United Counties of Leeds and Grenville
Special Committee of the Whole
Minutes

Tuesday, January 14, 2020
9:00 a.m.
Council Chambers
25 Central Avenue West, Brockville, Ontario

Members Present: Pat Sayeau, Warden
Brant Burrow, Roger Haley, Arie Hoogenboom, Robin Jones,
Doug Malanka, Nancy Peckford, Herb Scott,
Corinna Smith-Gatcke, Doug Struthers

Staff Present: Andy Brown, Chief Administrative Officer
Arup Mukherjee, Director of Public Works
Alison Tutak, Director of Community and Social Services
Jeff Carss, Deputy Chief of Paramedic Service
Pat Huffman, Treasurer
Lesley Todd, Clerk
Andrea Bolton, Deputy Clerk (Recording Secretary)

Others Present: Wayne Lowrie, Recorder and Times

1. Call to Order

The Warden called the meeting to order at 9:04 a.m.

2. Adoption of Agenda

Resolution No. CW-013-2020
Moved by Arie Hoogenboom
Seconded by Robin Jones
THAT the Agenda for the January 14, 2020 special meeting of the Committee of the Whole be adopted as circulated.

CARRIED
3. Disclosure of Pecuniary Interest and General Nature Thereof - Nil

4. Staff Reports

4.1 2020 Budget Presentation (Operational Budget)

Mrs. Huffman began the presentation with an overview of the draft revenues which total $105,240,000, an increase of $753,225 over 2019. Paramedic Service is estimated to increase by 4%, noting in 2019 the Province did not commit to the 50/50 cost sharing, but did provide a 4% increase. Community and Social Services has a decrease of $309,863 in provincial funding and Maple View Lodge has an increase of $21,680 in provincial funding.

Federal subsidies decreased by $173,627; the subsidies will be gone in 2027 when the debentures payments for Housing are retired at the end of operating agreements for the non-profits; there is an offsetting expenditure for this. Community housing program revenue is additional revenue received on community housing units moving from rent-geared-to-income to market rent and adding commercial units. Joint Services Committee municipal contribution is a decrease of $120,856 as a result of the decrease of 1.9% in the 2020 Joint Services Budget. Contributions from Reserves, a decrease of $610,236 because no transfer is required to fund the Eastern Ontario Regional Network (EORN) Cell Phone Gap Project, which was funded in 2019. The levy will increase $1,043,233 with staff proposing to utilize the full assessment growth but not all the current value assessment phase-in. The dedicated infrastructure levy will increase by $213,833 going from 1.5% of the previous year’s levy to 2%, which agrees with the Asset Management Plan.

Mrs. Huffman reviewed the budgeted revenues totalling $105,240,189:

- Provincial Subsidy 40.42%
- Dedicated Hospital Levy 0.37%
- Tax Levy 38.47%
- Dedicated Infrastructure Levy 0.75%
- Provincial Offences 1.91%
- Joint Services Committee Municipal Contribution 4.49%
- Other Revenue 11.47%
Mrs. Huffman noted the total expenditures in the Draft 2020 Budget are $105,240,189. This is an increase over 2019 of $753,225. Areas of significant increases or decreases include an increase in salaries, wages, and benefits of $962,000. She noted this is the annualized impact of the new positions added in 2019 for Paramedic Service and Public Works, cost of living allowances, grid movements, and union settlements. An increase of $274,510 in materials and supplies is due to an increase in sand and salt in Public Works and Public Works Safety equipment for winter vehicles.

Purchased services decreased by $235,148 due to Public Works reducing its hard top, Community and Social Services removed its courier service, and Public Works has a reduction in consulting, as they no longer require the Roads Needs Study. Under grants to others, there was an increase of $232,500; this included Council donations and year one of the Brockville General Hospital donation. Program costs has a decrease of $716,440 regarding the EORN Cell Phone Gap Project. Under municipal contribution, Mrs. Huffman noted there was an increase of $194,150 due to increases by the Health Unit, the Municipal Property Assessment Corporation (MPAC), and St. Lawrence Lodge. Program client cost saw a decrease of $362,000 due to a reduction in Child Care funding, but it is offset by a set of housing initiatives which are 100% funded by the Province. Transfer to capital saw an increase of $250,000 resulting from the purchase of new capital equipment to expand the fleet at the fourth patrol. Contributions to reserve saw an increase of $186,590, which is the increase in the dedicated infrastructure levy. Contributions to amortization saw an increase of $261,000 due to an increase in some replacement capital work.

Mrs. Huffman reviewed the expenditures of $105,240,189 by category:

- Salaries, Wages and Benefits: 33.94%
- Materials and Supplies: 4.85%
- Purchased Services: 11.91%
- Internal Chargebacks: 5.17%
- Debenture and Interest Payments: 1.68%
- Program/Client Costs: 28.52%
- Municipal Contribution: 3.52%
- Contribution to Reserves: 1.60%
- Contribution to Capital/Amortization: 8.81%

Mrs. Huffman noted the consolidated net budget broken down by function is provides for net expenditures of $41,671,575 or an increase of $1,268,141. The
total County levy requirement equals the net expenditures to ensure a balanced budget and this would result in a levy increase of 3.14%. Mrs. Huffman reviewed a chart showing the frequency distribution summary, noting of the Counties’ 46,368 properties, 30,316 would experience an increase, and 16,052 would experience a decrease.

