councillor Nielsen

Seconded by: Councillor Dickert

**That the Financial Statements for the year ending December 31, 2024 be received; and**

**That the Treasurer be hereby authorized to approve and sign the Financial Statements; and**

**That staff be authorized to proceed prior to County Council approval as per Section 26.6(b) of Procedural By-law 5134-22.**

Carried

## **Items For Direction or Discussion**

### **2025 Capital Budget Information - Information Technology, Planning and Paramedic Services**

#### **Information Technology**

Director of Information Technology, Jody MacEachern, presented on the department's Capital Projects giving an overview of assets within the network, equipment, projects, telecommunications towers and enhanced fire radio communication divisions of the department.

He shared that the County has 62 networked sites where staff are present and where internet is provided. Within those sites there are 243 WIFI access points, and that the primary data centre is at the administration building. He shared that the equipment is managed on a five-to-seven-year lifecycle which is often how long a vendor provides the County with licenses or offers support. He noted the importance of updating our equipment consistently to ensure we have the best security in place, but also recognized the importance of looking at competitors and alternatives to see what also makes the most financial sense.

Director MacEachern shared the equipment assets within the department including 33 printers, which were bought outright and are maintained by Excel, 55 UPSs (power batteries) which are used as a battery back up if power is lost and holds over until the generators come on. Further information was shared on the AV systems and air conditioning in IT closets in order to reduce risk of failure.

Director MacEachern noted the departments ongoing projects including the County's corporate website, cybersecurity audits and IT strategy plans. He noted that the website has a more functional and intuitive experience where it is reassessed every four years to refresh content. He shared that a third party completes cybersecurity audits to address things that may need changed. He also noted that every five years, an IT strategy plan is reviewed.

He reviewed the department's funding sources including inter-functional costs like servers, routers, UPS, switches and wireless access points and the department's levy noting that everything within the department is essentially levy funded. Information on the County's two telecommunication towers was highlighted. Grey County receives rents from users for cellular and internet towers.

The Committee asked for clarification on if existing equipment from Rockwood Terrace would be moved over or replaced where Director MacEachern noted that most of the core network infrastructure cannot be moved and that all equipment is being covered in the Long-Term Care budget.

The Committee noted that more cloud-based infrastructure would help to reduce capital spending where Director MacEachern noted that the department is exploring these options.

The Committee asked if the department is comfortable with what Grey County has in place for cybersecurity. The department has strategies in place if there is a cyber incident. He also noted that the department has been increasing the number of projects on cybersecurity including training.

## **Planning**

Director of Planning, Scott Taylor, presented on the department's capital budget where he noted that the department is divided into three budgets including land use planning, forestry and trails, and agriculture.

He noted that the land use planning budget is further divided into four categories including hardware replacement, studies/reports, implementation funding for existing studies and County official plan reviews or a new official plan.

He shared that the plotter has a warranty of five years and is set to be replaced every five years within the budget. He noted that the unit was replaced in 2024 at a cost of approximately \$23,000. He noted that the old plotter was still in workable condition, so it was moved to Grey Roots for further use.

He noted that some studies and reports are completed once, and others are repeated on a semi-regular basis and that funds are set aside into the reserve for the future studies.

He noted that Forestry and Trails is divided into three categories including major repairs or replacements of structures on the CP rail trail which has a budget of \$66,000 for 2025. Major replacements must go to tender, but most are done internally by the Transportation department. Director Taylor noted that the department has put a pause on parking lots more recently given the significant increase in cost of snow clearing. He noted that options for parking are currently being assessed and that they are done in tandem with nearby road construction projects to reduce costs.

He noted that the planning department tries to maintain a healthy reserve to cover any unexpected major repairs.

The Committee shared comments on invasive species, particularly wild chervil, and the impacts the County is currently facing where Director Taylor noted the County is currently working with the Grey Sauble Conversation Authority and the County's weed inspector.

## **Paramedic Services**

Director of Paramedic Services, Kevin McNab, outlined the department's 10-year capital, sharing that the department currently has 17 ambulances and two were just received for 2025 bringing this number to 19. This gives the department twelve frontline ambulances and seven spares for shift changeover, maintenance, and breakdowns.

He noted that the ambulances have a six-year replacement cycle, where due to supply chain issues some are already seven to eight years old and have significant maintenance costs. Ambulances are typically disposed at 275,000 to 350,000 kilometres, but some are sitting at even higher mileage. He noted the long lead times in

receiving ambulances but noted that there are two new vendor potentials coming which will hopefully reduce lead times. He noted that there are nine first response units in the system for approximately five to ten years.

