Committee of the Whole
January 9, 2020 – Following Council
Council Chambers, Grey County Administration Building

1. Call to Order
2. Declaration of Pecuniary Interest
3. Business Arising from the Minutes
   a. Notice provided by Councillor Hicks on December 12, 2019

   Whereas the Town of Hanover and the City of Owen Sound are the only lower tier municipalities in Grey County that are wholly designated primary settlement areas; and

   Whereas the Town of Hanover occupies 0.217% of Grey County’s land mass and, according to 2018 statistics, produces 15.2% (6,688) of the jobs in Grey County. The City of Owen Sound occupies 0.538% of Grey County’s land mass and produces 34.7% of the jobs in Grey County. Together, they occupy .755% of Grey County’s land mass and produce 49.9% of the jobs in Grey County; and

   Whereas 25% (191) of the people on Grey County’s wait list for affordable housing are looking for a place in the Town of Hanover and 75% (586) are looking for a place in the City of Owen Sound, noting that those seeking affordable housing can place themselves on more than one waitlist; and

   Whereas 11.5% of Ontario Works clients in Grey County are in the Town of Hanover and 49% are in the City of Owen Sound; and

   Whereas 7% (416) of all ODSP clients in Grey and Bruce Counties combined are in the Town of Hanover and 29% (1677) are in the City of Owen Sound; and

   Whereas according to the latest statistics available, the Town of Hanover was 2nd in the Province out of the 50 Municipal Police Services in Ontario for the number of criminal charges processed per officer (ccpo) per year; and

   Whereas The Town of Hanover officers processed 56.6 criminal charges per officer per year, followed by The City of Owen Sound ranking in 3rd place in the Province with its officers processing 54.8 criminal charges per officer
per year, Brockville being ranked 1st place with 60 ccpo and the provincial and national averages being 23.3 and 29.7 ccpo respectively; and

Now Therefore Be It Resolved That staff is directed to bring a report to Council setting out terms of reference for a Town of Hanover/City of Owen Sound Task Force which will meet for no more than eight (8) months. The Task Force will produce a report containing recommendations for Council’s consideration to address issues affecting these two primary settlement areas.

b. Notice provided by Councillor Burley on December 12, 2019

Whereas home prices and property values continue to rise making it difficult for individuals and families to find affordable housing; and

Whereas access to housing is critical to attracting new entrants to the regional labour force; and

Whereas there are several housing and homeless prevention initiatives in place to assist homeowners with the high costs associated with home ownership; and

Whereas there is a limited inventory of affordable housing in Grey County with a vacancy rate of 2% across the County;

Now Therefore Be It Resolved that an Affordable Housing Task Force be created; and

That the Task Force consider:

- Opportunities to work with all three levels of government to pursue all available funding options and local community solutions
- Work with the private sector to look at prospects for public-private partnerships with possible incentives to encourage the private sector to increase the supply of affordable housing in Grey County;
- Create a “Made in Grey” solution that will be specific to Grey County’s needs,

That the Affordable Housing Task Force consist of Councillors Bartnicki, Keaveney, Burley, O’Leary, Hicks and Warden McQueen; and

That staff be directed to develop a Terms of Reference for review following the first meeting of the Task Force.

c. Notice provided by Councillor Desai on December 12, 2019

Whereas all levels of government need to show leadership and take proactive steps to combat climate change; and
Whereas Grey County, through a partnership with the University of Guelph Masters of Rural Planning and Development program presented a report titled “Climate-Conscious Grey: Developing a Climate Change Action Plan for Grey County, Ontario” to Council April 25, 2019; and

Whereas County staff are currently working on developing a Grey County climate change action plan;

Now Therefore Be It Resolved that a Climate Change Task force be established to:

- Provide input into the development of recommendations in support of Climate-Conscious Grey, the climate change action plan
- Provide input into measurable impacts for improved County operations related to the environment; and

That the Climate Change Task Force include Councillors Desai, Woodbury, Hutchinson, Gamble, Clumpus, Hicks and Warden McQueen; and

That staff be directed to draft a Terms of Reference for review following the first meeting.

4. Delegations
   Kevin McNab, Director of Paramedic Services

   First Responder and Military Family Wellness Event

5. Determination of Items Requiring Separate Discussion

6. Consent Agenda

   That the following Consent Agenda items be received; and

   That staff be authorized to take the actions necessary to give effect to the recommendations in the staff reports; and

   That the correspondence be supported or received for information as recommended in the consent agenda.

   a. BDO Audit Planning Report to Committee of the Whole

      That the BDO Audit Planning Report to Committee of the Whole be received for information.

   b. TR-CW-03-20 RFT-TS-41-19 Award of Two Tandem Trucks

      That Report TR-CW-03-20 be received and that RFT-TS-41-19 for two tandem trucks be awarded to Lewis Motor Sales for the bid amount of $623,495.64 exclusive of HST.
c. TR-CW-04-20 Road Widening Acquisition Grey Road 170

That Report TR-CW-04-20 regarding the acquisition of road widening be received and that the property identified as Part of Lot 18 Concession 12 Keppel shown as Part 5 on Plan 16R-10010; Geographic Township of Keppel, Township of Georgian Bluffs, County of Grey be acquired by The Corporation of the County of Grey for road widening purposes.

d. PDR-CW-04-20 Abbots Subdivision 42T-2019-02 Information Report

That Report PDR-CW-04-20 regarding an overview of proposed plan of subdivision application 42T-2019-02, consisting of eleven (11) residential parcels of land which would be divided into twenty-two (22) semi-detached residential dwellings, described as Town Plot Lots 35 to 39 Bay: W/S, (geographic Town of Thornbury), Town of The Blue Mountains, be received for information.

e. PDR-CW-05-20 Flato East Redline Revision 42T-2015-05

That all written and oral submissions received on the proposed redline revisions to plan of subdivision 42T-2015-05 were considered which helped to make an informed recommendation and decision; and

That PDR-CW-05-20 be received, and that in consideration of the draft plan of subdivision 42T-2015-05, and the matters to have regard for under Subsection 51(24) of the Planning Act, the County of Grey Committee of the Whole hereby approves the revised plan of subdivision on lands described as Part of Lots 233 and 234, Concession 1, (geographic Township of Proton) in the Township of Southgate.

f. Township of Southgate – Partnership with SMART

That the correspondence from the Township of Southgate regarding a partnership with SMART be received for information.

g. Public Meeting minutes dated December 10, 2019 – Housekeeping Official Plan Amendment

That the public meeting minutes dated December 10, 2019 for the Housekeeping Official Plan Amendment be received for information.

h. Health Care Funding Roles and Responsibilities Task Force minutes dated December 12, 2019

That the Health Care Funding Roles and Responsibilities Task Force minutes dated December 12, 2019 be adopted as presented.

7. Items For Direction and Discussion
a. CAOR-CW-01-20 Community Transportation Update

That report CAOR-CW-01-20 Community Transportation Update be received; and

That County Council direct staff to proceed with and RFP to lease buses until March 2023; and

That County Council approves a single source contract with First Student; and

That the Warden and Clerk be authorized to execute a Transit Procurement Initiative (TPI) agreement with Metrolinx.

b. EDTC-CW-04-20 Grey Roots KidsCamp Fees

That Report EDTC-CW-04-20 regarding Grey Roots KidsCamp Fees, be received; and

That the proposed fees be included in the 2020 Fees and Service Charges Schedule G of Bylaw 4735-11.

c. HRR-CW-01-20 2020 WSIB Insurance Coverage Renewal

That Report HRR-CW-01-20 regarding Workplace Safety Insurance Board (WSIB) Insurance be received; and

That the Chubb Insurance Company Insurance Policy for excess indemnity insurance through Jardine Lloyd Thompson of Canada at a premium of $196,822.44 be approved for 2020.

d. HRR-CW-02-20 Memorandum of Settlement OPSEU Social Services

e. HRR-CW-03-20 Employee Group Benefit Renewal

That Report HRR-CW-03-20 regarding the 2020 employee group benefit program renewal be received; and

That the insurance polices with AIG Insurance and Sun Life Financial be renewed for the period of January 1 – December 31, 2020 at the proposed premium level.

8. Closed Meeting Matters

That Committee of the Whole does now go into closed session pursuant to Section 239 (2) of the Municipal Act, 2001 to discuss:

i. advice subject to solicitor-client privilege (Land Claims Update)

ii. litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board (Land Claims Update)
Committee of the Whole
January 9, 2020
Page 6

9. Other Business
   a. OGRA Conference Delegation Requests

   That the following OGRA Conference Delegation Requests be submitted:
   • (Direction required)

10. Notice of Motion

11. Adjournment

   Cyber Security training following the meeting (15-20 minutes)
COUNTY OF GREY

AUDIT PLANNING REPORT TO THE MEMBERS OF THE COMMITTEE OF THE WHOLE

January 9, 2020
EXECUTIVE SUMMARY

Your BDO Audit Team

Traci Smith, CPA, CGA, LPA will be the lead on the engagement team, supported by experts as deemed necessary. Please refer to page 3 for contact information should you have any questions or concerns regarding the financial statement audit.

Timeline

The audit is scheduled to start on March 30, 2020 with final completion scheduled for the end of May. See the Audit Timeline section of the report for the detailed milestones.

Significant Audit Risks

Our audit is focused on risks specific to your municipality and key accounts. These are described in more detail on pages 5. Specifically, we have identified the following areas on which to focus:

- Control Environment
- Purchases
- Payroll
- Government Transfers

Materiality

We have determined that materiality for the current year audit will be based on 2% of average total revenue. Preliminary materiality is $2,750,000 for the year ended December 31, 2019.