Reviewing the 2020 Assessment Roll, Mrs. Huffman noted the 2020 Growth is $132,533,339 or 1.27%. The 2020 Assessment Value associated with Phase-In is $298,340,269 or 2.72%, for a total Returned Roll of $11,405,565,364 or 3.93% increase over 2019. The assessment distributed amongst the municipalities is as follows:

- Athens: 2.92%
- Augusta: 7.29%
- Edwardsburgh Cardinal: 7.84%
- Elizabethtown-Kitley: 10.18%
- Front of Yonge: 2.96%
- Leeds and the Thousand Islands: 20.24%
- Merrickville-Wolford: 3.50%
- North Grenville: 23.06%
- Rideau Lakes: 21.15%
- Westport: 0.86%

Mrs. Huffman provided information on the 2020 Assessment and Tax Revenues by Property Class. She explained the assessment growth comes from new construction additions, improvements, and changes in use. Decreases in growth comes from demolitions, changes in use, tax write-offs, or being overcharged because of an error. She noted the increase in assessment due to growth is $132,533,339, which will provide an additional $484,732 in tax revenue with 94% coming from the Residential tax class. With respect to available growth, Mrs. Huffman noted it has always been the Counties’ policy to utilize growth.

Mrs. Huffman explained the phase-in as the reassessment of properties every four years, most recently in 2016. The next reassessment will occur in 2020 and will impact the 2021 to 2024 tax years. She noted those who experience a decrease will receive the full reduction in year one, while all properties with an increase will be phased in equally over the four year period. Phase-in can impact municipal revenues. She noted the increase in assessment values due to phase-in for 2020 is $298,340,269. This provides an additional $920,011 in tax revenue.
With respect to assessment at risk, Mrs. Huffman noted property owners have the right to appeal the value of their property when a change takes place. This is done through a Request for Reconsideration or by filing an appeal with the Assessment Review Board. She noted the continuing trend of block appeals, which have been heard across the Province with appraisal firms representing large commercial box stores. She reviewed the major appeals still open within the Counties, including box stores in North Grenville, a commercial appeal in Leeds and the Thousand Islands, and industrial appeals in Edwardsburg Cardinal and Augusta. She noted staff review the assessment at risk annually and set up an allowance for tax write-offs which protects the Counties from large decreases in tax revenue due to prior year adjustments from successful appeals. In addition, the Counties has a Tax Rate Stabilization Reserve to mitigate loss moving forward as a result of these prior year adjustments.

With respect to Residential Tax Rates, Mrs. Huffman reported staff are recommending a 0.33% tax rate decrease. She noted the impact on the median residential property for 2020, which is based on a single family detached home not on the water, is $221,000, resulting in Counties taxes of $817 for a total Counties tax rate increase of $8.00. Mrs. Huffman reviewed the breakdown of the $817 by service.

Ms. Jones noted the Counties is spending more money on Municipal Property Assessment Corporation (MPAC) than on the Health Unit. She asked how their Budget is set and what are the options. Mrs. Huffman said the Counties receives a bill from MPAC; they take all of the assessments in Ontario and divide them by the weighted assessment. She noted the Counties receives a letter from them saying what the Counties’ share is; all upper and single tier municipalities pay to MPAC for property assessment. Ms. Peckford asked if staff ever receive a break down of what MPAC’s costing looks like; Mrs. Huffman stated the Counties only receives a global figure. She noted there was a freeze in the amount for a number of years, but it has started going back up. She noted the role of MPAC is to defend their assessments through both the Request for Reconsideration process and the Assessment Review Board process. Warden Sayeau noted MPAC provides good data as well and publishes an annual report. Mr. Hoogenboom said MPAC will give you a full breakdown of their costs upon request and it is available online. Mr. Scott stated he doesn’t have a problem with MPAC, noting they provide the Counties with information needed to levy taxes, and stated it is a very necessary service. He expressed doubt that tasks, such as requests for
reconsideration, could be done at the Counties level, asking what staff would be required. He concluded the service MPAC provides is a bargain.

With respect to Reserves, Mrs. Huffman reported the 2020 Budget includes transfers to Reserves in the amount of $10,379,551, transfers from reserves in the amount of $12,917,714, for a projected balance at December 31, 2020 of $29,946,399.

Mrs. Huffman reviewed the transfers to Reserves by category totalling $10,379,551:

- Legal/Planning: $53,160
- Integrity Commissioner: $10,000
- Dedicated Hospital Levy: $394,440
- Working Funds: $436,468
- Amortization: $7,197,607
- Dedicated Infrastructure Levy: $788,880
- Joint Services Amortization: $1,498,995

In response to Mr. Burrow’s question regarding the 2% of previous year levy for dedicated infrastructure levy, Mrs. Huffman confirmed the Asset Management Plan calls for it to increase in 2021 to 2.5% and to level out at 3% in 2022.

Mrs. Huffman reviewed the transfers out of Reserves by category totalling $12,917,714:

- Tax Rate Stabilization: $85,000
- Legal/Planning Reserve: $35,000
- Maple View Lodge Donation Reserve: $19,500
- Dedicated Hospital Levy Reserve Fund: $332,500
- Working Fund Reserve: $200,000
- WSIB Reserve: $750,000
- Insurance Reserve: $104,408
- Amortization Reserves: $8,116,814
- Capital Carry Forward Reserve: $2,177,973
- Joint Services Amortization Reserves: $1,096,519

Ms. Peckford asked why the One-Time Tax Stabilization is characterized as one-time transfer for consulting costs. Mrs. Huffman noted that Reserve is for any one-time expenditures that are not going to be on a continual basis, as it is better to fund them out of Reserves rather than levy for them. Ms. Peckford
noted there was some discussion about a 360 to help support the CAO strengthen SMT processes and asked if that was captured in the Budget. Mr. Brown noted it was in the operations.

