Budget and Finance Committee
Agenda

July 23, 2025

10:00 a.m.

Grey County Administration Building

Pages

1. Call to Order
2. Declaration of Interest
3. Delegations
4. Items For Direction or Discussion

4.a Capital Presentations - Community Services and Economic Development, Tourism and Culture 2

4.b FR-BFC-15-25 Capital Project Status Update Report as of April 30, 2025 44

That report FR-BFC-15-25 regarding the 2025 Capital Project Status Update Report as of April 30, 2025 be received for information.

4.c FR-BFC-14-25 Corporate Financial Update to April 30, 2025 47

That report FR-BFC-14-25 regarding Corporate Financial Update as of April 30, 2025 be received for information

4.d FR-BFC-13-25 Health Care Funding Requests 59

That report Health Care Funding Requests – 2026 Budget be received; and
That staff be directed to maintain the budgeted $209,500 transfer to the Health Care Initiatives Reserve for the 2026 budget and 2027 projected budget.

5. Correspondence
6. Other Business
7. Next Meeting Date

   Wednesday, September 24, 2025 at 10:00 a.m.

8. Adjournment

Housing

Capital Budget Overview





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Budget and Finance Committee Presentation

July 23, 2025

Overview

Housing – Capital Planning

- Housing Capital Assets
- Evaluation Tools
- Project Estimation and Selection
- Funding Sources
- Budget Tracking
- Energy Efficiencies and Major Future Projects

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Grey County Housing Locations



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Assets

Capital Assets

- **Housing Properties**
- **Machinery**
- **Equipment**

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Assets

Capital Assets – Housing Properties

- # of Apartment Units , 29 Apartment Buildings – 761 Units
- Transitional Housing – 396 14th Street Owen Sound
- Short Term Housing – 713 9th Ave Owen Sound
- 219 Family Homes
- Townhouse - Range from 3 –10 Units complexes
- Semi Detached – 2 Units side by side
- Detached - Single Family Homes

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Capital Assets – Machinery

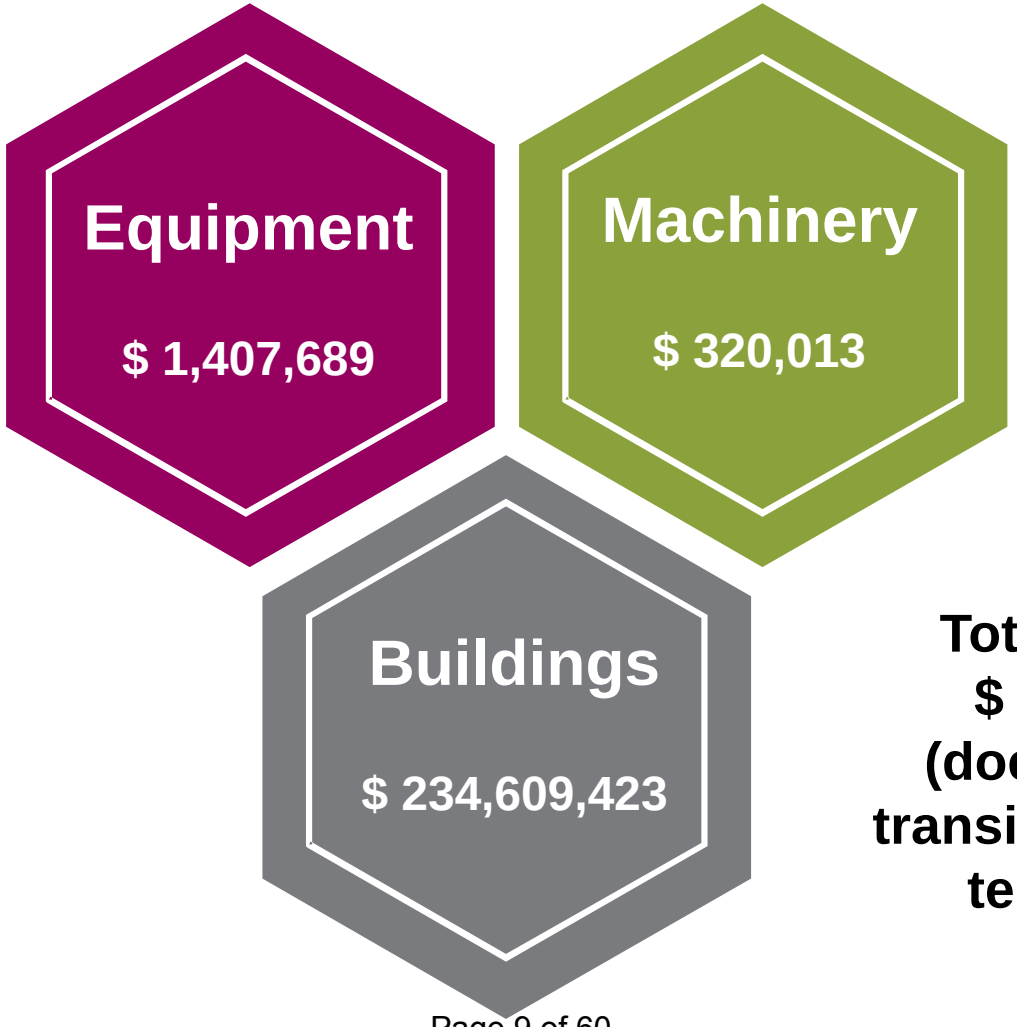
- Air Makeups, Generators, Hot Water Boilers and Tanks
- Elevators, Fire Alarm Panels, Cameras and Fob systems, Life Safety Systems
- Washers, Dryers, Fridges, Stoves

Capital Assets – Equipment

- Tractors with attachments (snow blowers, salters, mowers)
- Lawn Mowers – Push and ride on mowers
- Weed Eaters, Pressure Washers , Leaf Blowers
- Walk Behind Snow Blowers
- 2 Service Vehicles for Carpenter and Painter

Replacement Value

How much are our assets worth?



Total 2023 Value
$ 236,337,125
(does not include transitional and short term housing)

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Source: 2023 Grey County Asset Management Plan

Evaluation Tools

Processes for how staff evaluate individual project needs and priorities?

- Building Condition Assessments (BCA's)
- 10-Year Capital Plan
- Staff Input and Consultations

Building Condition Assessments (BCA)

Door Replacement

5.9 B - Shell

Element Description: Balcony and Patio Doors
Year of Installation: 2008
Location: Exterior
Condition: Good
Asset Prioritization: D - Building Functionality
Commentary: Insulated metal doors with inset glazing serve as exterior entrances to the building balconies and patios. The doors are also equipped with a glazed metal storm door. The balcony and patio doors were observed to be in good condition. It is our understanding that the doors were replaced in 2008. An allowance has been included for replacing the balcony and patio doors at the end of their useful service life.

Energy Assessment:
It is recommended to upgrade exterior doors upon the end of their useful lives to decrease heat losses. Further analysis is described in Section 7.3.

Recommended Action: Replacement

Action Summary:	Action Description:
Lifecycle Replacement	Replace balcony/patio doors

Other Information:

Urgency of Action:	Low (5+ Years)	**Action Cost:**	$430,100
Quantity Estimate:	187 Unit(s)	**Action Year:**	2033
Unit Cost:	$2,300	**Repeat Cycle:**	25

Component Photographs






Kitchen Replacement

5.16C - Interiors

Element Description: Common Room Kitchen
Year of Installation: 2012
Location: Common Area
Condition: Good
Asset Prioritization: D - Building Functionality
Commentary: The common room kitchen is equipped with a sink/faucet, solid wood cabinetry, laminate countertops, VCT flooring, and painted wall finishes. The common room kitchen was observed to be in good condition overall. The actual age of the kitchen is unknown; the last major action year has been estimated. Refurbishment of the common area kitchen is recommended in approximately 12 years. Kitchen refurbishment is inclusive of a stainless steel sink with faucet, exhaust fan, solid wood cabinetry, and laminate countertops, as well as ceilings, walls, and flooring finishes. The outlet in the kitchen was not observed to be equipped with a GFCI outlet. It is recommended that outlets within 1.5 m of a sink be equipped with GFCI receptacles for wet-shock protection, as per the electrical code.