Fees

We estimate our fees for 2019 will be $62,500 for the audit of the financial statements, based on the assumptions outlined in the Fees section on page 7 of this report.

Engagement Objectives

Our overall responsibility is to form and express an opinion on the financial statements. The performance of this audit does not relieve management or those charged with governance of their responsibilities. Please see the attached engagement letter in Appendix B for specific details regarding the scope of our work.

Fraud Discussion

Through our planning process, and prior years’ audits, we have developed an understanding of your oversight processes. We are not currently aware of any fraud affecting the County. Please see Appendix D for clarification of the auditor’s responsibilities for detecting fraud.

If you are aware of changes to processes or are aware of any instances of actual, suspected or alleged fraud affecting the County, we request that you provide us with this information.
YOUR DEDICATED BDO AUDIT TEAM

In order to ensure effective communication between the Members of the Committee of the Whole and BDO Canada LLP, the contact details of the engagement team are outlined below. We attempt to provide continuity of service to our clients to the greatest extent possible. When changes are required for key members of the engagement team, we will discuss this matter with Management and determine the appropriate new individual(s) to be assigned to the engagement based on particular experience, expertise and engagement needs.

<table>
<thead>
<tr>
<th>NAME</th>
<th>ROLE</th>
<th>PHONE NUMBER</th>
<th>EMAIL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traci Smith</td>
<td>Engagement Partner</td>
<td>519-376-6110 Ext 2225</td>
<td><a href="mailto:tsmith@bdo.ca">tsmith@bdo.ca</a></td>
</tr>
<tr>
<td>Vicky Watson</td>
<td>Senior Manager</td>
<td>519-376-6110 Ext 2231</td>
<td><a href="mailto:vwatson@bdo.ca">vwatson@bdo.ca</a></td>
</tr>
<tr>
<td>Alyshia Mader</td>
<td>Senior Accountant</td>
<td>519-376-6110 Ext 2223</td>
<td><a href="mailto:amader@bdo.ca">amader@bdo.ca</a></td>
</tr>
<tr>
<td>Scott Merry</td>
<td>HST Specialists</td>
<td>519-622-7676 Ext 1957</td>
<td><a href="mailto:smerry@bdo.ca">smerry@bdo.ca</a></td>
</tr>
<tr>
<td>Nicole White</td>
<td></td>
<td></td>
<td><a href="mailto:nbwhite@bdo.ca">nbwhite@bdo.ca</a></td>
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</tbody>
</table>
AUDIT TIMELINE

The following schedule outlines the anticipated timing of the audit of the consolidated financial statements of the County.

As part of the year end Committee of the Whole meeting, we will provide the Members of the Committee of the Whole with a copy of our draft audit opinion, discuss our findings, including significant estimates utilized by management, accounting policies, financial statement disclosures, and significant transactions completed during the year. We will also report any significant internal control deficiencies identified during our audit and reconfirm our independence.

- January 9, 2020
  - Audit planning report to Committee
- March 30, 2020
  - Audit fieldwork commences
- Mid May, 2020
  - Meeting with management and BDO
- May 28, 2020
  - Present final report to the Members of the Committee of the Whole
- End of June, 2020
  - Release of audit report
### SIGNIFICANT AUDIT RISKS AND PLANNED RESPONSES

Based on our knowledge of the County, our past experience, and knowledge gained from management and the Members of the Committee of the Whole, we have identified the following significant risks; those risks of material misstatement that, in our judgment, require special audit consideration.

Significant risks arise mainly because of the complexity of the accounting rules, the extent of estimation and judgment involved in the valuation of these financial statement areas, and the existence of new accounting pronouncements that affect them. We request your input on the following significant risks and whether there are any other areas of concern that the Members of the Committee of the Whole have identified.

<table>
<thead>
<tr>
<th>AREAS OF FOCUS</th>
<th>RISKS NOTED</th>
<th>AUDIT APPROACH</th>
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<tbody>
<tr>
<td>Control Environment</td>
<td>Management may at any time have the opportunity to override internal controls.</td>
<td>• Test appropriateness of journal entries.</td>
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<td></td>
<td></td>
<td>• Review accounting estimates for biases and evaluate the risk of material misstatement due to fraud.</td>
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<tr>
<td></td>
<td></td>
<td>• For significant transactions that are outside the normal course of business, evaluate the business rationale behind the transaction.</td>
</tr>
<tr>
<td>Purchases</td>
<td>Significant risk of unauthorized use of signature stamp, theft of blank cheques, or misappropriation of County EFT funds.</td>
<td>• Review cheque and EFT logs for continuity of cheque and EFT transaction numbers.</td>
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<tr>
<td></td>
<td></td>
<td>• Confirm bank balances and review bank reconciliations.</td>
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<td></td>
<td>Significant risk that pay rates changes could be unauthorized.</td>
<td>• Test salaries of those employees who are authorized to change pay rates.</td>
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<tr>
<td>Payroll</td>
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<tr>
<td>Government Transfers</td>
<td>Significant risk that government transfers may not be recorded properly because of the complexity of the standard. Significant judgment required to assess the eligibility criteria/stipulations and the recognition or deferral of grant revenue can affect the annual surplus.</td>
<td>• Review of agreements and discussions with management.</td>
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<tr>
<td></td>
<td></td>
<td>• Confirmation of cash received and reconciliation of cash flows and eligible expenditures.</td>
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</tbody>
</table>
MATERIALITY

Misstatements, including omitted financial statement disclosures, are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Judgments about materiality are made in light of surrounding circumstances and include an assessment of both quantitative and qualitative factors and can be affected by the size or nature of a misstatement, or a combination of both.

Preliminary overall materiality was determined to be $2,750,000, based on 2% of average total revenues. Performance materiality of $2,062,500 is set at 75% of the materiality. We use performance materiality to focus our audit; identify amounts to be examined using statistical sampling and determining key items for analytical procedures. A threshold of 10%-20% of performance materiality is then used for substantive and analytical procedures.

Our materiality calculation is based on the County’s preliminary results. In the event that actual results vary significantly from those used to calculate preliminary materiality, we will communicate these changes to the Members of the Committee of the Whole as part of our year end communication.

We will communicate all uncorrected misstatements identified during our audit to the Members of the Committee of the Whole, other than those which we determine to be “clearly trivial”. Misstatements are considered to be clearly trivial for purposes of the audit when they are inconsequential both individually and in aggregate.

We encourage management to correct any misstatements identified throughout the audit process.
FEES

We estimate our fees for 2019 will be $62,500 (excluding taxes) for the audit of the consolidated financial statements.

These fees include:

- An audit report on the financial statements of the County;
- Separate audit opinions on the trust funds administered by the County maintained on behalf of Long-Term Care Facility Residents;
- An audit report on the Long-Term Care Facility Annual Reports for Grey Gables, Rockwood Terrace and Lee Manor;
- Two review engagement reports on Schedules of Revenue and Expenses of Ministry of Education programs;
- Preparation of Financial Information Return (FIR);
- Preparation of management letter (if applicable);
- Preparation of Letter to Council;
- Meetings with staff in the planning stage of the audit, execution stage of the audit and at the conclusion of the audit to discuss the audit, financial statements, management letter (if applicable) or any other matters as required;
- Meeting with Council to discuss the audit, financial statements, letter to Council and any other matters as required; and
- Ongoing communication and questions from staff during the year.

Our estimated fees are based on the time expected to complete the audit and is based upon the following assumptions:

- We will be provided with the requested audit schedules, working papers and descriptions of accounting systems and processes as detailed in our annual requirements letter upon the commencement of fieldwork;
- There will be minimal adjusting entries; and
- The nature of the County’s operations remain consistent with the prior year and there have been no changes in accounting personnel.

In the event that we incur additional charges or we experience delays in completing the audit, we will advise management.
Our overall audit strategy involves extensive partner and manager involvement in all aspects of the planning and execution of the audit and is based on our overall understanding of the County.

We will perform a risk-based audit which allows us to focus our audit effort on higher risk areas and other areas of concern for management and the Members of the Committee of the Whole.

**Identify and Assess Risk:**
To assess risk accurately, we need to gain a detailed understanding of the County’s business and the environment it operates in. As well, we obtain an understanding of the system of internal control in place in order to consider the adequacy of these controls as a basis for the preparation of the consolidated financial statements, to determine whether adequate accounting records have been maintained and to assess the adequacy of these controls and records as a basis upon which to design and undertake our audit testing.

**Design Audit Response:**
Based on our risk assessment, we design an appropriate audit strategy to obtain sufficient assurance to enable us to report on the consolidated financial statements.

We choose audit procedures that we believe are the most effective and efficient to reduce audit risk to an acceptable low level. The procedures are a combination of testing the operating effectiveness of internal controls, substantive analytical procedures and other tests of detailed transactions.

**Obtain Audit Evidence / Form Opinion / Report:**
Having planned our audit, we will perform audit procedures, maintaining an appropriate degree of professional skepticism, in order to collect evidence to conclude whether or not the consolidated financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards.
APPENDIX B: ENGAGEMENT LETTER
December 9, 2019
County of Grey
595 9th Avenue East
Owen Sound ON N4K 3E3

Dear Ms. Wingrove:

We understand that you wish for us to continue as the auditors of County of Grey for its fiscal year ended December 31, 2019 and subsequent years.

We are pleased to continue as your auditors subject to the terms and conditions of this Agreement, to which the attached Standard Terms and Conditions form an integral part. The definitions set out in the Standard Terms and Conditions are applicable throughout this Agreement. This Agreement will remain in place and fully effective for future years until varied or replaced by another relevant written agreement or until the completion of the audit for the 2023 fiscal year.

Traci Smith, CPA, CGA, LPA will be the Engagement Partner for the audit work we perform for you. The Engagement Partner will call upon other individuals with specialized knowledge to assist in the performance of services.