Mr. Burrow asked the distinction between the Tax Rate Stabilization Reserve and the Working Fund Reserve. Mrs. Huffman noted the Working Fund Reserve, according to the new policy passed in 2019, is actually designed to ensure there are 20% of the expenditures in Reserve, which is considered healthy, and said the Reserve should have been renamed and realigned to have the Working Fund come out of the Tax Rate Stabilization.

Mr. Hoogenboom noted the legal and planning Reserve is designed to offset the cost of Local Planning Appeal Tribunal (LPAT) appeals; he asked if staff are anticipating or still dealing with appeals. Mr. Brown stated one was just wrapped up, so there are a few outstanding items. He stated the Counties does approve other Official Plans and the Counties may have to go to Local Planning Appeal Tribunal (LPAT) to defend its decisions. He concluded the Counties must complete an aggregate study.

Warden Sayeau noted the Counties is going to reduce its Capital Reserve to a projected $29million at the end of 2020, $3million reduction. He asked what the opportunities available are in order to try to maintain this year’s balance. Mrs. Huffman stated they will have to eliminate or lower the amount to be transferred. Warden Sayeau noted it might affect some capital projects, but there might be other opportunities to reduce the transfers out that don’t directly affect capital projects. Mrs. Huffman noted she, the CAO, and the Directors would have to look at wants versus needs. Mr. Brown stated the Tax Rate Stabilization Reserve would be one area. Legal Planning would be another, in addition to the Working Fund.

Warden Sayeau noted it is proposed to take $200,000 out of that to mitigate tax levy increases when there are increases from growth and phase-in not related to the levy. He asked if the $200,000 needs to come out of that Reserve. Mr. Brown noted it is up to Council to decide. With respect to the WSIB Reserve, Mr. Brown noted half a million dollars goes into the actuarial analysis the Counties is committed to. The other $250,000 is part of a program that is provided to staff that covers salaries, wages, consultants, training, and development. If it was removed, it would mean staff would be laid off and Health and Safety training would go to zero. He noted the Insurance Reserve is to stabilize a major increase this year. He concluded there is a difference of approximately $2.5million from
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one year to the next, but if all the operational was removed it would come no where near the $2.5million. He noted approximately $2million is going toward hospital levy or dedicated capital programs. Mrs. Huffman noted some of the levy can be cut when looking at the Capital Budget; in addition, the Departmental Budgets may show where cuts can be made. Warden Sayeau noted Council should have an eye on the existing balance in each of the Reserves as they consider capital/departmental cuts. Mrs. Huffman noted the Working Fund transfer is a placeholder that has been there for many years and only once in her recollection was it transferred to help avoid a deficit.

Mr. Burrow noted Reserve Funds are a point-in-time and can look like an alarming draw-down. One must always guard against looking at it as a one-year report.

Mrs. Huffman noted the overall Reserves have been growing, but 2020 is anticipated to utilize more than is being contributed. This is due in part to the self-insurance through the WSIB Reserve and there is $1.2million in amortization, which are sand domes being introduced in Public Works, a server in IT, and Maple View Lodge’s capital went up significantly. Looking at the total Reserves as a percentage of the municipal expenses, the Ministry of Municipal Affairs and Housing provides a financial indicator which measures the sustainability and flexibility of the municipality based on information from annual Financial Information Return (FIR): it measures how much money is set aside for future needs and contingencies. The Counties’ risk level is low.

Mrs. Huffman reviewed the internal borrowing and committed long term debt. With respect to long-term debt, Mrs. Huffman noted there are three debenture issues outstanding, two with the City of Brockville for the redevelopment of St. Lawrence Lodge and one with Infrastructure Ontario for the redevelopment of Maple View Lodge. She said the Counties could incur additional borrowing of $124.9million. She noted when these debentures are repaid in 2024, 2025, and 2022, it could free up more funds for debt repayment or infrastructure.

In response to Ms. Jones’ question regarding the interest rates on debentures, Mrs. Huffman noted the City of Brockville took the lead on the redevelopment of St. Lawrence Lodge because it had the most beds. The City went to market on this debenture and the Counties pays its proportionate share based on the number of beds the Counties had at the time. The debenture cannot be cancelled or paid off and must run to its expiry. The Warden noted debentures
cannot be paid off early unless they are paid out on net present value to maturity, however, all the interest must also be paid off. The Committee discussed the age of the debentures and their timeframes, as well as the refinancing of the Maple View Lodge debenture in 2012, which was unique due to the involvement of a private lender.

With respect to the debt servicing costs as a percentage of total revenue, Mrs. Huffman noted the Ministry again measures the extent to which past borrowing decisions may impact current Budget, thereby affecting the municipality’s ability to take on additional debt. The Counties scores a low challenge on this indicator. With respect to the committed long term debt repayment, annual repayment limit, and debt management policy. She noted the annual repayment limit is $9.9million and the debt management policy limits the debt at 70% of the Counties’ annual repayment limit, which is $6.9million. The Counties is well below both these thresholds.

Mrs. Huffman reviewed the growth projects identified in the Asset Management Plan, County Road 43 and Maple View Lodge, which are estimated to add annual debt charges of $4.3million. She noted the Counties is anticipating a Provincial subsidy for Maple View Lodge in the amount of $20.15 per bed per day, which should equate to $970,000 per year. She noted these numbers are estimates, and are subject to change, and will become more accurate as the projects are tendered. Regarding a question from Ms. Peckford, Mrs. Huffman confirmed the $56.3million for Maple View Lodge is capital cost and the Counties will need to debenture. The subsidy from the Province will come monthly.