Recommended Action: Replacement

Action Summary:	Action Description:
Lifecycle Replacement	Refurbish all elements of the common area kitchen

Other Information:

Urgency of Action:	Low (5+ Years)	**Action Cost:**	$12,000
Quantity Estimate:	1 Unit(s)	**Action Year:**	2032
Unit Cost:	$12,000	**Repeat Cycle:**	20

Component Photographs




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Visual Inspections

- Custodians on site
- Property Supervisors
- Architectural and Design Manager
- Consultants







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Project Cost Estimation

Project Cost Determination

1-to-2-year window

- Look at previous years' tender results
- Sq foot calculations used for roofs, parking lots, concrete walks, flooring
- Unit cost determined for bathroom and kitchen rebuilds
- Windows based on per unit cost/size then multiplied by quantity.
- Air Make ups by unit cost and per Consultant expertise
- Ask local suppliers for costing

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Project Cost Estimation

Project Cost Determination

3-to-5-year window

- Building Condition Assessments
- Previous tenders, assess rate of inflation
- Unit pricing trends if higher or lower than rate of inflation

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Project Cost Estimation

Project Cost Determination

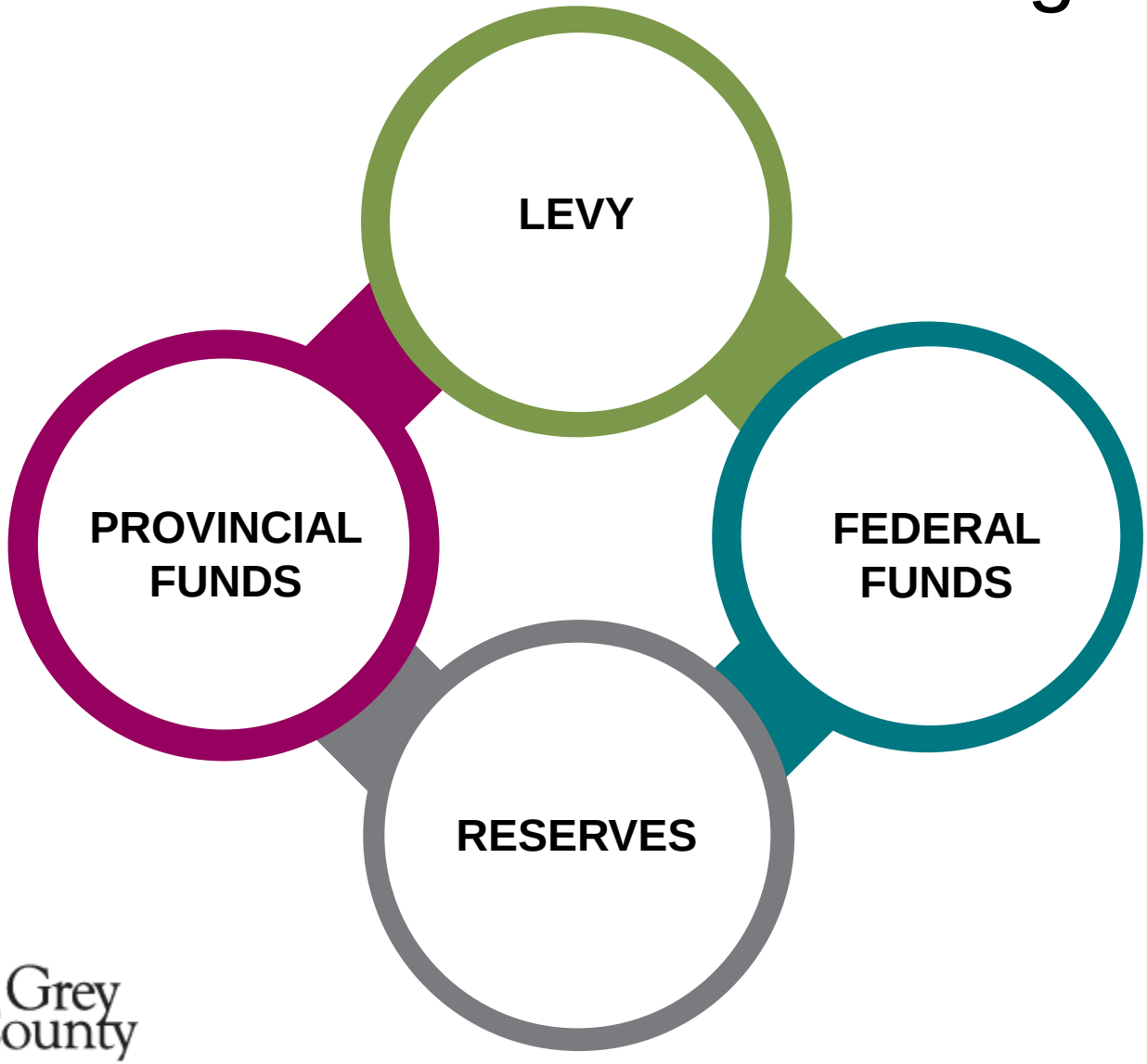
6-to-10-year window

- BCA's – Unit pricing and total cost estimates

- Projected square foot costs and labour costs based on trends

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Funding Sources



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Funding Sources

LEVY

- Amount allocated through annual budget process that is provided by member municipalities
- Average annual increase of 7.91% over 10 years

Year	2025	2026	2027	2028	2029
Levy per 10-year capital	$1,904,000	$2,104,200	$2,304,200	$2,465,500	$2,638,100
Increase ($)	$175,000	$200,000	$200,000	$161,300	$172,600
Increase (%)	10.12%	10.50%	9.50%	7.00%	7.00%

Year	2030	2031	2032	2033	2034
Levy per 10-year capital	$2,822,800	$3,020,400	$3,231,800	$3,458,000	$3,700,100
Increase ($)	$184,700	$197,600	$211,400	$226,200	$242,100
Increase (%)	7.00%	7.00%	7.00%	7.00%	7.00%

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Funding Sources

PROVINCIAL FUNDING

- Canada-Ontario Community Housing Initiative (COCHI)
  - Being used for Rowe's Lane Development for 2025/2026 fiscal year
- Safe Restart Funding (held in reserve)
  - Air Makeup unit replacement projects

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Funding Sources

FEDERAL FUNDS

- Canadian Mortgage and Housing Corporation (CMHC Funding)
  - 30% of capital projects until 2026
  - 2025: $1,973,600
  - 2026: $925,800