Our Role as Auditors

We will conduct our audit(s) in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements prepared in accordance with Canadian public sector accounting standards are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by you, as well as evaluating the overall financial statement presentation.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements, whether by fraud or error, may not be detected, even though the audit is properly planned and performed in accordance with Canadian generally accepted auditing standards.

In making our risk assessments, we consider internal control relevant to your preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of your internal controls. However, we will communicate to you concerning any significant deficiencies in internal controls relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate matters required by professional standards, to the extent that such matters come to our attention, to you, those charged with governance and/or the board of directors.
Reporting

Our audit will be conducted on the basis that the financial statements have been prepared in accordance with Canadian public sector accounting standards.

Our independent auditor’s report will be substantially in the form set out in Canadian Auditing Standard (CAS) 700. The form and content of our report may need to be amended in the light of our audit findings. If we are unable to issue or decline to issue an audit report, we will discuss the reasons with you and seek to resolve any differences of view that may exist.

Role of Management and Those Charged with Governance

You acknowledge and understand that you have responsibility for:

(a) the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards. The audit of the financial statements does not relieve you of your responsibilities;

(b) such internal controls as you determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and

(c) providing us with:
   • access, in a timely manner, to all information of which you are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
   • additional information that we may request for the purpose of the audit;
   • unrestricted access to persons within the entity from whom we determine it is necessary to obtain audit evidence;
   • financial and non-financial information (other information) that will be included in document(s) containing financial statements and our audit report thereon prior to the date of our auditor’s report. If it is not possible to provide all the other information prior to the date of our auditor’s report, you are responsible for provision of such other information as soon as practicable; and
   • written confirmation concerning representations made to us in connection with the audit. If appropriate and adequate written representations are not provided to us, professional standards require that we disclaim an audit opinion.

Financial Statement Services

We will obtain your approval, if during the course of our engagement we:

(a) prepare or change a journal entry; or

(b) prepare or change an account code or a classification for a transaction.

These services create a threat to our independence. We, therefore, require that the following safeguards be put into place:

(a) that you create the source data for all accounting entries;
(b) that you develop any underlying assumptions for the accounting treatment and measurement of entries; and

(c) that you review and approve the draft financial statements, including the notes to the financial statements.

**Tax Services**

Our audit is conducted primarily to enable us to express an opinion on the financial statements. The audit process is not designed to provide us with a full understanding of your tax situation and in particular, to allow us to determine whether the entity has specific tax compliance issues. We understand that you are not looking to BDO to provide you with any guidance or advice in regard to tax planning or compliance.

**Additional Services**

- An audit report on the financial statements of the County;
- Separate audit opinions on the trust funds administered by the County maintained on behalf of Long-Term Care Facility residents;
- An audit report on the Long-Term Care Facility Annual Reports for Grey Gables, Rockwood Terrace and Lee Manor;
- Two review engagement reports on Schedules of Revenue and Expenses of Ministry of Education programs;
- Preparation of Financial Information Return (FIR);
- Preparation of management letter (if applicable);
- Preparation of Letter to Council;
- Meetings with staff in the planning stage of the audit, execution stage of the audit and at the conclusion of the audit to discuss the audit, financial statements, management letter (if applicable) or any other matters as required;
- Meeting with Council to discuss the audit, financial statements, letter to Council and any other matters as required; and
- Ongoing communication and questions from staff during the year.

We are available to provide a wide range of services beyond those outlined in this Agreement. To the extent that any additional services that we provide to you that are not provided under a separate written engagement agreement, the provisions of this Agreement will apply to the services.

**Fee Estimation**

<table>
<thead>
<tr>
<th>Services</th>
<th>Estimated Audit Fee</th>
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<tbody>
<tr>
<td>Annual audit fee for 2019 (includes additional services)</td>
<td>$62,500</td>
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<tr>
<td>Annual audit fee for 2020 (includes additional services)</td>
<td>$63,125</td>
</tr>
<tr>
<td>Annual audit fee for 2021 (includes additional services)</td>
<td>$63,750</td>
</tr>
<tr>
<td>Annual audit fee for 2022 (includes additional services)</td>
<td>$64,400</td>
</tr>
<tr>
<td>Annual audit fee for 2023 (includes additional services)</td>
<td>$65,000</td>
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We will notify you on a timely basis if there are any circumstances we encounter which could significantly affect our initial estimate of professional fees. Our fees will be invoiced and payable as follows:

- On a monthly basis as the work is performed up to 95% of the audit fee prior to issuance of the audit report; and
- the remaining 5% of the audit fee within 10 days after issuance of the final audit report along with any additional required fees.

We reserve the right to suspend our Services if any of our invoices become delinquent. Fees that are not paid within 30 days of an invoice or by a specified payment deadline will be considered delinquent.

Additional information relating to our fees is provided in the Standard Terms and Conditions.

**Standard Terms and Conditions**

A copy of our Standard Terms and Conditions is attached as Appendix 1. You should ensure that you read and understand them. The Standard Terms and Conditions include clauses that limit our professional liability.

Please sign and return the attached copy of this Agreement to indicate your agreement with it. If you have any questions concerning this Agreement, please contact us before signing it. It is a pleasure for us to be of service and we look forward to many future years of association with you.

Yours truly,

BDO Canada

Chartered Professional Accountants, Licensed Public Accountants

Agreement of all the terms and conditions in this Agreement is hereby acknowledged by:

<table>
<thead>
<tr>
<th>Signature</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kim Wingrove</td>
<td>Dec 10, 2019</td>
</tr>
<tr>
<td>Name (please print)</td>
<td>Date</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Signature</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kevin Wepple</td>
<td>December 9, 2019</td>
</tr>
<tr>
<td>Name (please print)</td>
<td>Date</td>
</tr>
</tbody>
</table>
Appendix 1 - Standard Terms and Conditions

1. Overview and Interpretation

1.1 This Agreement sets forth the entire agreement between the parties in relation to Services and it supersedes all prior agreements, negotiations or understandings, whether oral or written, with respect to Services. To the extent that any of the provisions of the accompanying letter conflict with these Standard Terms and Conditions, these Standard Terms and Conditions shall prevail. This Agreement may not be changed, modified or waived in whole or part except by an instrument in writing signed by both parties.

1.2 In this Agreement, the following words and expressions have the meanings set out below:

This Agreement - these Standard Terms and Conditions, the letter to which they are attached, and any supporting schedules or other appendices to the letter, and any Summary of Services letters issued in future years.

Services - the services provided or to be provided under this Agreement

We, us, our, BDO - refer to BDO Canada LLP, a Canadian limited liability partnership organized under the laws of the Province of Ontario

You, your - the party or parties contracting with BDO under this Agreement, including the party’s or parties’ management and those charged with corporate governance. You and your does not include BDO, its affiliates or BDO Member Firms

BDO Member Firm or Firms - any firm or firms that form part of the international network of independent firms that are members of BDO International Limited

Confidential Information - information that contains identifying features that can be attributed to you or individual personnel

2. BDO Network and Sole Recourse

2.1 BDO is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international network of independent member firms (i.e. BDO Member Firms), each of which is a separate legal entity.

2.2 We may use other BDO Member Firms or subcontractors to provide Services; however, we remain solely responsible for Services. You agree not to bring any claim or action against another BDO Member Firm (or their partners, members, directors, employees or subcontractors) or our subcontractors in respect of any liability relating to the provision of Services.

2.3 You agree that any of our affiliates, subcontractors, and other BDO Member Firms and any subcontractors thereof whom we directly or indirectly involve in providing Services have the right to rely on and enforce Section 2.2 above as if they were a party to this Agreement.

3. Respective Responsibilities

3.1 We will use reasonable efforts to complete, within any agreed-upon time frame, the performance of Services.
3.2 You shall be responsible for your personnel's compliance with your obligations under this Agreement. We will not be responsible for any delays or other consequences arising from you not fulfilling your obligations.

4. **Working Papers and Deliverables**

4.1 **Ownership** - Any documents prepared by us, or for us, in connection with Services belong solely to us.

4.2 **Oral advice and draft deliverables** - You should not rely upon any draft deliverables or oral advice provided by us. Should you wish to rely upon something we have said to you, please let us know and, if possible, we will provide the information that you require in writing.

4.3 **Translated documents** - If you engage us to translate any documents, advice, opinions, reports or other work product of BDO from one language to another, you are responsible for the accuracy of the translation work.

4.4 **Reliance by Third Parties** - Our Services will not be planned or conducted in contemplation of or for the purpose of reliance by any party other than you and any party to whom the assurance report is addressed. Items of possible interest to a third party will not be addressed and matters may exist that would be assessed differently by a third party, possibly in connection with a specific transaction.

4.5 **Consent to use the Report** - Nothing in this Agreement shall be construed as consent to the use of our report in connection with a continuous disclosure document, a public or private offering document, an annual report or any other document and we expressly do not provide such consent. If you request consent for the use of our report, we will consider, at the relevant time, providing consent and any conditions that we may attach to such consent. Our consent must be in writing.

4.6 **Consent requests** - In order to provide consent, professional standards require that we read the other information in the related document and consider whether such information is materially inconsistent with the related financial statements. Any consent request must be made on a sufficiently timely basis to allow us to consider your identification and resolution of events occurring in the period since the date of our report, and to obtain updated written representation letters. Such procedures will be performed at your cost and will be documented in a separate engagement letter.

5. **Confidentiality**

5.1 We agree to use Confidential Information provided by you only in relation to the services in connection with which the information is provided and we will not disclose the information, except where required by law, regulation or professional obligation. We may however, give Confidential Information to other BDO Member Firms or other subcontractors assisting us in providing Services. Any party to whom we subcontract work will be required to keep Confidential Information confidential either by professional obligation or contract with us. Any BDO Member Firms or other subcontractors we use will be bound by the same confidentiality obligations.