Mr. Hoogenboom asked for confirmation the $7million subsidy noted for County Road 43 is from the provincial government and the Counties continues to wait for the federal government. Mr. Brown noted the estimate is on both the provincial and federal subsidy, with some for the municipality to undertake sidewalks and lighting etc. Ms. Peckford noted they have done outreach to the new Federal Ministers to make them aware of the project.

Mrs. Huffman reviewed the 2020 Budget impacts from 2019 staffing decisions, noting an increase of $347,134, or $258,000 for the Counties in Paramedic Service. This is year three of the three year Service Delivery Review and includes three months of eight full time paramedics from 2019, six months of one full time supervisor from 2019, and wage increase for advanced care paramedics for three months from 2019. In Public Works there is an impact of $28,111 for three
months of a fleet supervisor from 2019. Proposed increase in service/staffing levels in the 2020 Budget include:

**Corporate Services** $79,516  
- full time maintenance technician – January 1st  
- POA collections officer from part time to temporary full time - April

**Public Works** $123,267  
- full time mechanic – April 1st  
- four lead hands - January to April and November/December

**Maple View Lodge** $277,405,  
- two full time RNs – January 1st  
- 0.6 full time equivalent housekeeper – January 1st increase in casual hours  
- one maintenance technician part time to full time hours

Ms. Smith-Gatcke asked if the mechanic in Public Works is a new position, and asked if there are other mechanics. Mrs. Huffman noted this would bring the complement to three full time positions.

Regarding the 4% from the Province for Paramedic Service, Mr. Struthers noted at the AMO Conference in 2019, the Premier referred to the 4% funding for Paramedic Service as the interim funding. He noted the municipalities don’t know what may be coming in the future.

Mrs. Huffman reviewed the key budget drivers as follows:

- **Wages and Benefits**  
  - Salary grid movements  
  - Union settlements  
  - Cost of living allowance  
  - Impact of 2019 Service Delivery Review for Public Works ($28,000)  
  - Impact of 2019 Service Delivery Review for Paramedic Service ($258,000 Counties’ share)  
  - Impact of proposed 2020 Facilities staffing increase ($65,000)  
  - Net impact of proposed 2020 Public Works staffing increases ($37,000)  
  - Net impact of Maple View Lodge staffing changes ($43,000)

- **Expansion of Public Works fleet** – increase in new capital ($570,000) plus additional maintenance costs

- **Dedicated Infrastructure Levy** – increase of 0.5% of prior year to 2% ($203,000)
Mrs. Huffman summarized the Budget presentation by noting the 2020 levy increase is $1,268,141 or 3.14%. The Counties would be utilizing full growth of $484,732, Phase-in of $783,409, with a proposed tax rate decrease of 0.33%. She noted a 1% change in the levy equals approximately $420,000.

The Committee discussed the levy compared to the tax rate and the proposed decrease. Mr. Brown noted, in the Budget as presented, the Counties is receiving more tax revenue without touching the tax rate.

Mr. Scott stated the Budget presentation contains a great deal of information that can be taken back to their own Councils. He thanked Mrs. Huffman, her staff, and the Directors for their work.

Mr. Malanka noted that he has previously raised the addition of staff to the Economic Development Department as a notice of motion, also with his concerns about the formation of economic development silos. He noted those items are not captured in this Budget and he stated he hopes members will keep in mind there could be further cuts or additions to the Budget.

**Public Works Draft Operating Budget**

Mr. Mukherjee presented the Draft Public Works Operating Budget. He noted the 2020 Roads Budget by subject as follows:

- Roads Management $2,036,418
- Roads Other $1,141,974
- Hard Top Maintenance $390,500
- Roadside Maintenance $2,559,507
- Winter Maintenance $4,682,500
- Fleet Maintenance $171,006
- Capital/Reserves $6,909,130

The overall 2020 Budget is $17,891,035, an increase of $768,816 or 4.49%. Mr. Mukherjee noted there is a $286,483 increase for Winter Control, which includes a new salt contract, weather, and an additional four temporary front line operators to improve shift coverage. There is an increase of $121,591 in Fleet for the new mechanic position and reflecting the annual impact of Fleet Supervisor approved in 2019, which is to offset outsourcing costs and improved in-house services. There is an increase of $332,148 for capital projects to complete legacy projects.
Mr. Burrow asked if the change to the dedicated infrastructure levy, to address the infrastructure gap, now allows the Counties to tackle legacy projects. Mr. Brown noted the dedicated infrastructure fund is separate from those funds, and is in addition to past capital work. The dedicated infrastructure levy based on the Asset Management Plan is to phase-in the increase over a period of years. It is intended when the County Road 43 project is debentured, the Reserve Fund will cover the cost of the debenture over time so it will not affect all other capital works projects across the Counties. Over time, it will grow bigger and will become available for legacy projects.

Mr. Malanka noted one project that was identified by the Committee is paved shoulders on County Roads. There is a health and safety benefit and an economic development benefit to paved shoulders. He asked if this is included in the legacy projects. Mr. Mukherjee noted the Department has yet to bring that policy to Council, though it is headed in that direction. Currently the way the projects are budgeted, the paved shoulders are not included; however, it is included as a provisional item in tenders, so staff can return to the Committee with numbers to determine whether or not it can be done. Mr. Malanka noted for County Road 2, paved shoulders are a significant safety issue and he questioned why it isn’t more definite. Mr. Scott noted the shoulders on County Road 10 were paved, and asked how can one road be paved, but other roads like County Road 2 or County Road 42 can’t be paved; he stated the Committee has set a precedent, and it is up to this body to make the decision. Mr. Mukherjee noted staff didn’t want to lose the opportunities as they came up and stated there would be a report on paved shoulders at the next Council meeting.