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Funding Sources

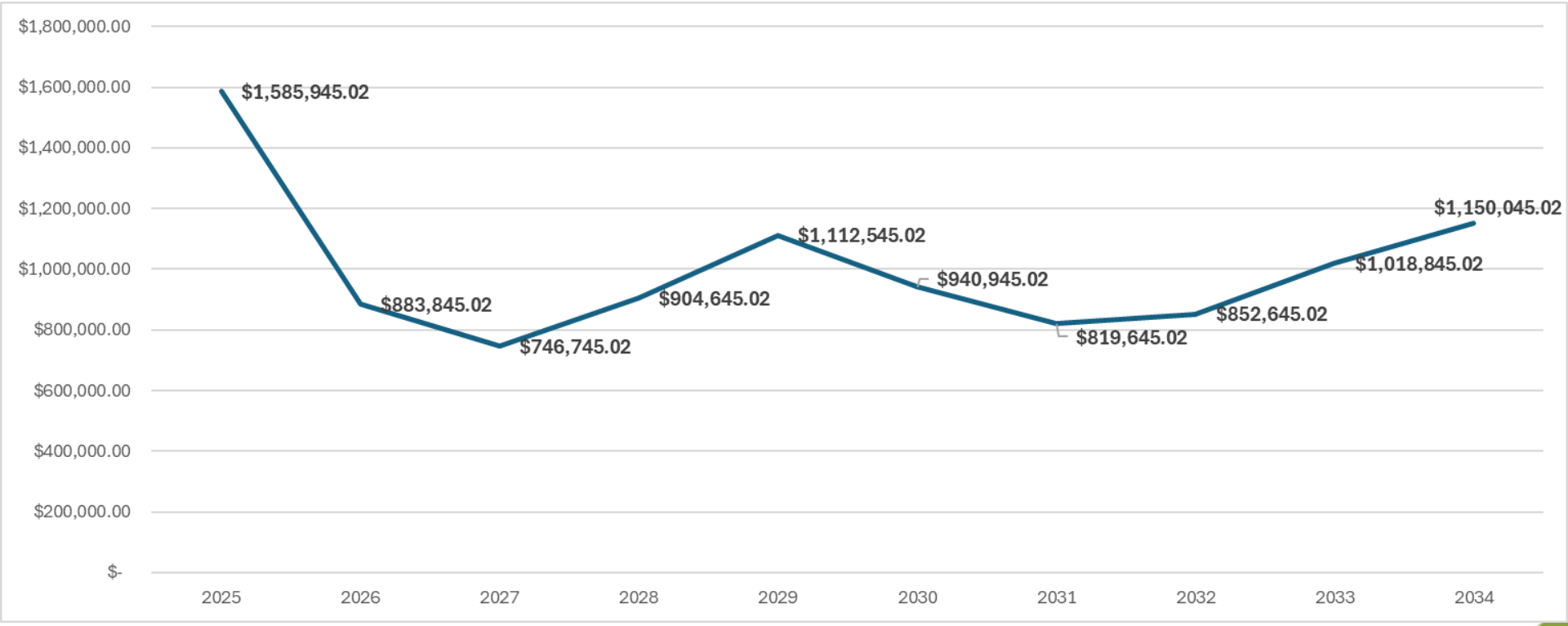


- Housing Capital Reserve Funds:
  - Capital Renewal and Replacements
  - Computer Capital Replacements
  - Affordable Housing Fund
  - Golden Town Capital Renewal and Replacement
- Annual budgeted transfers to reserve
- Proceeds from sale of assets

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Capital Renewal & Replacement Reserve

Projected balances



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10 Year Capital Spreadsheet

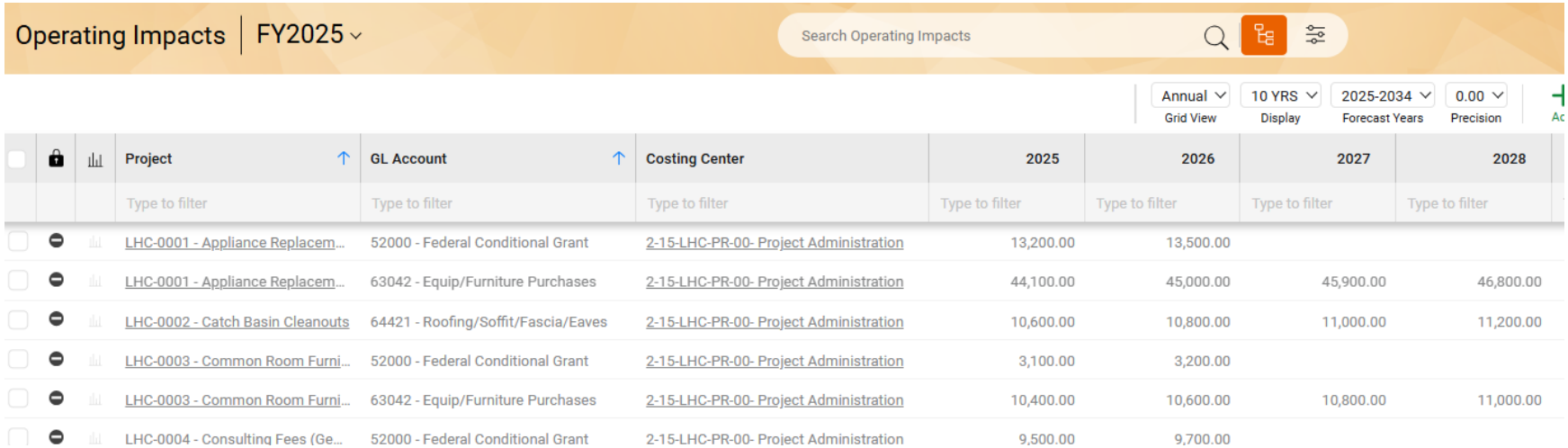
2024-2033 Housing10 Year Capital Forecast

Function	Source	Source Detail	2024 Budget	2024 Projection	2025	2026
Building Condition Assessment		Purchase	0	0	0	180,100
		CMHC Funding				(54,000)
	From Reserve	Housing - General Capital Reserve	0		0	(126,100)
Window Replacement (80 Victoria Street Meaford)		Purchase	220,000		232,800	0
		CMHC Funding	(66,000)		(69,400)	
		Housing - Golden Town	(154,000)		(163,400)	
Common Area Flooring (130 Albert Street, Meaford)		Purchase	55,000		55,000	0
		Housing - Golden Town	(38,500)		(38,500)	
		CMHC Funding	(16,500)		(16,500)	
Common Area Flooring (121 William Street, Meaford)		Purchase	75,000		75,000	0
	From Reserve	Housing - Golden Town	(75,000)		(75,000)	0
Concrete pads and Screen (80 Victoria Street Meaford)		Purchase	150,000		150,000	0
	From Reserve	Housing - Golden Town	(105,000)		(105,000)	0
		CMHC Funding	(45,000)		(45,000)	

- Internal staff tool to develop and review capital plan
- Includes in-year projections
- Monthly meetings to update capital tracker to monitor changes that could be incorporated into next year's plan

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Questica Capital Module



Project	GL Account	Costing Center	2025	2026	2027	2028
Type to filter	Type to filter	Type to filter	Type to filter	Type to filter	Type to filter	Type to filter
LHC-0001 - Appliance Replacem...	52000 - Federal Conditional Grant	2-15-LHC-PR-00- Project Administration	13,200.00	13,500.00		
LHC-0001 - Appliance Replacem...	63042 - Equip/Furniture Purchases	2-15-LHC-PR-00- Project Administration	44,100.00	45,000.00	45,900.00	46,800.00
LHC-0002 - Catch Basin Cleanouts	64421 - Roofing/Soffit/Fascia/Eaves	2-15-LHC-PR-00- Project Administration	10,600.00	10,800.00	11,000.00	11,200.00
LHC-0003 - Common Room Furni...	52000 - Federal Conditional Grant	2-15-LHC-PR-00- Project Administration	3,100.00	3,200.00		
LHC-0003 - Common Room Furni...	63042 - Equip/Furniture Purchases	2-15-LHC-PR-00- Project Administration	10,400.00	10,600.00	10,800.00	11,000.00
LHC-0004 - Consulting Fees (Ge...	52000 - Federal Conditional Grant	2-15-LHC-PR-00- Project Administration	9,500.00	9,700.00		

- Actuals vs Budget tracking
- Seamless integration into budget planning

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Energy Efficiencies

- New Air Makeups more efficient with programmable features
- Windows are Energy star rated dual pane with low E argon gas
- Plumbing fixtures in new bathroom rebuilds use less water
- LED lights in hallways and outdoor fixtures

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Energy Efficiencies





Heat Pump Project at Victoria Village

- The heat pump project at Victoria Village were completed in 2023
- All units have heat pumps on their patios in which tenants are reminded to keep heat pumps accessible and not to pile things around them due to operational reason
- Heat pumps have been beneficial in energy efficiency; however, have created a lot of repairs and issues that will need to be factored in if we decide to install in other units in the future.
  - Cleaning of filters
  - Remotes for each unit
  - Removing Freon from outside unit

Energy Program

- Attic reinsulating of 63 units at Victoria Village
- 17 new refrigerators and 6 deeps freezers/or air conditioner replacements at Victoria Village
- Power bars, LED light bulbs
- Start in spring of 2023 and completed during unit inspections in buildings:
  - Program offer a range of free upgrades ranging from refrigerators, lightbulbs, water efficient showerheads to help reduce the utility bills
  - If a tenant had a freezer or window AC unit that qualifies for replacement, this was available to tenants at no cost
  - Received over 500 fridges and over 60 tenant owned appliances.
  - All inspections/assessments were completed by November 2023 for all building and the project was wrapped up in March
  - One new fridge costs approximately $650+, so the program helped to allow funds to go to other appliances or needs in the buildings
  - Hopeful to continue in other family units even though not County owned appliances



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Major Capital Projects

- 305 14th Street - 2 Elevator Replacements 2025, $866,900 (original 1978)
- 208 Queen St, Kitchen Rebuilds 2025, $250,000 (26 years old)
- 305 14th Street In suite Radiators 2026, $250,000 (original 1978)
- 250 12th Hanover, Window Replacements 2026 $110,000 (30 years old)

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Corporate Risks



Project Related

- Local contracting capacity
- Supplier timelines
- External stakeholders
- Unforecasted requirements
- Code requirements

Finance Related

- Funding approval timelines from Province
- Inflationary pressure
- Tariffs

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THANK YOU!