5.2 BDO shall be entitled to include a description of services we render to or for you in marketing and research materials and disclose such information to third parties, provided that all such information will be made anonymous and not associated with you. Additionally, we may analyze information on an industry or sector basis for internal
purposes or to provide industry/sector wide information to our clients or potential clients. You consent to our using information obtained from you in this way provided that the outputs therefrom will not contain any identifying features that can be attributed to you.

5.3 The definition of “Confidential Information” in section 1.2 of Appendix 1 is amended to include information that the County is required to protect or keep confidential by applicable law, including the Municipal Freedom of Information Act (MFIPPA) and the Personal Health information and Protection Act (PHIPA).

5.4 BDO acknowledges that the County is subject to the Municipal Freedom of Information Act (MFIPPA) and the Personal Health Information and Protection Act (PHIPA), which protects certain information that the County may provide to BDO as part of carrying out this Agreement, and that records created by the County through its relationship with BDO may be subject to public disclosure pursuant to MFIPPA. BDO agrees to advise the County of any information that it considers to be sensitive or confidential at the time that it provides that information to the County.

6. Independence

6.1 Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to our clients in the performance of our services. We will communicate to you any relationships between BDO (including its related entities) and you that, in our professional judgment, may reasonably be thought to bear on our independence.

7. Offers of Employment

7.1 Any discussions that you, or any party acting on your behalf, have with professional personnel of our Firm regarding employment could pose a threat to our independence. Your recruitment of an engagement team member from the current or prior year’s engagement may compromise our independence and our ability to render agreed services to you. Engagement team members may include current and former partners and staff of BDO, other BDO Member Firms and other firms who work under our direction. Therefore, you agree to inform us prior to any such discussions so that you and we can implement appropriate safeguards to maintain our independence.

8. Professional and Regulatory Oversight

8.1 As required by legal, regulatory, or professional authorities (both in Canada and abroad) and by BDO policy, our client files must periodically be reviewed by practice inspectors to ensure that we are adhering to professional and BDO standards. It is understood that by entering into this Agreement, you provide your consent to us providing our files relating to your engagement to the practice inspectors for the sole purpose of their inspection.

8.2 Certain regulatory bodies may also have the right to conduct investigations of you, including the Services provided by us. To the extent practicable and permitted by law, we will advise you of any such investigation request or order prior to providing our working papers.

8.3 You agree to reimburse us for our time and expenses, including reasonable legal fees, incurred in responding to any investigation that is requested or authorized by you or investigations of you undertaken under government regulation or authority, court order or other legal process.
9. Privacy and Consents

9.1 You agree we will have access to all personal information in your custody that we require to complete our engagement. We may collect, use, transfer, store, or process such information disclosed by you of a personal nature (personal information). Our Services are provided on the understanding that:

(a) you have obtained any consents for collection, use and disclosure to us of personal information required under all applicable privacy legislation; and

(b) we will hold all personal information in compliance with our Privacy Statement.

10. Electronic Communications

10.1 Both parties recognize and accept the security risks associated with email communications, including but not limited to the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless you request in writing that we do not communicate by internet email, you assume all responsibility and liability in respect of risk associated with its use.

10.2 By signing this agreement, you provide BDO with express consent to communicate with you and your employees, as applicable, electronically, including sending BDO newsletters, publications, announcements, invitations and other news and alerts that may be of interest to you. You and your employees may withdraw such consent at any time by contacting BDO at www.bdo.ca/unsubscribe.

11. Limitation of Liability

11.1 In any dispute, action, claim, demand for losses or damages arising out of the Services performed by BDO pursuant to this Agreement, BDO shall only be liable for its proportionate share of the total liability based on degree of fault as determined by a court of competent jurisdiction or by an independent arbitrator as a result of the dispute resolution procedures, notwithstanding the provisions of any statute or rule of common law which create, or purport to create, joint and several liability.

11.2 Our liability shall be restricted to damages of a direct and compensatory nature and shall not include indirect, consequential, aggravated or punitive damages, or damages for loss of profits or expected tax savings, whether or not the likelihood of such loss or damage was contemplated.

11.3 You agree that BDO shall not be liable to you for any actions, damages, claims, liabilities, costs, expenses, or losses in any way arising out of or relating to the services performed hereunder for an aggregate amount no more than three times the fees paid by you to BDO in the twelve months preceding the incident giving rise to the claim.

11.4 No exclusion or limitation on the liability of other responsible persons imposed or agreed at any time shall affect any assessment of our proportionate liability hereunder, nor shall settlement of or difficulty enforcing any claim, or the death, dissolution or insolvency of any such other responsible persons or their ceasing to be liable for the loss or damage or any portion thereof, affect any such assessment.
11.5 You agree claims or actions relating to the delivery of Services shall be brought against us alone, and not against any individual. Where our individuals are described as partners, they are acting as one of our members.

12. Indemnity

12.1 To the fullest extent permitted by applicable law and professional regulations, you agree to indemnify and hold harmless BDO from and against all losses, costs (including solicitors' fees), damages, expenses, claims, demands or liabilities arising out of or in consequence of:

(a) a misrepresentation by a member of your management or board of directors, regardless of whether such person was acting in your interest;

(b) the services performed by BDO pursuant to this Agreement, unless, and to the extent that, such losses, costs, damages and expenses are found by a court of competent jurisdiction to have been due to the gross negligence of BDO. In the event that the matter is settled out of court, we will mutually agree on the extent of the indemnification to be provided by you, failing which, the matter may be referred to dispute resolution in accordance with the terms of this letter.

13. Alternative Dispute Resolution

13.1 Both parties agree that they will first attempt to settle any dispute arising out of or relating to this Agreement or the Services provided hereunder through good faith negotiations.

13.2 In the event that the parties are unable to settle or resolve their dispute through negotiation, such dispute shall be subject to mediation pursuant to the National Mediation rules of the ADR Institute of Canada Inc. All disputes remaining unsettled for more than 60 days following the parties first meeting with a mediator or such longer period as the parties mutually agree upon shall be subject to arbitration pursuant to the National Arbitration Rules of the ADR Institute of Canada Inc. Such arbitration shall be final, conclusive and binding upon the parties, and the parties shall have no right of appeal or judicial review of the decision. The parties hereby waive any such right of appeal which may otherwise be provided for in any provincial arbitration statute made applicable under the National Arbitration Rules.

14. Limitation Period

14.1 You shall make any claim relating to Services or otherwise under this Agreement no later than one year after you became aware or ought reasonably to have become aware of the facts giving rise to any such claim.

14.2 You shall in no event make any claim relating to the Services or otherwise under this Agreement later than two years after the completion of the Services under this Agreement.

14.3 To the extent permitted by law, the parties to this Agreement agree that the limitation periods established in this Agreement replace any limitation periods under any limitations act and/or any other applicable legislation and any limitation periods under any limitations act and/or any other applicable legislation shall not alter the limitation periods specified in this Agreement.
15. Quebec Personnel

15.1 We may sometimes have individual partners and employees performing Services within the Province of Quebec who are members of the Ordre des comptables professionnels agréés du Quebec. Any such members performing professional services hereunder assume full personal civil liability arising from the practice of their profession, regardless of their status within our partnership. They may not invoke the liability of our partnership as grounds for excluding or limiting their own liability. The provisions in Sections 11 (Limitation of Liability) and 14 (Limitation Period) shall therefore not apply to limit the personal civil liability of partners and employees who are members of the Ordre des comptables professionnels agréés du Quebec.

16. Termination

16.1 This Agreement applies to Services whenever performed (including before the date of this Agreement).

16.2 You or we may terminate this Agreement at any time upon written notice of such termination to the other party. We will not be liable for any loss, cost or expense arising from such termination. You agree to pay us for all Services performed up to the date of termination, including Services performed, work-in-progress and expenses incurred by us up to and including the effective date of the termination of this Agreement.

17. Fees and Billings

17.1 Our estimated fee is based on an assumed level of quality of your accounting records, the agreed upon level of preparation and assistance from your personnel and adherence to the agreed-upon timetable. Our estimated fee also assumes that your financial statements are in accordance with the applicable financial reporting framework and that there are no significant new or changed accounting policies or issues or internal control or other reporting issues. We will inform you on a timely basis if these factors are not in place.

17.2 Should our assumptions with respect to the quality of your accounting records be incorrect or should the conditions of the records, degree of cooperation, results of audit procedures, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. These fees will be discussed and agreed to with the Director of Corporate Services prior to the commencement of the work.

17.3 Our professional fees will be based on our billing rates which depend on the means by which and by whom our Services are provided. We also will bill you for applicable Goods and Services Sales Tax, Harmonized Sales Tax, Quebec Sales Tax and Provincial Sales Tax.

17.4 Our accounts are due when rendered and invoiced amounts are deemed to be earned when paid. BDO may suspend the performance of Services in the event that you fail to pay an invoice when it is due. Interest may be charged at the rate of 12% per annum on all accounts outstanding for more than 30 days.

18. Governing Laws

18.1 The terms of our engagement shall remain operative until amended, terminated, or superseded in writing. They shall be interpreted according to the laws of the province or territory in which BDO's principal Canadian office performing the engagement is located, without regard to such province/territory's rules on conflicts of law.
19. **Entire Agreement and Survival**

19.1 This Agreement sets forth the entire agreement between the parties with respect to the subject matter herein, superseding all prior agreements, negotiations or understandings, whether oral or written, with respect to such subject matter. It is understood that this Agreement will not be superseded by any contract with us for other specific services that are not of the same scope as the Services contemplated in this Agreement, unless the other contract explicitly references this Agreement and an intent to supersede it.