**Roads Management**

With respect to the proposed Budget, Mr. Mukherjee noted Roads Management Budget of $2,036,418, an increase of $79,366 or 4.06% includes roads administration, professional development and training, and health and safety. Mr. Mukherjee reviewed the Budget drivers, which include health and safety increases, the addition of truck radios, and work with the Bell service provider for alternatives to existing communications towers and equipment.

With respect to the radios, Mr. Burrow asked if staff have considered those with a digital or data side band available to provide real-time connectivity from the fleet to a management console. Mr. Mukherjee stated that it is a completely separate project and they already have plans to integrate.
**Other Roads**

Mr. Mukherjee outlined the Roads Other Budget of $1,141,974, a decrease of $2,726 or 0.24%. This Budget includes lane marking, guide rail installation, weed spraying, railway maintenance, and culvert installation of less than 3 metres. He noted the decrease is due to wages based on actual hours spent on weed control in 2019, decrease in materials and supplies, and an increase in painting partially offset by a decrease in contracted services at the Ontario Structure Inspection Manual Bridge inspection report from 2019. He noted bridge inspections don’t have to be done in 2020 as they were done in 2019.

Mr. Hoogenboom asked if the Counties is planning to do more, less or, no weed spraying in 2020, noting the Council of the Township of Rideau Lakes favours shoulder and weed cutting, not spraying. He stated if the Counties is planning to continue spraying he would like to put forward a notice of motion to eliminate that program in 2020. Mr. Mukherjee stated as staff get ahead with weed spraying they are able to do less. He said he would like to bring back a report about the complexities of the topic for a fulsome discussion by the Committee.

Ms. Smith-Gatcke expressed concern with the Budget. She said Leeds and the Thousand Islands has brought forward the desperate need with regard to railroad crossings in Lansdowne and on County Road 44, and she does not see the projects listed in the Budget. Mr. Mukherjee said at this point in the budget, this item reflects the railway companies and their own routine maintenance; he noted there are plans for paving to address those railway tracks in 2020.

Mr. Scott stated the Committee should have a discussion with regard to the guardrail weed spraying. He noted spraying around the guardrails kills weeds for the entire year and that would have to stay in as part of the weed spraying.

**Hard Top Maintenance**

Mr. Mukherjee reviewed the Hard Top Maintenance Budget of $390,500, a decrease of $139,000 or 26.25%, which includes crack sealing, cold patching potholes, and hot mix patching. He noted the decrease is partially due to more in-house works for hot mix paving, the use of Reclamite and CRF treatment as less expensive alternatives, and discounts from suppliers.

Mr. Malanka asked what was the outcome of the staff meeting with pavement rejuvenation professionals. Mr. Mukherjee noted the process is called hot-in-
place recycling and it does not require the transport of all the asphalt from the plant, thereby saving trucking, emissions, and resources. Staff did meet with the vendor and believe there is an opportunity in the 2020 major capital Budget to further pursue this. He noted staff believe this project may be eligible for Federation of Canadian Municipalities (FCM) funding through the Green Initiative.

Roadside Maintenance
Mr. Mukherjee noted the Roadside Maintenance Budget of $2,559,507, an increase of $90,954 or 3.68%, includes roadway sweeping, shouldering, grass mowing, summer road patrolling, and tree trimming/cutting. The increase is related to staff moving through the grid.

Winter Control
Mr. Mukherjee presented the Winter Control Budget in the amount of $4,682,500, an increase of $286,483 or 6.52%. He noted the budget includes sanding and salting, winter patrolling, culvert thawing, drainage clearing, snow removal, snow fencing, stock piling, and contracted services. The Budget drivers include the addition of four full time temporary winter control operators, wage increases for winter operators to act as backup lead hands, grid movements, and cost of living. Salt is another Budget driver, as the Counties is entering into a new salt contract in 2020 and staff are preparing for a price increase. They will be negotiating a large salt contract with neighbouring municipalities. With respect to the addition of the four winter control operators, Mr. Mukherjee described how shifts work in the Public Works Department and the need to add four patrol operators, two for the morning shift and two at night, to free up the Patrol Supervisors that were fulfilling Patroller duties, including regulatory tasks.

Mr. Struthers requested staff bring forward information showing the overtime savings at the end of the year. Mr. Mukherjee noted that the CAO has instructed him to track that information. Ms. Jones inquired if the timing of the shifts is a union issue and asked why shifts are not staggered so all shifts don’t return to the garages at the same time.

Fleet
Regarding the Fleet Budget of $171,006, an increase of $121,591 or 2.46%, includes fleet management, graders, trucks and sanding equipment, tractors, loaders, sign creation, and miscellaneous vehicles and equipment. The key drivers are related to the annual position of Fleet Supervisor and the addition of a mechanic, which would enable quality in-house maintenance of the fleet.
**Capital/Reserves**
With respect to Capital/Reserves, Mr. Mukherjee noted the amount is $6,909,130, an increase of $332,148 or 5.05% due to new capital and amortization funds to meet the current year capital Budget requirement. He noted a new salt dome is planned at the Greenbush garage and all five sand domes require immediate replacement, as well as legacy projects. He said the Public Works debenture has been fully repaid and the savings of $200,000 reallocated to the Dedicated Capital Infrastructure Reserve as per the Asset Management Plan.

**Waste Management**
Waste Management for 2020 is $213,522, an increase of $37,840 or 21.54%. Mr. Mukherjee noted the increase shows that the Household Hazardous Waste program is successful and popular. Also included is purchasing and selling blue boxes, the Landfill Liaison Committee and the maintenance of the Counties ED-19 properties, which is shared by the partner municipalities of Brockville and Prescott.