ANY QUESTIONS?

Economic Development, Tourism & Culture Department (EDTC)

Capital Budget Overview

Budget & Finance Committee

July 23, 2025

EDTC – Capital Planning

- Departmental Overview
- Capital Assets
- Project Identification
- Funding Sources
- Project Planning & Prioritization
- Determining and Tracking Budget
- Questions

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Departmental Overview

- The Economic Development, Tourism & Culture (EDTC) Department delivers:
  - Economic Development & Tourism
    - Business Enterprise Centre (no capital)
    - Sydenham Campus
    - Grey Bruce Local Immigration Partnership (to March 31/25)
  - Grey Roots Museum & Archives
    - Main Building
    - Moreston Heritage Village

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Assets



Assets



Assets

Sydenham Campus



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Assets



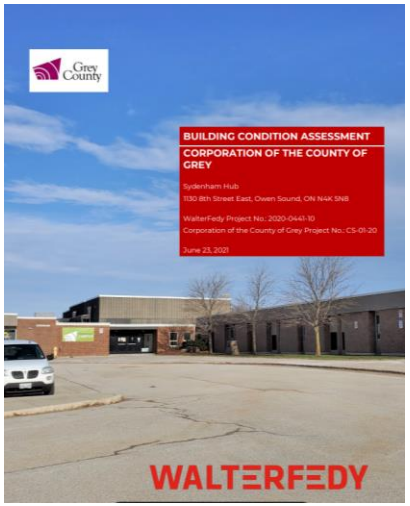


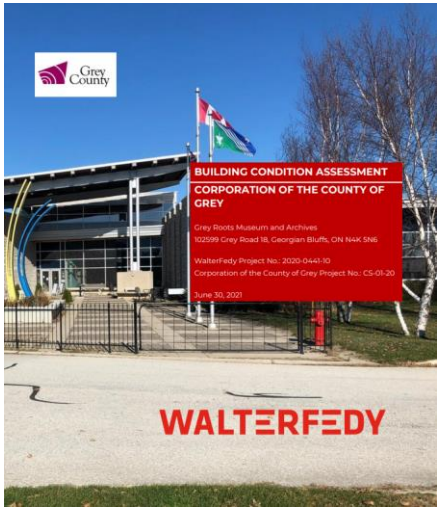
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Project Identification – 10 Year

- Strategic direction from the **EDTC Master Plan**
- **Building Condition Assessments (BCAs)** identify status of assets and projected replacement date and cost.

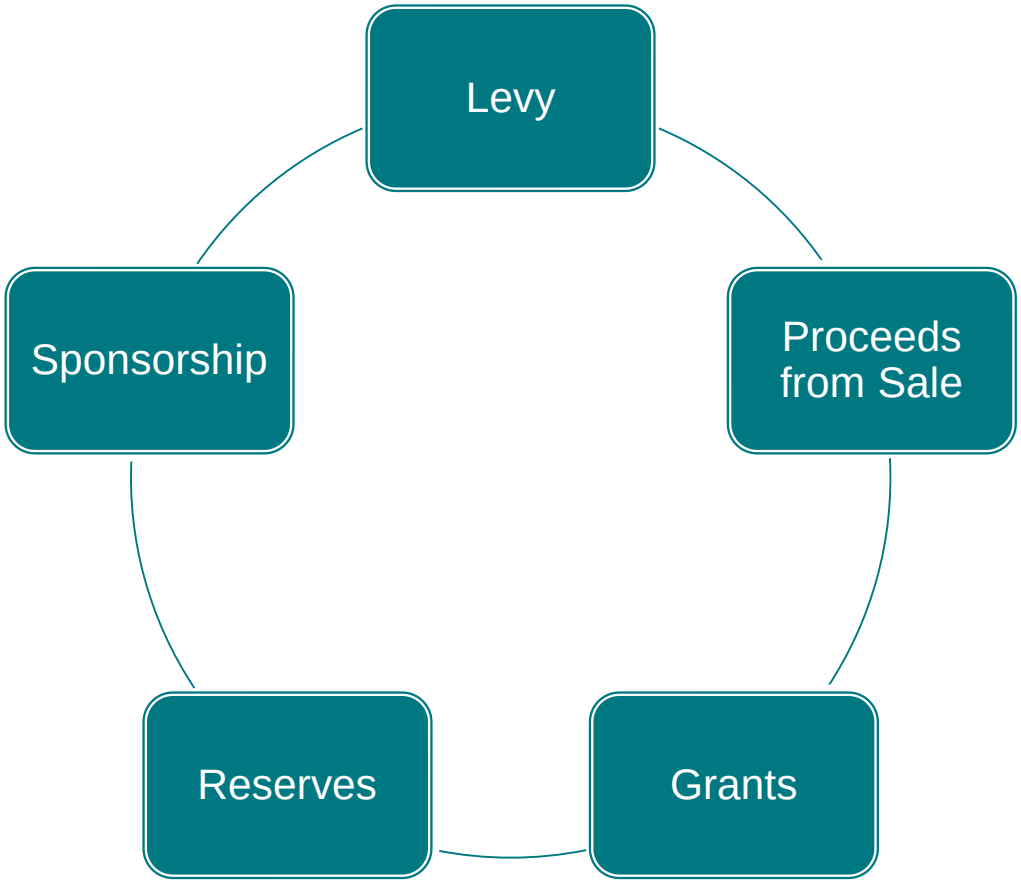






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Funding Sources



The majority of the EDTC Capital Budget is funded from reserves, which are built through annual levy contributions.

Where appropriate, grants and sponsorship will offset county contributions, or on rare occasions leverage other county commitments to fully fund projects (ie. Thomas Weildon Theatre, Makerspace equipment).

Any fair market value proceeds from the sale of an asset (ie. Vehicle) are also leveraged in replacement.

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Project Planning & Prioritization

Quantitative Factors	Qualitative Factors
Asset Management Plan	Timing and Urgency
Funding Opportunities	Ground Truth/Condition Assessment
Departmental Reserves	Strategic Alignment
Market Adjustments	Staff Capacity

Examples:

- Honda Pilot and Riding Lawnmower replacement *pushed back* annually based on condition assessment.
- Sydenham Exterior Doors and School House Roof *brought forward* in capital plan based on condition assessment.
- Grey Gallery replacement and Makerspace development projects prioritized and phased due to funding opportunity.
- Grey Roots reserve contributions increased due to the reality of rising costs.

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Determining the Budget

Most of the EDTC Capital Budget is focused on maintaining two facilities, which is set strictly by the BCA. The business case for anything new will include future operating and capital budget implications.

- The Capital budget includes:
  - BCA for Grey Roots Museum & Archives (86-line items)
  - BCA for Sydenham Campus (66-line items)
  - Annual contributions to prepare for cyclical expenses:
    - Gallery Update, Electric Riding Lawn Mower, Theatre Equipment Improvements, Front of House Upgrades, Museum Website, Equipment Upgrades (Archives), Grey Roots - Desigo Control Point System Migration, Grey Roots Tractor, Tourism Website, Tourism Signage, Tourism Vehicle, EDTC Strategic Master Plan

Staff try to maintain a modest levy increase to annual reserve contributions, but this is increasingly difficult due to pricing swings. The percentage increase is deceiving (ie. In 2028, a 2.03% increase to Economic Development and Tourism represents $2,300).