19.2 The provisions of this Agreement that give either of us rights or obligations beyond its termination shall continue indefinitely following the termination of this Agreement. Any clause that is meant to continue to apply after termination of this Agreement will do so.

20. **Force Majeure**

20.1 We will not be liable for any delays or failures in performance or breach of contract due to events or circumstances beyond our reasonable control, including acts of God, war, acts by governments and regulators, acts of terrorism, accident, fire, flood or storm or civil disturbance.

21. **Assignment**

21.1 No party may assign, transfer or delegate any of the rights or obligations hereunder without the written consent of the other party or parties. BDO may engage independent contractors and BDO Member Firms to assist us in performing the Services in this Agreement without your consent.

22. **Severability**

22.1 If a court or regulator with proper jurisdiction determines that a provision of this Agreement is invalid, then the provision will be interpreted in a way that is valid under applicable law or regulation. If any provision is invalid, the rest of this Agreement will remain effective.

23. **Insurance**

23.1 BDO shall, during the entire Term of this Agreement at its own cost and expense, take out and keep in full force the following insurance, which shall be primary, non-contributing with and not in excess of any other insurance available to the County:

   (a) Commercial General Liability (satisfactory to the County, including the following and underwritten by an insurer licensed to conduct business in the Province of Ontario):

      i) A limit of liability of not less than $5,000,000/occurrence;

      ii) The County of Grey shall be named as an additional insured;

      iii) The policy shall contain a provision for cross liability in respect of the named insured;

   (b) Professional Liability (Errors and Omissions) insurance coverage to a limit of not less than $5,000,000. Such insurance shall provide coverage for all errors and omissions made by BDO, its directors, officers, employees, or any other participants in relation to this Agreement.
23.2 30 days' prior notice of an alternation or cancellation of any/all of the policies and those terms which reduce coverage shall be given to the County.

23.3 The Consultant shall, prior to execution of this Agreement, provide the County with a certificate of insurance as proof of coverage required under this Agreement, and a current valid certificate shall be provided throughout the Term of this Agreement during each policy period.

24. WSIB and Occupational Health and Safety

24.1 BDO is responsible for all costs associated with its workplace accidents and all premiums or assessments owing to the Workplace Safety and Insurance Board (WSIB), or insurance company if applicable for its own employees. If requested, BDO shall, throughout the Term of this Agreement, provide the County with evidence of coverage for itself, its employees, subcontractors and subcontractors' employees under the Workplace Safety and Insurance Act or insurance policy.

24.2 BDO shall comply with the Occupational Health and Safety Act (Ontario), the Workplace Safety and Insurance Act (Ontario), the Human Rights Act, (Ontario), and applicable regulations under such legislation and all other legal obligations with respect to worker health, safety and treatment.
APPENDIX C: INDEPENDENCE LETTER
January 9, 2020

Members of the Committee of the Whole
County of Grey

Dear Members of the Committee of the Whole:

We have been engaged to audit the consolidated financial statements of the County of Grey (the “County”) for the year ended December 31, 2019.

Canadian generally accepted auditing standards (GAAS) require that we communicate at least annually with you regarding all relationships between the County and our Firm that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, we have considered the applicable legislation and relevant rules and related interpretations prescribed by the appropriate provincial institute/order, covering such matters as:

- Holding a financial interest, either directly or indirectly in a client;
- Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- Economic dependence on a client; and
- Provision of services in addition to the audit engagement.

We have prepared the following comments to facilitate our discussion with you regarding independence matters arising since May 23, 2019, the date of our last letter.

We are aware of the following relationships between the organization and us that, in our professional judgment, may reasonably be thought to have influenced our independence. The following relationships represent matters that have occurred from May 23, 2019 to January 9, 2020.

- We have provided advice and comments to management regarding financial statement measurement, presentation and disclosure matters.
- We have provided assistance in the preparation of the consolidated financial statements, including adjusting journal entries and/or bookkeeping services. These services created a self-review threat to our independence since we subsequently expressed an opinion on whether the consolidated financial statements presented fairly, in all material respects, the financial position, results of operations and cash flows of the organization in accordance with Public Sector Accounting Standards.
We, therefore, required that the following safeguards be put in place related to the above:

- Management provided us with a trial balance prior to completion of our audit.
- Management created the source data for all the accounting entries.
- Management reviewed advice and comments provided and undertook their own analysis considering the County’s circumstances and generally accepted accounting principles.
- Management reviewed and approved all journal entries prepared by us, as well as changes to financial statement presentation and disclosure.
- Someone other than the preparer reviewed the proposed journal entries and consolidated financial statements.

We hereby confirm that we are independent with respect to the County within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario as of January 9, 2020.

This letter is intended solely for the use of the Members of the Committee of the Whole, management and others within the County and should not be used for any other purposes.

Yours truly,

BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants
APPENDIX D: RESPONSIBILITIES

It is important for the Members of the Committee of the Whole to understand the responsibilities that rest with the County and its management, those that rest with the external auditor, and the responsibilities of those charged with governance. BDO’s responsibilities are outlined below and within the engagement letter (see Appendix B).

AUDITOR’S ENGAGEMENT OBJECTIVES

Our overall objective is to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the financial position, financial performance and cash flows of the County in accordance with Canadian public sector accounting standards.

<table>
<thead>
<tr>
<th>Year-End Audit Work</th>
<th>Year-Round Work</th>
</tr>
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<tbody>
<tr>
<td>▶ Work with management towards the timely issuance of consolidated financial statements and tax returns.</td>
<td>▶ Consult regarding accounting, tax and reporting matters as requested throughout the year.</td>
</tr>
<tr>
<td>▶ Provide timely and constructive management letters. This will include deficiencies in internal control identified during our audit.</td>
<td></td>
</tr>
<tr>
<td>▶ Present significant findings to the Members of the Committee of the Whole including key audit and accounting issues, any significant deficiencies in internal control and any other significant matters arising from our work.</td>
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</table>
AUDITOR’S RESPONSIBILITIES FOR DETECTING FRAUD

We are responsible for planning and performing the audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatements, whether caused by error or fraud, by:

- Identifying and assessing the risks of material misstatement due to fraud;
- Obtaining sufficient and appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- Responding appropriately to fraud or suspected fraud identified during the audit.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error because fraud may involve collusion as well as sophisticated and carefully organized schemes designed to conceal it.

Fraud Risk Assessment Procedures

- Management’s assessment of the risk that the consolidated financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments;
- Management’s process for identifying and responding to the risks of fraud in the County, including any specific risks of fraud that management has identified or that have been brought to its attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist;
- Management’s communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in the County; and
- Management’s communication, if any, to employees regarding its view on business practices and ethical behaviour.

Response to Assessed Fraud Risks

- Inquire of management, the Members of the Committee of the Whole, and others related to any knowledge of fraud, suspected fraud or alleged fraud;
- Perform disaggregated analytical procedures and consider unusual or unexpected relationships identified in the planning of our audit;
- Incorporate an element of unpredictability in the selection of the nature, timing and extent of our audit procedures; and
- Perform additional required procedures to address the risk of management’s override of controls including:
  o Testing internal controls designed to prevent and detect fraud;
  o Testing the appropriateness of a sample of adjusting journal entries and other adjustments for evidence of the possibility of material misstatement due to fraud;
  o Reviewing accounting estimates for biases that could result in material misstatements due to fraud, including a retrospective review of significant prior years’ estimates; and
  o Evaluating the business rationale for significant unusual transactions.
COUNCIL’S RESPONSIBILITIES

- Oversee the work of the external auditor engaged for the purpose of issuing an independent auditor’s report.
- Facilitate the resolution of disagreements between management and the external auditor regarding financial reporting matters.
- Review the consolidated financial statements before the County publicly discloses this information.

MANAGEMENT RESPONSIBILITIES

- Maintain adequate accounting records and maintain an appropriate system of internal control for the County.
- Select and consistently apply appropriate accounting policies.
- Prepare the annual consolidated financial statements in accordance with Canadian public sector accounting standards.
- Safeguard the County’s assets and take reasonable steps for the prevention and detection of fraud and other irregularities.
- Make available to us, as and when required, all of the County’s accounting records and related financial information.
APPENDIX E: BDO RESOURCES

Outlined below is a summary of certain BDO resources which may be of interest to the Members of the Committee of the Whole.

PSAB PUBLICATIONS

The County applies Canadian Public Sector Accounting Standards (PSAB). If the County would like additional information about the accounting standards or about upcoming changes please see the website below and review the BDO publications available to our clients. Publications relevant for the County would include the following:

- “Public Sector Accounting Standards Update 2019” which provides you with details on recent changes to PSAB Standards.


- “Public Sector at a Glance” which provides you with details on PSAB Standards.


TAX BULLETINS, ALERTS AND NEWSLETTERS

BDO Canada’s national tax department issues a number of bulletins, alerts and newsletters relating to corporate federal, personal, commodity, transfer pricing and international tax matters.

For additional information on tax matters and links to archived tax publications, please refer to the following link: Tax Library | BDO Canada
Committee Report

To: Warden McQueen and Members of Grey County Council

Committee Date: January 9, 2020

Subject / Report No: TR-CW-03-20

Title: RFT-TS-41-19 Award of Two Tandem Trucks

Prepared by: Sharon Melville, Buyer and Steve Dollmaier, Maintenance Manager

Reviewed by: Kevin Weppler, Director of Corporate Services and Pat Hoy, Director of Transportation Services

Lower Tier(s) Affected:

Status:

Recommendation

1. That Report TR-CW-03-20 be received and that RFT-TS-41-19 for two tandem trucks be awarded to Lewis Motor Sales for the bid amount of $623,495.64 exclusive of HST.