**Charleston Lake**
The Budget for Charleston Lake is $20,246, an increase of $583 or 2.96%. It includes expenditures related to the operations of the Counties owned park and the increase is due to an increase in contribution to amortization reserves.

**Planning**
The Planning Budget is $307,282, a decrease of $3,262 or 1.05%. The Budget includes expenditures and revenues related to the Counties land use planning activities and the administration of subdivision approval authority. The decrease is related to a decrease in consulting costs for the now complete LIDAR mapping project and Counties’ Official Plan.

**Consent Review Committee**
A Budget of $28,158, a net increase of $2,589 or 10.13%. This includes expenditures and revenue related to the Counties Consent Review Committee for the administration and approval of applications for consent to sever land within the Counties. The increase is due to wages and benefits for staff moving through the grid and for cost of living.

**Forest Management**
The Forest Management Budget is $383,066, a net increase of $16,147 or 4.4%, which includes expenditures and revenues related to the management of the Counties 6,000 hectares of forest. The increase is for the decommissioning of abandoned wells as per the Ministry’s direction. The remainder is to update the Limerick Forest website for accessibility standards.

**Weed Inspection**
The Budget is $26,890, a net increase of $633 or 2.41%. This includes expenditure and revenue related to the Counties Weed Inspection Program and the increase is due to wages and benefits on the estimated number of hours to administer the program.

The Committee recessed at 11:09 and reconvened at 11:22 a.m.

**Counties Council**
Mr. Brown presented the Budget for the Counties Council, noting the Budget of $528,531 experienced a net increase of $31,018 or 6.23%. He said the increase in salaries and wages represents the addition of CPP benefits and cost of living. He noted an Integrity Commissioner Reserve of $10,000 was setup and is offset by a reduction in contracted services. Council donations include $120,000 for the Kingston General Hospital and $212,500 for the Brockville General Hospital which are offset by a transfer from the Dedicated Hospital Donation Reserve.

Ms. Peckford asked why there was no donation to the Kemptville Hospital, as there was one in a previous year. Mr. Brown noted it was a one-time request and he would look into why it was made. The Committee discussed the donation, noting it was made as a one-time payment for equipment. Warden Sayeau noted the Policy now states donations must be toward Provincially approved major capital and equipment.

With respect to the Integrity Commissioner Reserve, Mr. Hoogenboom asked if the Reserve also pays individual legal fees. Mr. Brown noted it is covered through insurance in the event of a not-guilty decision. He said this is the first year with the new process. The Warden noted Councillors now have the right to see advice from the Integrity Commissioner as to whether or not they have a pecuniary interest.

**Administration Division**
Mr. Brown noted the budget is $1,015,545, an increase of $9,802 or 0.97%. This Budget includes the CAO/Clerk Department and Accessibility Committee. The increase is mainly attributed to an increase in computer licences for closed captioning and an increase in internal chargebacks.

**Corporates Services Division**
Mr. Brown presented the $3,563,264 Budget, an increase of $19,496 or 0.55%. He noted this includes Corporate Services Administration, Human Resources, Health and Safety, Accounting, Purchasing, and Information Technology. Mr. Brown spoke to internal chargebacks, which have been in place since 2004, to maximize Provincial Funding for Paramedic Service, Community and Social Services, and Maple View Lodge. Chargebacks ensure the Joint Services Committee partners are paying their fair share, as well as all the departments. He noted the Province has accepted the methodology.

**Corporate Services Administration**
Mr. Brown reviewed the Budget of $58,860, an increase of 12.70%. He explained the increase is mainly attributed to 100% of the Director of Corporate Services now charged to CS Administration, whereas before it was shared amongst the departments. The Director is budgeted with a July start date to allow for time to complete the Service Delivery Review. Purchased Services increased by $74,408 with an equal transfer from the Insurance Reserve to lessen the impact of the 14% insurance premium increase.

**Health and Safety Program**
There was no change in the Health and Safety Program after a transfer from the WSIB Reserve to offset health and safety program expenditures. Mr. Brown noted currently the Counties is self-funded and charges itself WSIB premiums, which are used to fund health and safety programs, as well as claims. He said part of the program is an Occupational Health Nurse, which will be retendered in 2020 for a new disability management firm.

**Accounting Services**
Mr. Brown stated the budget has decreased $12,892 or 1.64% mainly due to a change in the distribution of wages and benefits. He noted the Treasurer is performing some of the Community and Social Services Finance Manager duties. Director of Corporate Services and Corporate Services Coordinator positions were reduced by 10%. He noted the decrease is offset 100% by the Accounting
Services Analyst. Mr. Brown also noted as part of the succession planning a Deputy Treasurer retired at the end of 2019.

**Human Resources**
The Human Resources Department saw a small decrease of $9,724 or 1.14%. This is due to wages and benefits decrease of $40,255, due to the redistribution of the Training Associate’s wages and benefits to Health and Safety, and the redistribution of the Corporate Services Director and Corporate Services Administration. As well, an increase in purchased services was partially offset by a transfer from reserve for one-time costs associated with a compensation review and recruitment process review. Mr. Brown noted the recruitment process currently used dates back 15 to 20 years.

Ms. Jones requested that a compensation review for Council be included in the process.

**Information Technology (IT)**
With respect to the IT Department, Mr. Brown noted the Budget reflects a decrease of $16,748 or 1.16%. There is an increase in wages and benefits due to the temporary reassignment of an employee from Community and Social Services to assist with the implementation of Office 365. Purchased services decreased due to a decrease in computer hardware, web hosting, contracted services, hardware maintenance, and consultants.