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Determining the Budget

- **Current year**
  - Monitoring year-end projections
  - Adjustment of Reserve Continuity plan
    - ie. Based on new estimates/timing, inflation, supply chain, strategy, etc.
  - Assessing future impacts
- **Years 1-3**
  - Validation and refinement of future project estimate and timeline
    - ie. Comparing estimate in BCA with real time information from contractors; having contractor or staff evaluate and determine if needs replacement or can life be extended.
  - Potential funding opportunities
- **Years 4-9**
  - Long-term needs and funding plan

- **Staff Tools:**
  - 10 Year Spreadsheet: Currently used to track in-year capital expenditures for projections and future budget/reserve planning
  - Questica Capital Module: Tracking of capital expenditures will now be linked to financial software systems for real-time information and analysis.

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Determining the Budget

Economic Development & Tourism 10 Year Capital Forecast:

	2025	2026	2027	2028	2029
Net Levy	$ 119,200.00	$ 111,200.00	$ 113,300.00	$ 115,600.00	$ 117,900.00
% Change	11.82%	-6.71%	1.89%	2.03%	1.99%

	2030	2031	2032	2033	2034
Net Levy	$ 120,100.00	$ 122,600.00	$ 124,900.00	$ 127,300.00	$ 127,900.00
% Change	1.87%	2.08%	1.88%	1.92%	0.47%

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Determining the budget

Grey Roots 2025-2034 10 Year Capital Forecast:

	2025	2026	2027	2028	2029
Net Levy	$ 101,300	$ 123,800	$ 134,400	$ 147,500	$ 160,600
% Change	16.04%	22.21%	8.56%	9.75%	8.88%

	2030	2031	2032	2033	2034
Net Levy	$ 174,400	$ 188,300	$ 202,400	$ 216,900	$ 231,600
% Change	8.59%	7.97%	7.49%	7.16%	6.78%

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Questions

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Committee Report

To:	Chair Milne and Members of the Budget and Finance Committee
Committee Date:	July 23, 2025
Subject / Report No:	FR-BFC-15-25
Title:	Capital Project Status Update Report as of April 30, 2025
Prepared by:	Garrett Reed, Manager of Accounting
Reviewed by:	Mary Lou Spicer, Director of Finance
Lower Tier(s) Affected:	

Recommendation

1. **That report FR-BFC-15-25 regarding the 2025 Capital Project Status Update Report as of April 30, 2025 be received for information.**

Executive Summary

This report provides a corporate update for capital projects approved in the County's 2025 Budget. This report is a high-level point in time summary of the projects as of April 30, 2025.

Staff have identified the procurement of each capital project as either not started, not applicable, in progress or awarded. Of the 259 capital projects, there are 64 not started, 96 not applicable, 38 in progress, 54 awarded and 7 completed.

Background and Discussion

Grey County has an established purchasing policy which is included as an attachment at the end of the report.

Under Section 4.0 Procurement Methods in the purchasing policy, the County uses the following procurement methods:

Direct Purchase	Request for Quotation	Request for Tender	Request for Proposal and other Methods
Up to $20,000	$20,001 to $75,000	Over $75,000	Any $ Amount

Schedule “A” Authority to Award of the policy outlines whether delegated authority or Council authority is required to award a contract. The following chart provides a summary of the dollar value and level of authorization required.

Authority to Award	Dollar Value	Minimum Method of Procurement
Any employee authorized by Director	Less than $20,000	Direct Purchase
Manager as authorized by Director	$20,000 - $75,000	Request for Quotation / Proposal
Directors, Deputy CAO or CAO	$75,000 - $500,000	Request for Tender / Proposal
Council	Over $500,000 and special circumstances as determined by Purchasing	Request for Tender / Proposal

This report provides Council with information on the status of individual 2025 capital projects as of April 30, 2025. Attached to the report is the details of procurement status, key dates, year to date spend, total budget and budget committed for 2025. Projects have been sorted by their project name which relates to the department responsible for the projects.

Departments are referred to as follows:

- AMB - Paramedic Services
- CC - Climate Change
- CLK - Clerks
- COM - Communications
- CON – Road and Bridge Construction
- ECD - Economic Development
- FTL - Forestry and Trails
- GGG - Grey Gables
- HER - Grey Roots
- HOU -Transportation Facilities
- HR - Human Resources
- IT - Information Technology
- LHC - Housing
- LLL - Lee Manor
- LTC – Rockwood Terrace Redevelopment
- MOP - Transportation Machinery
- PLN - Planning
- PRO - Administration Building
- RRR - Rockwood Terrace
- SOC - Social Services.

Staff have identified the procurement of each capital project as either not started, not applicable, in progress or awarded. Of the 259 capital projects, there are 64 not started, 96 not applicable, 38 in progress, 54 awarded and 7 completed.

The total budgeted value of these capital projects is $126,532,900 which are broken down in the following table Figure 1 – Status of Capital Projects.

Figure 1 - Status of Capital Projects

	Number of Capital Projects	Total Budget	% of Total Budget
Not Started	64	$12,521,100	9.90%
Not Applicable	96	$7,156,400	5.65%
In Progress	38	$22,146,900	17.50%
Awarded	54	$84,015,700	66.40%
Complete	7	$692,800	0.55%
Total	259	$126,532,900	100.00%

Financial and Resource Implications

Staff will continue to monitor 2025 capital projects and provide updates to the Budget and Finance Committee. In addition, Council is provided quarterly purchasing reports as per the County's purchasing policy that summarize all purchases made between $75,000 and $500,000. All purchases over $500,000 are reported to council individually.

Recent pricing forms the basis for estimating future costs in the 10 year capital forecast and will impact the County's future levy requirement, reserve balances and may result in reprioritizing work in order to manage financial constraints.

Relevant Consultation

☒ Internal - Department Managers, Senior Management Team, and Finance Staff

☐ External

Appendices and Attachments

Capital Project Statuses as of April 30, 2025

2024 Purchasing Policy

Committee Report

To:	Chair Milne and Members of the Budget and Finance Committee
Committee Date:	July 23, 2025
Subject / Report No:	FR-BFC-14-25
Title:	Corporate Financial Update April 30, 2025
Prepared by:	Garrett Reed, Manager of Accounting
Reviewed by:	Sue Murray, Deputy Treasurer Mary Lou Spicer, Director of Finance
Lower Tier(s) Affected:	

Recommendation

1. **That report FR-BFC-14-25 regarding Corporate Financial Update as of April 30, 2025 be received for information**

Executive Summary

This report provides a corporate financial update for all County departments based upon financial statements as of April 30, 2025. This report is a snapshot in time and therefore will change as the year progresses. Departments receive financial statements monthly and review results and trends with their designated financial analyst.

The report summarizes significant variances in actuals compared to the year to date (YTD) budget as of April 30 for the various departmental operating and capital budgets. A high-level summary and a set of County financial statements are attached.

Some entries such as reserve transfers, grant reconciliations, debt repayment etc. may not be recorded until year-end. Additionally, some expenses such as insurance and association fees are due early in the year and the budget may be fully expensed as of April 30. The County spreads the 2025 budget evenly over the year for the majority of departments, and actual spending in departments can be cyclical in nature, therefore there could appear to be significant variances for the reporting period that are not a concern.

Staff has also prepared report FR-BFC-15-25 Capital Project Status Update as of April 30, 2025; this provides a listing and status of all capital projects budgeted this year.

Grey County's 2025 budget has been significantly impacted by the severe winter storms experienced in early 2025. The departments impacted the most are Transportation, Housing, Long Term Care and Paramedic Services. This has resulted in increased staffing costs for snow

plow operators and mechanics, increased contracted services for snow removal and increased repair costs for ice and snow damage to some County owned housing buildings.