Executive Summary

Report TR-CW-19-19 was endorsed at County Council on October 10, 2019 authorizing Staff to tender for two tandem trucks prior to the 2020 budget approval.

The purpose of this early tender date was to expedite the delivery of the units to ensure that they are available for use for the 2020/2021 winter season. History has shown that delivery takes seven to nine months from the date of purchase.

The tenders for the provision of two stainless steel box tandem plows were posted on Bonfire from November 22, 2019 to December 12, 2019 (closing date).

Background and Discussion

The tandem plows are utilized for winter maintenance activities, including plowing and spreading winter materials. During the summer months these trucks are used to haul granular materials for use in culvert replacement projects and maintenance activities, such as placing shoulder gravel, edge patching with hot mix and gradall operations, including ditch cleanout.
With this procurement of the two tandem trucks staff will be able to replace two of the older tandem trucks that have reached end of life and are scheduled to be removed from service. The units are used to support road maintenance and snow operations through the winter season on the road network and within Grey County. The services delivered are key to ensuring we meet our commitment during this term of Council to improve the County’s road network; ensure that we invest, renew and manage infrastructure and assets; and, ensure a focus on our commitment to improving Citizen experience by providing consistent service delivery through improved availability and use of tools and resources.

As per section 11.2 of the Purchasing Policy, an opportunity to purchase two used tandem axle trucks will be released to the member municipalities within Grey County, once the two new tandems have been received (in the fall of 2020). Appropriate reserve bids are placed on each of the tandem trucks when offered for sale. If no bids are received or the reserved bid is not met, all trucks will proceed to a public auction.

The bids submitted with the results are listed below.

<table>
<thead>
<tr>
<th>#</th>
<th>Name of Bidder</th>
<th>Bid Amount (excluding taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>B &amp; I Complete Truck Centre</td>
<td>$645,400.00</td>
</tr>
<tr>
<td>2</td>
<td>Lewis Motors Sales Inc.</td>
<td>$623,495.64</td>
</tr>
<tr>
<td>3</td>
<td>Team Truck Centres</td>
<td>Non-compliant</td>
</tr>
</tbody>
</table>

Legal and Legislated Requirements

None.

Financial and Resource Implications

In 2019, the total expenditure amount per tandem was $267,628.80 (including the unrecoverable portion of HST) compared to $317,234.58 per tandem in 2020, an increase of $49,605.78 or 18.54% per tandem. The increase in the total price is attributed to the trucks being imported from the United States.

The total tendered expenditure amount, including the unrecoverable portion of HST is $634,469.16. The 2020 budget will reflect the actual amount of $634,469.16 ($317,234.58 per tandem truck). Equipment purchases are funded by the Sale of Equipment and the Equipment Replacement Reserve Fund. The Equipment Replacement Reserve Fund is evaluated annually and adjustments are made to accommodate price fluctuations.

Relevant Consultation

☑ Internal
  Finance Department

☐ External
Appendices and Attachments

TR-CW-19-19 Capital Equipment Purchase Prior to Budget Approval
Recommendation

1. That Report TR-CW-04-20 regarding the acquisition of road widening be received and that the property identified as Part of Lot 18 Concession 12 Keppel shown as Part 5 on Plan 16R-10010; Geographic Township of Keppel, Township of Georgian Bluffs, County of Grey be acquired by The Corporation of the County of Grey for road widening purposes.

Executive Summary

The Township of Georgian Bluffs granted severance application B13-2019 for the purpose of a lot addition. The existing lot to be added to was created with Planning Act consent in 1991.

Lots created with Planning Act consent cannot be re-registered to merge with adjacent land unless they are physically changed or altered.

The acquisition of a road widening parcel by the County off the front of the lot that was created in 1991 will alter the parcel and allow the two parcels to merge on title in accordance with Condition 3 of Severance B13-2019.

Background and Discussion

The Township of Georgian Bluffs granted severance application B13-2019 for the purpose of a lot addition. The property to be added to was created with Planning Act
Consent pursuant to a decision granted by the Grey County Planning Approval Committee in 1991 under its file number 1019-89.

Under subsection 50 (12) of the Planning Act, R.S.O. 1990, c. P. 13 as amended, commonly referred to as the “Once a Severance, Always a Severance Rule”, the original severed parcel could potentially be sold, transferred, or mortgaged separate from the lot addition parcel. This would result in the unauthorized creation of three separate lots.

Given that the creation of the proposed lot is dependent on it merging with the existing lot created with Planning Act Consent in 1991 it is necessary to alter the dimensions of the existing lot to ensure the parcels can legally merge on title.

Transportation Services tried to acquire the property several years ago and had the widening surveyed and Reference Plan was deposited at the Land Registry office in 2011. The widening was not acquired at that time.

Transportation staff negotiated with the landowner who has agreed to transfer the road widening parcel to the County for the nominal consideration price of $2.00 provided the County pay for all legal expenses in relation to the transfer of this parcel of land.

The acquisition of a 17 foot road widening parcel by the County off the front of the lot that was created in 1991 will alter the dimensions of this parcel and effectively break the “Once a Severance, Always a Severance Rule” ensuring that the original lot created in 1991 cannot be sold, transferred, or mortgaged separate from the lot addition parcel.

It is recommended that the County acquire Part 5 on Plan 16R-10010 and join it to the abutting county road network. The acquisition of this parcel will result in a 30.5 metre (100 foot) right-of-way width in this area of Grey Road 170, which supports the County’s long-term goal in accordance with the Transportation Master Plan.

Legal and Legislated Requirements

Section 50 (12) of the Planning Act states that “where a parcel of land is conveyed by way of a deed or transfer with a consent given under section 53, subsection (3) and (5) of this section do not apply to subsequent, or other transactions involving, the identical parcel of land unless the council or the Minister, as the case may be, in giving consent, stipulates either that subsection (3) or subsection (5) shall apply to any such subsequent conveyance or transaction.”

Financial and Resource Implications

The legal costs to finalize the transfer are estimated to be under $1,000.00.

The anticipated total cost of the acquisition is expected to be approximately $1,000.00.
The funding will come from the Transportation Services Land Acquisition budget.

Relevant Consultation

☒ Internal
Clerks Department

☒ External
Alan Wilford, Lawyer
Property Owner

Appendices and Attachments

Location Map
Plan 16R-10010
Grey Road 170 Road Widening Acquisition Agreement
Location Map
Grey Road 170 Road Widening Acquisition Agreement

This Agreement made in duplicate this ________ day of __________________, 20____, between:

The Corporation of the County of Grey
(herein called the “County”)

- and-

Tammy Jean Wilder and Todd Jason Wilder
(herein called the “Owner”)

WHEREAS the Owner owns a parcel of land situated in the Township of Georgian Bluffs in the County of Grey; adjacent to County Road 170.

AND WHEREAS the County want to purchase and the Owner is agreeable to sell part of the land for road widening purposes.

The Owner and the County agree that in consideration of the rounded sum of $2.00, receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, agree as follows:

The Owner agrees to transfer to the County, a parcel of land legally described as Part of Lot 18 Concession 12, Township of Georgian Bluffs (in the former geographic Township of Keppel), in the County of Grey depicted as Part(s) 5 on Reference Plan No. 16R-10010 (the “Purchased Parcel”).

Additional Details: None

The Owner agrees to provide the County with a valid Transfer/Deed of Land conveying unencumbered title to, and releasing all claims in respect of, the Purchased Parcel and the additional lands. The Transfer/Deed of Land shall be prepared at the expense of the County by its lawyers. The County agrees to cover all legal costs of the seller associated with this transfer.

The Owner shall obtain release of any existing mortgage or other encumbrance on the purchased parcel and additional lands. The Owner represents that spousal consent is not necessary to this transaction under the provisions of the Family Law Act (Ontario), unless the Owner’s spouse has executed the consent below. The Owner represents that the Owner is not a non-resident of Canada within the meaning of the Income Tax Act.

The obligation of the County to complete the transaction contemplated by this agreement shall be conditional upon County Council passing a motion approving the acquisition of the Purchased Parcel.

The transaction shall be completed on or before a date specified by the County by notice sent to the Owner not less than 30 days prior to the specified completion date.

If this transaction is subject to Harmonized Sales Tax such tax shall be included in the purchase price.

The heirs, executors, administrators, successors in title and assigns of the Owner are bound by the terms of this agreement.
In witness, the parties have signed, sealed and delivered this agreement.

**The Corporation of the County of Grey**

(seal)  
Paul McQueen, Warden

______________________________  
Heather Morrison, Clerk

______________________________  
Tammy Jean Wilder  
Witness

______________________________  
Todd Jason Wilder  
Witness

The undersigned Spouse of the Owner consents to the disposition agreed to herein pursuant to the provisions of the Family Law Act (Ontario), and hereby agree with the County that he or she will execute all necessary documents to complete the sale.

______________________________  
Spouse of Owner (if not property owner)  
Witness
To: Warden McQueen and Members of Grey County Council

Committee Date: January 9, 2020

Subject / Report No: PDR-CW-04-20 Information Report

Title: Abbots Plan of Subdivision 42T-2019-02

Prepared by: Scott Taylor

Reviewed by: Randy Scherzer

Lower Tier(s) Affected: Town of The Blue Mountains

Status: Recommendation

1. That Report PDR-CW-04-20 regarding an overview of proposed plan of subdivision application 42T-2019-02, consisting of eleven (11) residential parcels of land which would be divided into twenty-two (22) semi-detached residential dwellings, described as Town Plot Lots 35 to 39 Bay: W/S, (geographic Town of Thornbury), Town of The Blue Mountains, be received for information.