Ms. Smith-Gatcke noted she reviewed Administration and Corporate Services from 2016 to 2020. There was a 16% increase combined since that time. She asked if that is an increased cost over time, or does it reflect a number of new employees. She asked, as Corporate Services costs increase, is the Counties engaged in more activities or, if it is related to cost of living, is the Counties being more efficient with the available staff. Mr. Brown noted he could not provide an answer right away, noting the Counties applied for modernization funding to do a service delivery review of Corporate Services. He stated there has been staff added as IT became more of a cost centre. Mrs. Huffman said in 2015, the Director of Corporate Services was also the Treasurer and now the Counties has separated those two positions for a significant increase. Mr. Brown noted they would look at those five years.

**Broadband Initiative**
The 2020 Budget for this Project is $144,642, a net increase of $158,623. He noted this includes the first year of the four-year commitment to the Eastern Ontario Regional Network cell gap project which was prepared in 2019. The $13,981 annual recovery from the Town of Prescott will be complete in 2023.

**County Properties**
Mr. Brown presented the Budget of $1,121,606, an increase of $74,106 or 7.07%. He noted the budget includes revenue and expenditures related to the management of the County Properties of:

- 25 Central Avenue West (Brockville)
- 32 Wall Street (Brockville)
- Courthouse (Brockville)
- 275 William Street (Gananoque)
- Elgin Paramedic Service Station (Rideau Lakes)

Mr. Scott asked when the Province will return the Courthouse to the Counties. Mr. Brown stated he believes it is 2029 and then the Province has an option to continue to lease it under the same conditions.

Mr. Brown noted there is a $4,496 or 3.23% decrease in the Facilities Coordinator, due to the Corporate Services Coordinator no longer being charged to this budget. Overall Facilities shows an increase of $78,602 or 8.65% and includes a second full time permanent maintenance technician allocated across all properties.

**Property Assessment**
Mr. Brown presented the Property Assessment Budget of $1,397,980, a net increase of $15,403 or 1.11%. This Budget includes expenditures related to property assessment and the Counties role in coordinating the related tax policy issues on behalf of the Counties and its ten municipalities. This increase is due to an increase in annual Municipal Property Assessment Corporation billing partially offset by a decrease in contracted services for the Property Assessment Coordinator.

**Fire Emergency**
Mr. Brown reviewed the $1,005,980 Budget, noting a net decrease of $28,208 or 2.73%. The budget includes the operation of the Counties fire communication service consisting of towers owned or leased, a dispatch agreement with the City of Brockville, and a mutual aid grant. The decrease is due to a decrease in
maintenance costs associated with the radio equipment that was obtained during contract renewal, and is partially offset by an increase in the City of Brockville Fire Dispatch agreement.

**Emergency Management**
The Budget of $58,362 represents an increase of $630 or 1.09%. This Budget is related to the Counties Emergency Management Program and the increase relates to the addition of a cell phone.

**911**
This Budget of $40,070 is a net increase of $19 or 0.05%. The Budget represents expenditures relating to the operating of the Counties 911 System, in conjunction with the municipal partners, and the increase is due to internal chargebacks.

**Health Unit**
Mr. Brown noted the Health Unit Budget is $1,408,742, an increase of 130,468 or 10.21%, which is the maximum they will charge the Counties, due to instruction by the Province. This represents the change from a 25/75% municipal/provincial split to a 30/70% municipal/provincial split.

Mr. Hoogenboom asked whether or not the Health Unit has examined its services in order to prioritize them. Mr. Malanka confirmed the Health Unit went line by line and looked at staffing to reduce costs. Mr. Struthers said the Budget was reduced, but because of the change in allocation, the result is an increase to municipalities.

**Maple View Lodge**
Mr. Brown reviewed the Maple View Lodge Budget of $2,896,255, a net increase of $93,380 or 3.33%. He noted this Budget relates to the operation of the Counties’ 60 bed, long-term care facility in Athens.

**Maple View Lodge Revenues**
Mr. Brown noted the revenues have increased $43,483 or 0.99%. The Provincial subsidy includes the per diem funding based on a set fee per bed per day. Resident fee revenue is expected to increase 1.96%, which includes the estimated provincial rate increase that occurs in July of each year.

**Maple View Lodge General Administration**
With respect to general administration, Mr. Brown noted an increase of $29,234 or 3.18%. The Budget includes increases due to wages and benefits, the replacement of laptops in order to move to Windows 10 operating system, and an increase in internal chargebacks.

**Maple View Lodge Nursing and Personal Care Direct**
This Budget shows an increase of $29,078 or 0.82% and represents an increase in wages and benefits attributed to the ONA agreement, salary merit adjustments, and cost of living. Included in wages and benefits are two new full-time permanent Registered Nurses with an offset to part-time RN hours. Mr. Hoogenboom asked if the Maple View Lodge Committee of Management is given the opportunity to review the Maple View Lodge Budget; Mr. Brown noted it is only presented to the Committee of the Whole. Mr. Hoogenboom stated the Committee of Management has in depth knowledge of the Budget and should have had the opportunity to preliminarily review this Budget.

**Maple View Lodge Nursing and Personal Care Administration**
Mr. Brown noted the increases of $3,359 or 1.11% is due to wages and benefits, including a cost of living allowance increase and changes associated with the ONA Agreement.

**Maple View Lodge Program and Support**
Mr. Brown stated there was an increase of $5,649 or 1.51%. The increase is due to an increase in wages and benefits due to grid movement and cost of living, and is partially offset by a decrease in program costs related to the Pet Therapy Program.

**Maple View Lodge Dietary Services**
Mr. Brown noted there was a decrease of $4,587 or 0.81% due to equipment replacement partially offset by an increase in dietary supplies, as well as offset by and increase in wages and benefits.