These overages have been noted in the report and the final impact will not be known until the end of 2025 as it is dependent on the timing and severity of the second part of winter. Staff continue to monitor these costs and are working to find in year savings to mitigate the deficit in 2025.

Background and Discussion

The County spreads the 2025 budget evenly over the year for most budgets, and actual spending in departments can be cyclical in nature, therefore there could appear to be significant variances at April 30, 2025 that will not result in a budgetary pressure.

The April financial statements are included as a link at the end of the report, some entries may not be recorded until year-end such as reserve transfers, grant reconciliations, debt repayment etc.

Each Department reviews its actual to budget figures. Highlights of the financial statements and variances are as follows:

Administration

Operating

Investment income appears slightly under budget as some long-term investment income was not recorded in the reporting period. Staff anticipate investment income to end the year higher than budgeted due to higher cash balances and interest rates than projected in the 2025 budget. As per the County's Investment Policy, investment income in excess of 1% of the previous year's tax levy is transferred to the One Time Funding Reserve and therefore does not generate a surplus.

Salaries and benefits appear under budget as of April 30; some of this variance is due to staffing vacancies, summer students not starting until later in the year and new positions in the 2025 budget with a start date later in the year.

Other expenditures are trending as expected for the first four months of 2025. Supplies, materials and equipment may appear over budget for this time of year; however, this is the result of budget lines such as association and membership fees and computer purchases being paid in the first four months of the year, these costs are expected to end the year on budget. Purchased or contracted services appear over budget as many yearly software licenses have been purchased within the first few months of 2025. External transfers appear over budget as many payments to organizations have been fully paid for the year and expect to end the year on budget.

Capital

No revenues have been posted to these budgets as reserve entries and grant funding will not be recorded until the end of the year and tower rent billings have not been billed as of April 30. Capital expenditures appear under budget as of April 30, this is reasonable as most of the capital projects will be completed and billed in the summer and fall. Details by project can be found in report FR-BFC-15-25.

Council

The Council budget is trending as expected at the end of April 2025. Slight savings are currently seen in salaries and benefits due to less alternate councillor attendance. Supplies and materials appear significantly over budget, this is due to most annual membership dues, conference fees, and insurance being paid at the beginning of the year. Staff expect to end the year on budget.

Information Services (IS)

The Information Services budget is allocated out to the various departments throughout the County; at this time, the IS budget is not expected to have any items that will be over budget. Supplies and materials appear under budget but there are annual licensing costs that will be paid later in the year and are expected to end the year on budget.

Weekly Indemnity and Workers' Compensation

The Weekly Indemnity (Short Term Disability) and Workers' Compensation budgets are self-insured plans. The premiums charged to County departments are shown in these budgets as a credit to salaries and benefits and are used to pay the costs to administer these plans. The Weekly Indemnity costs are trending slightly below budget as of April 30 however, it is too early in the year to tell if this will continue throughout 2025. Insurance expense is over budget as of April 30 as the full premium has been paid in full for 2025, this will create a deficit of $27,000 in this budget line.

Assessment

The costs related to the Municipal Property Assessment Corporation's (MPAC) services are significantly over the year-to-date budget because as of April 30, the County has paid for services up to June 30. Staff project the final costs to be $2,002,600 for 2025 which will result in a deficit of $18,400.

Court Security

This is the first year for this budget; staff are working on finalizing the agreement with the City of Owen Sound and as a result, no payments have yet been made. The 2025 budget of $250,000 was prepared based on 2024 estimated costs in excess of Ministry funding; the actual overage totaled $369,968. This results in a budget shortfall of $119,968 that will require funding at the end of the year.

Provincial Offences

Overall revenues appear slightly under budget to both budget and prior year. Ticket revenue is difficult to forecast year to year and can even spike month to month, staff do not expect any significant deficit in this budget line at year end. External transfers appear significantly under budget, these transfers include the payments to Bruce County for cost sharing, as well as payments required to be made to other municipalities for fines collected through our offices. These

expenses have not been paid and are directly correlated to ticket revenue collected by the County. Overall staff expect to end the year on budget.

Health Unit and Other Funding Initiatives

External transfers appear under budget as the $200,000 budgeted contribution to Brightshores has not yet been made. This will be the third payment towards the one-million-dollar commitment towards the Wellness and Recovery Centre; the County's contribution will be fully paid in 2027. Payments to the Grey Bruce Health Unit make up the remaining $1,785,700 of this budget and it is anticipated to end 2025 on budget.

Property

Operating

Property's operating expenditures appear over budget as of April 30. Salaries and benefits are underspent due to the budgeted summer student beginning work in May and temporary staff vacancies. Supplies and materials are trending to be on budget. Purchased services are over budget due to increased spending on snow removal at the administration building and contracted services for repairs needed on the building heating and cooling systems. Insurance appears overspent as the full premium has been paid as of April 30 but will end the year slightly under budget. Overall, this department is expected to end the year slightly over budget.

Capital

Revenues have not been posted to this budget as reserve entries and grant funding are recorded at the end of the year. Debenture payments for the internal financing of the administration building expansion and renovation are based on a set schedule and will end the year on budget. Minimal expenses have been posted to this budget as most of the work will be completed in the summer and fall.

Taxations, Grants and Other

This budget is made up of supplementary taxation and write-offs, which are typically reconciled towards the end of the year. As a result, there is nothing to report at this time.

Planning

Operating

Based on user fees collected as of April 30, Planning revenue is currently trending to end the year on budget; however, it is difficult to project based on the uncertainty of when applications will be submitted. Supplies and materials are trending to end the year on budget. Purchased services appear higher than the year-to- date budget due to the timing of the annual payment for the 911 billing agreement with Owen Sound Police Services, which is billed early in the year. Staff expect to end the year on budget.

Capital

No revenues have been posted to this budget as reserve entries will not be recorded until the end of the year. Capital expenditures appear slightly under budget as of April 30, this can be expected as some capital projects will not start until the summer. Details by project can be found in report FR-BFC-15-25.

Agriculture

Operating

Purchased services are trending over budget as additional staffing resources were required at Grey Sauble Conservation Authority to maintain the County's By-Law enforcement. External transfers appear over budget but as of April 30, the yearly contribution for Grey Agricultural Services has been fully paid and expenses are expected to lower for the remainder of the year; overall staff expect to be on budget.

Forestry & Trails

Operating

User fees appear under budget as of April 30 as the Normanby forest harvest has not occurred. Expenditures appear significantly under budget as the majority of the budget relates to maintenance work that is completed in the summer and fall. Staff expect this cost centre to end the year on budget.

Capital

As of April 30, there has been one invoice for bridge supplies, the remainder of the work is expected to be completed in the summer and fall. Most of the bridge repair work on the CP rail trail will be completed by the Grey County bridge crew.

Economic Development & Tourism

Operating

Grants are trending under budget due to the timing of provincial and federal grants, staff complete final reports for March 31 reporting deadlines and funds are flowed thereafter. Current year funding amounts are not always known at the time of developing the budget, this can cause significant variances in the budget to actual figures that are then offset by increased or decreased spending. As a result, this does not generate a surplus or deficit.

Salaries and benefits are currently trending over budget due to increased staffing costs that will be offset by federal grants. Supplies and materials appear over budget, this is primarily due to the timing of expenses as certain grant programs ended March 31 and required additional spending to maximize grant funding. Purchased services is trending over budget, this is a timing difference

as the majority of Grey Transit routes ended on March 31, 2025 and therefore less expenditures are projected over the remainder of the year.

Capital

Grant funding appears lower than budget due to the timing of funds being received from the federal government and is expected to end the year on budget. Expenditures are trending under budget as most capital projects are either in progress or not started and therefore no billings have been received as of April 30.

Grey Roots

Operating

Grey Roots revenues appear under budget as the Community Museum Operating Grant has not been received as of April 30 and user fees and charges typically increase over the summer months when the museum is busier. Salaries and benefits appear under budget because summer students do not start working until May but is expected to end the year on budget. Supplies and materials are trending to be on budget. Purchased services is trending over budget due to increased building maintenance costs and snow removal costs. Staff are working to find other savings to mitigate these deficits.