Executive Summary

The County has received a plan of subdivision application known as the Abbots Subdivision (County file number 42T-2019-02), to create 11 lots for 22 new semi-detached residential units in the Town of The Blue Mountains. Further secondary suites could be considered for these lots in accordance with the Town’s zoning. Access to the lots would be from an extension of Bay Street West. The new Bay Street West extension would be a one-way road. Servicing to the proposed subdivision will be via municipal water and sewer services. Various technical reports have been submitted with the proposed subdivision application, as well as a zoning by-law amendment application to the Town of The Blue Mountains. The applications and supporting studies will be circulated to prescribed agencies and the public for review and comment. Following the public process, and agency review process, a thorough analysis and staff recommendation will be provided.

Background and Discussion

The County has received a plan of subdivision application, known as the Abbots subdivision to create 22 new semi-detached residential units, with the possibility for additional secondary suites in accordance with the Town’s zoning. Access to the lots would be from an extension of Bay Street West. The new Bay Street West extension would be a one-way road. Servicing to
the proposed subdivision will be via municipal water and sewer services.

The subject lands are located in the Town of Thornbury, a designated settlement area in the County and Town Official Plans. This property is north of Highway 26 and northwest of downtown Thornbury. The proposed subdivision is located on Town Plot Lots 35 to 39 Bay: W/S, (geographic Town of Thornbury), Town of The Blue Mountains.

The subject lands are approximately 1.01 hectares in size, and are currently undeveloped, being generally cleared of trees.

Map 1 below shows the proposed plan of subdivision, while Map 2 shows the subject lands and surrounding area.

**Map 1: Proposed Plan of Subdivision**

(Map 1 Courtesy of Van Harten Surveying Inc.)
Map 2: Location of Subject Lands

Surrounding this site are a mixture of residential lands, as well as the bay to the north, and commercial development to the south.

The proposed development also requires an amendment to the Town of The Blue Mountains zoning by-law.

Pre-submission consultation between the proponent, the Town of The Blue Mountains and the County identified the submission requirements for the proposed plan of subdivision. Copies of all background reports and plans can be found at this link.

Analysis of Planning Issues

When rendering a land use planning decision, planning authorities must have regard to matters of Provincial Interest under the Planning Act, be consistent with the Provincial Policy Statement (PPS) 2014, and conform to any Provincial Plans or Municipal Official Plans that govern the subject lands. In this case, the County of Grey Official Plan, and the Town of The Blue Mountains Official Plan have jurisdiction over the subject property. The subject lands are located outside of the Niagara Escarpment Plan area.

Provincial Policy and Legislation

Both the Planning Act and the PPS speak to the efficient use of land within settlement areas. The proposed plan of subdivision is within an existing settlement area and will be serviced via municipal water and sewer services. The PPS indicates that municipal services are the preferred form of servicing for settlement areas.
The supply of an adequate range and distribution of residential housing types is required in both Provincial documents. In this case, the proposed plan of subdivision is providing semi-detached dwellings, which would also have the ability for future secondary suites.

Other policies in the PPS speak to connected, walkable communities, with provisions for public parkland and open space. The proposed subdivision is not proposing any parkland at this time but is proposing sidewalks. The lands are also in close proximity to the Georgian Trail.

The PPS also restricts development in areas of natural or human-made hazards. The subject lands are in proximity to a former landfill site that was closed over 50 years ago. The developer has completed a Guideline D-4 Study to assess any potential for methane or leachate migration from the former landfill site.

Following the public and agency review periods, staff will provide a more fulsome analysis of the Provincial legislation and policy.

**County of Grey Official Plan**

The proposed plan of subdivision is on lands designated as ‘Primary Settlement Area’ in the County Official Plan. Development in Primary Settlement Areas shall generally achieve an average development density of 20 units per net hectare or higher. The proposed development would be approximately 22 units per net hectare, for the semi-detached dwellings, and slightly higher if there were to be any future secondary suites.

The County Plan also requires the protection of cultural and archaeological resources. A Stage 1 – 2 Archaeological Assessment was conducted for this development.

The County Plan provides a similar servicing hierarchy to that found in the PPS, which has been noted above. Elsewhere in the Move Grey portion of the Plan, are policies which govern roads, transportation, and stormwater management. The development is proposing a new one-way street with sidewalks, and a drainage corridor that will outlet to the bay.

A treed buffer is also being retained to the north and east of the subject lands.

**Town of The Blue Mountains Official Plan**

The subject lands are designated as ‘Community Living Area’ in the Town Official Plan. Similar to the County Official Plan, this property is also within a designated settlement area in the Town’s Plan, which permits the type of residential development being contemplated.

As noted above, a rezoning application has also been submitted to the Town and will be processed simultaneously with the subdivision.

A more thorough analysis of the County/Town Official Plans policies will follow the agency review and the public process.

**Legal and Legislated Requirements**

The application will be processed in accordance with the Planning Act.
Financial and Resource Implications

There are no anticipated financial, staffing or legal considerations associated with the proposed subdivision, beyond those normally encountered in processing a subdivision application. The County has collected the requisite fee and peer review deposit for this application.

Relevant Consultation

☒ Internal: Planning

☒ External: The public, Town of The Blue Mountains, Grey Sauble Conservation Authority, and required agencies under the Planning Act.

Appendices and Attachments

None
## Committee Report

**To:** Warden McQueen and Members of Grey County Council  
**Committee Date:** January 9, 2020  
**Subject / Report No:** PDR-CW-05-20  
**Title:** Flato East - Redline Revision – 42T-2015-05  
**Prepared by:** Randy Scherzer  
**Reviewed by:** Kim Wingrove  
**Lower Tier(s) Affected:** Township of Southgate  
**Status:**

### Recommendation

1. **That all written and oral submissions received on the proposed redline revisions to plan of subdivision 42T-2015-05 were considered which helped to make an informed recommendation and decision; and**

2. **That PDR-CW-05-20 be received, and that in consideration of the draft plan of subdivision 42T-2015-05, and the matters to have regard for under Subsection 51(24) of the Planning Act, the County of Grey Committee of the Whole hereby approves the revised plan of subdivision on lands described as Part of Lots 233 and 234, Concession 1, (geographic Township of Proton) in the Township of Southgate.**

### Executive Summary

The report considers proposed revisions to draft plan of subdivision 42T-2015-05 known as Flato East. The current draft plan consists of a total of 500 residential units (310 detached dwellings and 190 townhouses). The revisions propose to increase the width of a walkway portion of a park block (Block 356) and to move it south in order to accommodate overland flow drainage from Flato North and to lower the southern end of the trail in elevation. The changes to the walkway portion of the park block results in a slight shift of the lot boundaries for Lots 52 to 56. The total number of draft approved lots would remain the same. All written and verbal comments regarding the proposed revisions have been considered and it is recommended that Committee approve the revisions to the draft plan.
Background and Discussion

The County has received a redline revision application that proposes minor changes to draft plan of subdivision 42T-2015-05 known as Flato East. The draft approved plan is in the settlement area of Dundalk on lands situated southwest of Highway 10 and will eventually gain access off of Highway 10 and also connect to Flato West and Flato North. The lands are described as Part of Lots 233 and 234, Concession 1, (geographic Township of Proton) in the Township of Southgate (see Figure 1 – Subject Lands).

Figure 1: Subject Lands – Flato East

The revisions propose to increase the width of a walkway portion of a park block (Block 356) and to move it south in order to accommodate overland flow drainage from Flato North and to lower the southern end of the trail in elevation. The changes to the walkway portion of the park block results in a slight shift of the lot boundaries for Lots 52 to 56. The total number of draft approved lots would remain the same. (see Figure 2 – Excerpt of Proposed Revision Plan).

The Applicant has submitted a Planning Summary Letter and a Revised Draft Plan. Copies of all background reports and plans can be found at this link.
Public and Agency Comments Received

*Public Comments*

As part of the planning application process, there were no public comments received.

*Agency Comments*

As part of the planning application process comments were received by the following groups, agencies and public bodies.

**Grand River Conservation Authority (GRCA)**

In a letter dated December 2, 2019, the GRCA notes that they have no objections to the proposed revisions.
Grey County Transportation Services

In an email dated December 4, 2019, Grey County Transportation Services indicated that they have reviewed the file and have no further comments.

Ministry of Municipal Affairs and Housing

In correspondence dated December 4, 2019, Ministry of Municipal Affairs and Housing note that the Ministry of Environment, Conservation and Parks has reviewed this matter and have no comments on the proposed redline revisions.

Township of Southgate

In email correspondence dated December 18, 2019, Township staff indicate that they have no concerns with respect to the proposed revisions. The public meeting for the implementing zoning by-law amendment will be held in January.

Analysis of Planning Issues

When rendering a land use planning decision, planning authorities must have regard to matters of Provincial Interest under the Planning Act, be consistent with the Provincial Policy Statement (PPS) 2014, and conform to any official plans or provincial plans that govern the subject lands. In this case, the County of Grey Official Plan and the Township of Southgate Official Plan have jurisdiction over the subject property.

The Planning Act

Section 1.1 of the Planning Act outlines the purposes of the Act. The purposes of the Act promote sustainable economic development, in a healthy natural environment, within a land use planning system led by provincial policy and matters of provincial interest. Section 2 of the Planning Act outlines matters of Provincial Interest, which decision makers must be consistent with when carrying out their responsibilities under the Act. The proposed revisions are minor in nature and result in improvements to the overall design. The subject redline revision application, with the attached revised conditions of draft approval, have regard for matters of Provincial Interest under the Planning Act including Section 51(24).