Director McNab noted the department uses 19 frontline power stretchers and has 3 spare stretchers on hand. The power stretchers can lift up to 700 pounds reducing injuries for paramedics. The manufacturer of the stretchers, Stryker, warrants them for seven years, but they are kept for ten years. He noted our Transportation Services department maintains the stretchers.

He noted the department currently has 27 cardiac monitors defibrillators and noted this is a tool that is used on a regular basis. The units are replaced on a seven-year cycle and have a lifetime warranty.

He noted the department recently acquired 19 mechanical CPR devices called Autopulses. These units have a ten-year useful life, and the department will purchase five additional units over the next four years.

He noted the use of stair chairs which makes it safer for patients and paramedics. There are currently 20 stair chairs in the service and they are kept for 10 years. Like the power stretchers, these are warranted by Stryker for seven years.

Director McNab shared that the department has recently acquired 60 iPads for all of their trucks, moving away from Toughbook computers which were expensive and not reliable. He noted the hope is to get five years out of them and that this is a huge cost savings for the department. AVL/GPS units are a Ministry of Health requirement and the updated mapping technology within the iPads, Waze, brings all of the road closure information right to the paramedic for a more reliable mapping tool.

He noted with the recommendations from the 2023 ORH to meet growing demand in Grey County, the department is borrowing from the equipment reserve to fund enhancements as required expenditures exceed available grant funding which represents an estimated cumulative levy investment of \$410,000 per year until 2034.

Part of the comprehensive deployment review plan included one base rebuild in Durham and four new base locations in Feversham (2025), Ayton (2026), Thornbury (2027) and Cobble Beach (2028). The department is currently assessing a base relocation for the Dundalk location as the fire department needs the space to expand their own service.

Director McNab noted the 2026 budget will request approval to update the ten-year plan and determine what to do over the next six years and if any changes need to be made. He noted the review will analyze population growth, call volumes, response times and shift times and if resources need to be maintained, increased or decreased to maintain response times.

He noted with building condition assessments, it is recommended over the near future to replace the flooring, roof and parking lot at the Owen Sound base and to have the carbon monoxide detectors replaced at the Craighleith base. He noted the department is getting a second opinion in relation to the roof replacement at the Owen Sound base as

it may not need replaced as soon as the first assessment. He also noted the parking lot replacement at the base will likely be pushed out further as it's in great condition.

Garrett Reed, Manager of Accounting, noted that the goal is to plan for an annual 3.5% inflationary rate increase based on past trends. He noted that there are not a lot of vendors in the industry, so the inflation rate is normally higher.

He noted that the equipment reserve balance will drop significantly over the next six years but will catch up in 2035.

The Committee asked if there is any way to increase the length of time in keeping ambulances, Director McNab noted the majority of the issues are mechanical.

The Committee expressed if there was a need for the trailer where Director McNab noted the department uses it for rope training and important special events, with large gatherings where there is a need to have extra equipment on hand for and to have a shelter in hot or cold weather.

## FR-BFC-10-25 Development Charges Reserve Fund

BFC08-25

Moved by: Councillor Nielsen

Seconded by: Councillor Mackey

**That report regarding the 2024 Development Charges Reserve Fund Statement be received; and**

**That Council accepts the Treasurer's declaration that the County is in compliance with the reporting requirements of the Development Charges Act, 1997 and any additional reporting requirements identified by the Smart Growth for our Communities Act, 2015 (Bill 73); and**

**That report and related attachments be made available on the County's website or upon request.**

Carried

## FR-BFC-11-25 Investment Report

BFC09-25

Moved by: Councillor Nielsen

Seconded by: Councillor Dickert

**That report FR-BFC-11-25 regarding the 2024 Investment Report be received for information.**

Carried

## FR-BFC-12-25 Lease Financing Report

BFC10-25

Moved by: Councillor Mackey

Seconded by: Councillor Keaveney

**That report FR-BFC-12-25 Lease Financing Report as of December 31, 2024 be received for information.**

Carried

## Correspondence

There was no correspondence.

## Other Business

There was no other business.

## Next Meeting Date

Wednesday, July 23, 2025 at 10:00 a.m. in the Grey County Council Chambers

## Adjournment

On motion of Councillor Dickert, the Budget and Finance Committee adjourned at 4:17 p.m. to the call of the Chair.