Capital

Grey Roots capital spending appears to be over budget as of April 30. The majority of these expenditures relates to the unbudgeted costs to refurbish air handling units at Grey Roots. These expenditures were approved through FR-CW-07-25 and will be funded by the Grey Roots Main Building Improvements Reserve. The majority of the budgeted capital projects are expected to be completed over the summer and fall and are expected to be on budget.

Ontario Works

Operating

The 2025 budget estimated a 6.7% Ontario Works caseload increase but so far the actual increase has only been 4.3%. Therefore, the County is under spent in the basic needs, shelter and discretionary benefits budget. However, these costs are 100% provincially funded and do not impact the net levy. Therefore, it is reasonable to see grants, and external transfers both trending below budget. User fees and charges relate to benefits recovered for payments made to clients on other government benefits. These are trending under budget; this will result in more of their benefits being funded by provincial grant and therefore does not create a surplus or deficit for Grey County. The levy funded non-social assistance recipient funerals are expected to end the year on budget.

Ontario Works administration expenditures are trending slightly below budget due to timing differences in wage increases for unionized staff but are expected to end the year on budget. Insurance appears to be overspent as the full premium has been paid as of April 30.

Capital

The only capital project in Ontario Works is computer replacements. Purchases occur throughout the year and are expected to end the year on budget. The replacements are funded from reserve and therefore do not generate a surplus.

Early Learning and Child Care

Operating

When developing the 2025 budget the funding allocation was unknown; therefore the 2024 allocation was used to prepare the 2025 budget. Therefore, the budget and actual costs will not align. The 2025 funding overall saw an increase compared to 2024 but this funding is allocated to providers and therefore will not create a surplus.

Purchased services is trending below budget, these costs will increase with higher fee subsidy costs incurred during the summer months. External transfers are also underspent; General Operating Grant funding will continue to be provided to the childcare centres and is expected to increase in the later part of the year as deficits and operational pressures are identified by the operators. Additionally, there is unspent funding for developing new Canada Wide Early Learning and Child Care (CWELCC) spaces. As outlined in CSR-CW-18-25 there is no additional operating funding to accompany this start up funding and therefore it is unknown whether the start up funding will be utilized in 2025. Any unspent funding will be returned to the province and therefore does not generate a surplus.

Capital

The EarlyON capital budget contains $1,950,000 for the design and construction of Hanover EarlyON centre. As of April 30, the only costs incurred have been for legal and professional fees. The land has now been acquired and staff are working to procure a builder. Staff expect the project to be awarded in 2025 but completion of the project will not be until 2026. The costs are funded by reserve and therefore do not generate a surplus.

Housing and Non-Profit Housing

Operating

Housing revenues appear reasonable compared to the year-to-date budget. The County has sold a residential family unit which was not budgeted and is shown as a sale of assets. Transfers from reserve appear under budget, these funds are not recorded until expenditures are finalized at year end. Grants and subsidies appear as a surplus due to the timing of payments received from the provincial government.

User fees appear as a surplus, with tenant rents being higher than budget, however the write-off of uncollectible debts is not calculated and recorded until the end of the year. Overall net tenant revenue is projected to end the year in a surplus. Additionally, there have been multiple home ownership loans repaid to the County; these funds will be returned to reserve to assist future applicants and therefore the repayment does not create a surplus.

Housing expenditures are trending to be over budget for the year. Salaries and benefits are underspent due to temporary staffing vacancies. Debenture payments have not been recorded therefore no expense is showing but will be on budget at year end. Supplies and materials appear overspent primarily due to increased costs for utilities in the first four months of the year, staff expect these costs to even out throughout the remainder of the year. Purchased services includes snow removal, this category is overspent primarily due to a harsher than normal winter. The costs in this category should be less over the summer but overall are projected to end the year in a deficit due to snow removal. Insurance appears under budget as the yearly premium for all buildings is received in the fall. External transfers appear over budget due to the timing of the first two property tax instalments occurring in the first four months of the year that cover up to June 30. The surplus or deficit on this budget line will not be known until final billings are received. Internal charges appear on budget.

Capital

Reserve funding and grants and subsidies are not recorded until the end of the year when expenses are finalized. When the budget was developed, it assumed fire restoration work would be managed in-house and included a $800,000 allowance for insurance proceeds to cover the cost of restoration. These fees will not be received as the work is being done directly by the insurance company's contractors. Therefore, user fees revenue and purchased services will be $800,000 under budget.

In 2024, supplies and materials included the unbudgeted purchase of a building for emergency short term shelter, the 2025 year to date spending is consistent with most years as purchases tend to happen in the second half of the year. Purchased or contracted services are also below the year-to-date budget as most capital projects are done in the summer.

Long-Term Care

Attached to this report is the Long-Term Care Financial update that was presented to the Long-Term Care Committee of Management on July 3, 2025. This section of the report is intended to summarize that report.

Long-Term Care Administration

The cost of this department is funded through the care homes' budgets on a per bed allocation and is therefore expected to end the year on budget. Grants and subsidies are greater than the budgeted amount as unbudgeted student placement funding has been received for training and facilitating new staff. This will result in increased costs and increased grant revenue but will not create a surplus or deficit within this budget.

Grey Gables

Operating

Grants and subsidies as well as user fees are trending on budget as of April 30. Salaries and benefits are under budget for the year and are offset by increased costs in purchased services because Grey Gables has been using more agency staff as opposed to Grey County staff. Staff

are working to mitigate this impact and utilize less agency staff and expect to end the year on budget. In addition to increased agency staffing, there is an increase in purchased services due to significantly higher spending on snow removal due to a harsh winter, costs in the first four months of the year exceed the annual budgeted amount and therefore will create a deficit at year end. Staff are working to find savings in other budget lines to mitigate this deficit. Supplies and materials are trending over budget but are consistent with prior year spending, staff complete larger orders in the beginning of the year to capitalize on bulk discounts. This results in lower costs for the remainder of the year and the expectation is that the accounts will end the year on budget.

Capital

Grants and subsidies appear over budget due to comprehensive minor capital funding being carried over and applied against eligible projects in the first three months of the year. Expenditures appear significantly under budget as the majority of capital projects occur over the summer and fall months. Overall staff expect to end the year on budget.

Lee Manor

Operating

Grants and subsidies appear over budget due to the timing of government grants; Lee Manor has received a more favorable case mix index adjustment than budgeted for the fiscal year beginning on April 1, 2025. This will result in an additional $280,000 of funding. These funds will be spent meeting the needs of higher acuity residents. Increased grant revenue is offset by increased salaries and benefits and agency staffing costs to provide more direct care hours to residents based on available funding. Therefore, no surplus or deficit is created. Currently salaries and benefits appear on budget, but staff expect these costs to increase over the summer as more backfill is required to cover vacation.

Capital

Grants and subsidies appear under budget due to the timing of government funding. Expenditures appear significantly under budget as the majority of capital projects occur over the summer and fall months. Overall staff expect to end the year on budget.

Rockwood Terrace

Operating

Salaries and benefits are trending under budget, this is partially due to an expired collective agreement and temporary staffing vacancies. If the collective agreement is not settled by year end, an estimated cost will be accrued. These savings are partially offset by increased agency staffing. Supplies and materials are trending under budget as staff have reallocated some repair and equipment costs to capital that will be funded by available provincial grants.

Capital

Grants and subsidies appear over budget due to comprehensive minor capital funding that was carried over into 2025 for use against eligible projects. Expenditures appear significantly under budget as the majority of capital projects occur over the summer and fall months. Capital spending is currently balanced against the need to provide a safe, comfortable environment while considering the opening of the new home in 2027; therefore, capital building repairs are only undertaken if necessary.

Long-Term Care Redevelopment

The Rockwood Terrace Development project is in progress with occupancy expected in the first quarter of 2027. Expenses are under budget but are expected to increase significantly over the summer months. All costs are funded through provincial grants and construction financing; therefore, the project will not create a surplus or deficit in 2025.