**Maple View Lodge Raw Food**
There is an increase of $9,676 or 4.02% due to the anticipated increase in the cost of food.

**Maple View Lodge Housekeeping**
Mr. Brown reported an increase of $13,428 or 3.37% due to an increase in wages and benefits, which includes an additional 0.6 Full Time Equivalent for casual
hours. The increase is also due to purchased services relating to contracted services for rug rentals, and the increase is partially offset by a decrease in materials and supplies.

**Maple View Lodge Laundry and Linen**
The Budget decrease of $6,470 or 9.99% is due to the actual costs incurred for laundry services in 2019, which were below budget.

**Maple View Lodge Building**
The increase of $17,262 or 3.52% is due to an additional 0.4 Full Time Equivalent in staff to create a second full-time permanent maintenance technician position, and due to an update to the door lock system, additional training, and an increase in contracted service to paint the west wing.

**Maple View Lodge Facility**
Mr. Brown stated the Budget increase of $45,136 or 19.33% is due to the five cent per KWh increase in hydro rates for non-residential buildings as of November 2019.

**Maple View Lodge Redevelopment**
Mr. Brown stated the Redevelopment Budget of $381,885, with no change from 2019, represents the debenture payments for the capital costs of the redevelopment of Maple View Lodge and a transfer to amortization reserves. The debenture was issued in 2012 and is repaid over ten years.

**St. Lawrence Lodge**
The St. Lawrence Lodge Budget of $736,081 represents an increase of $38,374 or 5.50%. This Budget includes the Counties’ municipal contribution to the St. Lawrence Lodge Board of Management for their operational costs at the Lodge. The increase is estimated as formal notice since the 2020 levy was not received at the time of Budget.

**St. Lawrence Lodge Redevelopment**
This Budget of $481,521 has a decrease of $8,439 or 1.72%. The Budget includes the Counties share of the debenture payments and provincial subsidy for the capital costs of the redevelopment of St. Lawrence Lodge. The decrease is attributed to a decrease in the debenture interest for 2020. It was noted the City of Brockville holds the debenture.
Geographic Information System (GIS)
The Budget of $399,766 includes a net increase of $23,572 or 6.27%. The Budget includes expenditures and revenues related to the Counties Geographic Information System Program. The increase is due in part to wages and benefits, as well as purchased services relating to the 2020 Esri and Rolta GIS software upgrade.

Economic Development
Mr. Brown reviewed the $721,539 Budget, a decrease of $4,166 or 0.57%. Under Operations, there is a decrease of $8,457 or 1.25% representing a decrease in wages and benefits due to a maternity leave top up, which was partially offset by the cost of living allowance and grid step changes. Under Projects, there was an increase of $4,291 or 8.74%, an increase of 7% for the Economic Development Summit and Sector Panel based on growth experienced in 2019. Also the continuation of projects such as Onroute and the Business Retention and Expansion Project.

Revenues and Transfers
Mrs. Huffman noted the Budget of $46,571,121 is an increase of $1,178,895 or 2.60%. This includes:
- **Interest** – increase of $42,617 or 7.49% due to prepayment of EORN cell gap project and interest revenues for bank deposits on hand
- **Other recoveries** – decrease of $23,020 or 100% due to the cancellation of the St. Lawrence Lodge payroll contract
- **Internal recoveries** – increase of $61,027 or 1.34% relating to the increase of internal chargebacks
- **Levy** – increase of $1,043,233 or 2.64% which represents the amount of money required to balance the budget
- **Dedicated Hospital Levy** – increase of $11,075 or 2.89% which represents a 1% levy calculated on prior years’ levy
- **Dedicated Infrastructure Levy** – increase of $213,833 or 37.19% which increased by 0.5% to a 2% levy to fund the infrastructure deficit
- **Contribution to Reserves** – increase of $169,870 or 16.76% comprised of the Dedicated Hospital Levy and Dedicated Infrastructure Levy; the prior year included a working fund transfer

With respect to upcoming Budget meetings, it was noted there was a conflict with the proposed January 30th meeting date. The Committee agreed that if another meeting is necessary following the January 23rd Special Committee
meeting, it would be held January 29th at 1:00 p.m. This would require a change in the start time of the Maple View Lodge Committee of Management meeting and the Clerk will be in touch with the start time of the Maple View Lodge meeting.

5. **Questions from the Media**

There were no questions from the media.

6. **Questions from the Public**

There were no members of the public present.

7. **Closed Meeting - Nil**

8. **Adjournment**

Mr. Struthers reminded members of the Wireless Home Internet Launch event to take place in Merrickville January 15th, 2020.

Mr. Struthers noted the upcoming Food, Agricultural and Economic Development Opportunities in Merrickville-Wolford event to take place February 11, 2020 at the Merrickville United Church and Arts Centre. The event runs 12:30 to 3:30 and will include a presentation by Stephen Duff, Chief Economist, Ontario Ministry of Agriculture, Food and Rural Affairs.

Mr. Brown announced he is working on the Rural Ontario Municipal Association (ROMA) Conference delegations. He noted there are three scheduled between 11:00 and 12:05 on the Monday of the Conference. The Clerk will circulate the briefings electronically and provide hardcopies.

Mr. Haley noted he and Ms. Smith-Gatcke have a delegation with the Ministry of Transportation at noon regarding safety on the 401.

**Resolution No. CW-014-2020**
Moved by Roger Haley
Seconded by Doug Struthers
THAT the special meeting of the Committee of the Whole adjourn at 12:18 p.m.

CARRIED

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Chair

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Lesley Todd, Clerk