Paramedic Services

Operating

Paramedic Services revenues appear to be less than budgeted overall as transfers from reserve are not recorded until the end of the year but are expected to be on budget. Grants and subsidies appear to be less than year to date budget, the 2025 Land Ambulance Service Grant application has not yet been processed by the province, therefore funding continues to be provided based on 2024 allocations. The application is usually processed in August, and the full amount of budgeted grant is expected to be received.

Salaries and benefits appear significantly under budget, but this expense is not even through the year for a variety of reasons including trends in lost time for medics requiring backfill, seasonal upstaffing, summer vacation usage, overtime/statutory holiday payouts, mid-year service enhancements and expired collective agreements. Overall staff expect to end the year on budget in salaries and benefits

Supplies and materials are trending to be on budget. Purchases and contracted services appear over budget; however, the majority of the annual software charges have been paid and should be on budget by year end. Insurance, rent and other expenses appear over budget as the full yearly insurance premium has been paid. External transfers appear under budget as not all billings for SOS team members have been recorded but are expected to end the year on budget.

Capital

Capital expenditures appear on track relative to budget. Transfers from reserve are not recorded until expenditures are finalized, therefore no revenue has been recorded. Expenditures in this budget are not incurred consistently throughout the year due to the timing of large purchases. Due to supply chain issues, staff do not expect to receive all budgeted ambulances in 2025; this will result in expenditures being lower than budget. Additionally, the budget includes the full cost of the Feversham Base construction which is now expected to start in 2025 but be completed in 2026, resulting in expenditures being lower than budget. All projects are funded by reserves,

proceeds from sale of asset and debentures, therefore they will not generate a surplus in the current year.

Transportation Services

Operating

Revenues from other municipalities appear under budget and is expected to be on track once winter maintenance agreements have been billed. User fees and charges for the sign shop, road damages and Grey County mechanics' time working on external vehicles also appears under budget; this is expected to end the year on budget.

Salaries and benefits as well as supplies, materials and equipment are over the year to date budget due to a notably severe winter which led to increased operational demands. By contrast, 2024 experienced a milder winter with lower associated costs from January to April, making the current year's expenses appear higher in comparison. Salaries and benefits are impacted by an increased need for seasonal plow operators and overtime for Grey County staff during the winter storms, these costs will be less over the summer months when seasonal staffing is reduced. The supplies and materials are impacted primarily by increased purchases for fuel, de-icer, salt, sand, and vehicle parts. While a deficit in the winter maintenance budget is currently projected, the outcome will depend on the conditions of the latter part of the winter season. Staff are actively identifying operational savings to help offset this deficit.

Purchased services appear significantly underspent, these costs relate primarily to ordinary maintenance activities that are contracted out in the summer months. These activities are scheduled later this year and include street sweeping, line painting and micro surfacing. The full insurance premium has been paid as of April 30 and is less than budgeted. Transfers to reserve have not yet been recorded for this department and will be on budget at year end.

Capital

Sale of assets is in a large surplus position due to the unbudgeted sale of a Gradall that was expected to be sold in 2024. These funds will be returned to reserve in 2025 to repay the 2024 deficit that resulted from the delay in the sale. Grant funding appears lower than budget due to the timing of funds being received from the province and is expected to end the year on budget.

Expenditures are significantly under budget, which is to be expected as most of the work and billings will occur in the summer months. Within supplies and materials is the purchase of land for the future patrol D site as well as some reversals of 2024 accruals that if invoicing isn't received by year end will need to be set up again. Details for all of Transportation capital projects can be found in FR-BFC-15-25

Financial and Resource Implications

Staff have reviewed actual financial results as compared to budget as of April 30 and the majority of the variances are related to the timing of revenues and expenses. Deficits are expected in various departments due to a harsh winter; staff are working to mitigate these deficits. The $119,968 shortfall in the court security budget is a final number and will need to be funded at the

end of the year. Although this is a very early financial update with eight months left in the year, corporately it is expected that the County will end the year on budget.

Relevant Consultation

☒ Internal: Department Managers, Senior Management Team, and Finance Staff

☐ External

Appendices and Attachments

Corporate Financial Statements as of April 30, 2025

2025 Variance Analysis as of April 30, 2025

Long-Term Care Financial Update as of April 30, 2025 - LTCR-CM-12-25

Committee Report

To:	Chair Milne and Members of the Budget and Finance Committee
Committee Date:	July 23, 2025
Subject / Report No:	FR-BFC-13-25
Title:	Health Care Funding Requests – 2026 Budget
Prepared by:	Mary Lou Spicer, Director of Finance/County Treasurer
Reviewed by:	Randy Scherzer, Chief Administrative Officer
Lower Tier(s) Affected:	

Recommendation

1. **That report FR-BFC-13-25 Health Care Funding Requests – 2026 Budget be received; and**
2. **That staff be directed to maintain the budgeted $209,500 transfer to the Health Care Initiatives Reserve for the 2026 budget and 2027 projected budget.**

Executive Summary

The purpose of this report is to provide the Committee with an update on requests for Health Care Funding to be included in the 2026 budget process and to discuss the amounts to include as a transfer to the Health Care Initiatives Reserve. Grey County's Health Care Funding Policy requires that "applicants shall submit in writing any request for healthcare funding to the satisfaction of the County Chief Administrative Officer (CAO) or their designate by June 30 for Grey County Council's consideration in the following year's budget process." This report advises that no requests were received by the deadline and one commitment of $200,000 annually for 2026-2027 exists to Brightshores Health System. After making the 2025 contribution, the Health Care Initiatives Reserve will have a balance of $227,144. Staff recommends that the transfer to reserve amount budgeted in 2025 ($209,500) be maintained in the 2026 budget and 2027 proposed budget.

Background and Discussion

One health care funding commitment will be included in the 2026 budget and 2027 projected budget. In 2023, Grey Bruce Health Services (now known as Brightshores Health System) made a request for financial support for the Wellness & Recovery Centre. The request met the criteria of the Health Care Funding Policy and a commitment of $1,000,000 was made ($200,000 per year for five years beginning in 2023). After the budgeted $209,500 transfer to reserve in 2025, the reserve will have a balance of $227,144.

History

On January 13, 2022, Council ratified the recommendation of report CAOR-HCF-14-21, as amended, regarding establishing a Health Care Funding Policy and directed a three quarters of 1% annual contribution from the County levy to a corresponding reserve, where funding is available to do so. This resulted in a one quarter of 1% increase to the reserve transfer.

During the 2023 budget discussions, the contribution to reserve of $476,300 was removed and in 2024, the contribution was reinstated; however, the contribution amount was reduced from the calculation in the policy of $502,100 to $209,500. The 2025 budget maintained the contribution to reserve at $209,500.

Financial and Resource Implications

The 2025 budget included a transfer to the Health Care Initiatives Reserve of $209,500; after the 2025 payment of $200,000 to Brightshores, the reserve will have a balance of $227,144. To develop the 2026 budget and 2027 projected budget, the following are suggested transfer to reserve options:

1. Maintain the 2025 budgeted transfer to reserve of $209,500; this would leave $246,144 in the reserve at the end of 2027 and not require a levy increase. The commitment to Brightshores will be fulfilled in 2027 and the reserve would grow by $209,500 per year if no commitments are made and the contribution amount is unchanged.
2. Reinstate the three quarters of 1% of the 2025 County levy contribution; this would result in a contribution of $568,700 and require a levy increase in 2026 of $359,200.
3. Adjust the transfer to reserve to the previous half of 1% of the 2025 County levy contribution; this would result in a contribution of $379,200 and require a levy increase in 2026 of $169,700.

Staff recommends that the 2026 budget and 2027 proposed budget be developed with a $209,500 transfer to the Health Care Initiatives Reserve as this provides funding for the commitment to Brightshores and leaves a reserve balance of $246,144 in December 2027.

Relevant Consultation

☐ Internal (list)

- ☐ AODA Compliance (describe)
- ☐ Contribution to Climate Change Action Plan Targets (describe)

☐ External (list)

Appendices and Attachments

Health Care Funding Policy.pdf