Provincial Policy Statement (PPS)

A key goal of the PPS is directing new growth to serviced settlement areas, and promoting the vitality of such settlement areas through re-development, infill and intensification. The subject lands have been designated for residential growth and are within a settlement area.
Section 1.6.6.1 of the PPS outlines the servicing hierarchy to be utilized in the Province of Ontario. At the top of the hierarchy are municipal water and sewer services. The proposed development will be serviced by municipal water and sewer services.

It can be concluded that the proposed redline revisions, with the attached revised conditions of draft approval, are consistent with the PPS.

**County Official Plan**

The proposed plan of subdivision is designated as ‘Primary Settlement Area’ within the County Official Plan. These lands are fully serviced by municipal water and sewer services and therefore conform to section 5.3 of the County Plan. Subject to the revised conditions of draft approval attached to this report, the application conforms to the goals and objectives of the County of Grey Official Plan.

**Legal and Legislated Requirements**

The application has been processed in accordance with the *Planning Act*.

**Financial and Resource Implications**

There are no anticipated financial, staffing or legal considerations associated with the proposed redline revisions, beyond those normally encountered in processing the application. The County has collected the requisite fee for this application.

**Relevant Consultation**

☒ Internal: Planning Staff, Transportation Services

☒ External: Township of Southgate, agencies under the Planning Act.

**Appendices and Attachments**

*Revised Conditions of Draft Approval (attached)*
NOTICE OF DECISION

On Application for Revision to Approval of Draft Plan of Subdivision under Subsection 51(45) of the Planning Act

Draft Plan Approval was originally given by the County to Plan of Subdivision 42T-2015-05 on November 10, 2016 and later revised on February 23, 2017 and June 13, 2019. Revised Draft Plan Approval is hereby given by the County of Grey for the application regarding the above noted lands. A copy of the Decision is attached.

PUBLIC AND AGENCY COMMENTS RECEIVED ON THE FILE
All written and oral submissions received on the application were considered; the effect of which helped to make an informed recommendation and decision.

WHEN AND HOW TO FILE A NOTICE OF APPEAL
Notice to appeal the decision to the Local Planning Appeals Tribunal must be filed with the County of Grey no later than 20 days from the date of this notice, as shown above. The notice of appeal should be sent to the attention of the Director of Planning and Development of the County, at the address shown below and it must,

(1) set out the reasons for the appeal,
(2) be accompanied by the fee prescribed under the Local Planning Appeals Tribunal Act, and
(3) Include the completed appeal form from the LPAT’s website.

WHO CAN FILE A NOTICE OF APPEAL
Only individuals, corporations or public bodies may appeal decisions in respect of a proposed plan of subdivision to the Local Planning Appeal Tribunal. A notice of appeal may not be filed by an unincorporated association or group. However, a notice of appeal may be filed in the name of an individual who is a member of the association or group on its behalf.

No person* or public body shall be added as a party to the hearing of the appeal of the decision of the approval authority, including the lapsing provisions of the conditions, unless the person or public body, before the decision of the approval authority, made oral submissions at a public meeting or written submissions to the council, or made a written request to be notified of changes to the conditions or, in the Local Planning Appeal Tribunal’s opinion, there are reasonable grounds to add the person or public body as a party.

*Notwithstanding the above, only a ‘person’ listed in subsection 51(48.3) of the Planning Act may appeal the decision of the County of Grey to the Local Planning Appeal Tribunal (LPAT) as it relates to the proposed plan of subdivision. Below is the prescribed list of ‘persons’ eligible to appeal a decision of the County of Grey related to the proposed plan of subdivision as per subsection 51(48.3) of the Planning Act. These are recent changes that have been made to the Planning Act by the province. A link to
Applicant: Flato Dundalk Meadows Inc. (c/o Shakir Rehmatullah)    File No.: 42T-2015-05 (Revised)
Municipality: Township of Southgate
Location: Part of Lots 233 and 234, Concession 1 (Geographic Township of Proton)

the revised Planning Act can be found here - https://www.ontario.ca/laws/statute/90p13. For more information about these recent changes, please visit the LPAT website or contact LPAT - https://elto.gov.on.ca/tribunals/lpat/about-lpat/.

The prescribed list of ‘persons’ eligible to appeal a decision of the County on the proposed plan of subdivision as per subsection 51(48.3) of the Planning Act is as follows:

1. A corporation operating an electric utility in the local municipality or planning area to which the plan of subdivision would apply.
2. Ontario Power Generation Inc.
3. Hydro One Inc.
4. A company operating a natural gas utility in the local municipality or planning area to which the plan of subdivision would apply.
5. A company operating an oil or natural gas pipeline in the local municipality or planning area to which the plan of subdivision would apply.
6. A person required to prepare a risk and safety management plan in respect of an operation under Ontario Regulation 211/01 (Propane Storage and Handling) made under the Technical Standards and Safety Act, 2000, if any part of the distance established as the hazard distance applicable to the operation and referenced in the risk and safety management plan is within the area to which the plan of subdivision would apply.
7. A company operating a railway line any part of which is located within 300 metres of any part of the area to which the plan of subdivision would apply.
8. A company operating as a telecommunication infrastructure provider in the area to which the plan of subdivision would apply.

RIGHT OF APPLICANT OR PUBLIC BODY TO APPEAL CONDITIONS
The following may, at any time before the approval of the final plan of subdivision, appeal any of the conditions imposed by the approval authority to the Tribunal by filing a notice of appeal with the approval authority: the applicant; any public body that, before the approval authority made its decision, made oral submissions at a public meeting or written submissions to the approval authority; the Minister; or the municipality in which the subject land is located.

HOW TO RECEIVE NOTICE OF CHANGED CONDITIONS
The conditions of an approval of draft plan of subdivision may be changed at any time before the final approval is given.

You will be entitled to receive notice of any changes to the conditions of the approval of draft plan of subdivision if you have made a written request to be notified of changes to the conditions.

GETTING ADDITIONAL INFORMATION
Additional information about the application is available for public inspection during regular office hours in the Planning & Development Office at the address noted below or by calling 519-376-2205 or 1-800-567-GREY.
Address for Notice of Appeal
County of Grey
595-9th Avenue East
Owen Sound, Ontario N4K 3E3
Attention: Mr. Randy Scherzer, MCIP RPP
Director of Planning & Development
Plan of Subdivision File No. 42T-2015-05 has been revised and granted draft approval. The draft plan is hereby revised. The County’s conditions of final plan approval for this draft Plan of Subdivision are amended as follows:

No. Conditions
1. Condition 1 of the draft plan conditions approved on November 10, 2016 and revised on February 23, 2017 and June 13, 2019 is hereby deleted and replaced with the following:

That this approval applies to the draft Plan of Subdivision as prepared by MHBC Planning dated December 11, 2015 and revised November 1, 2019, showing a total of 500 residential lots, 310 lots for detached dwellings (Lots 1 to 47, 166 to 217, and 233 to 310) and 190 residential lots for townhouse dwellings within Blocks 311 to 349, eleven park blocks (Blocks 350 to 360), three stormwater pond blocks (Blocks 361 to 363), four open space blocks (Blocks 364 to 367), three future right of way blocks (Blocks 368 to 370), one road widening block (Block 371), 0.3 metre reserve(s) (Block 372), and an overland flow/walkway block (Block 373) and Streets ‘A’ to ‘J’.

2. That all other conditions of draft approval as granted on November 10, 2016 and revised on February 23, 2017 remain in effect.
December 6, 2019

Roger Cook, Manager  
Saugeen Mobility and Regional Transit  
603 Bruce Line 19  
Walkerton, Ontario  N0G 2V0

Sent via email: roger@saugeenmobility.ca

Dear Mr. Cook:

Re: Township of Southgate partnership with SMART

Please be advised that at the December 4, 2019 Regular Meeting of Council, the following resolution was passed:

Whereas the Township of Southgate is a member of Saugeen Mobility and Regional Transit (SMART) and is represented by a board of directors representing the member municipalities; and

Whereas each board of directors determines the policies, priorities and budget for SMART; and

Whereas each member municipality financially supports the SMART organization and the service provided to each of our communities; and

Whereas the costs to deliver the service continues to rise impacting our municipal burden on taxpayers,

Now therefore be it resolved that Council direct staff to provide notice with a copy of this motion of our intentions to withdraw from the SMART partnership as a member; and

That Council recommend to other SMART member municipalities that we cooperatively explore amalgamation of service with Grey and Bruce Counties to deliver the SMART service to reduce transit duplication, develop transit efficiencies through one service delivery model and specifically to reduce our present back-haul time and costs without customers on-board; and

That Council direct staff to send this motion to all SMART member municipalities, as well as Bruce and Grey County Council's for their consideration.

Carried. No. 2019-794
If you have any questions, please contact our office at (519) 923-2110.

Sincerely,

Original Signed By

Lindsey Green, Deputy Clerk
Township of Southgate

cc: County of Bruce
    County of Grey
    Municipality of Arran-Elderslie
    Municipality of Brockton
    Town of Hanover
    Township of Huron-Kinloss
    Township of Chatsworth
    Municipality of Kincardine
    Town of Saugeen Shores
    Municipality of West Grey
Public Meeting – Housekeeping OPA
Tuesday, December 10, 2019 – 1:00 p.m.

A Grey County Public meeting was held at the Council Chambers, Owen Sound, Ontario with the following members in attendance:

County Councillors Present: Warden Paul McQueen

County Planning Staff Present: Randy Scherzer, Scott Taylor, Sarah Johnson, Stephanie Lacey-Avon, Hiba Hussain, and Monica Scribner, Recording Secretary

Call to Order

Chair McQueen called the public meeting to order and welcomed everyone to the Public meeting on behalf of the County. Introductions then followed.

Randy Scherzer read the regulations.

As required by Section 17 and 34 of the Planning Act RSO 1990, as amended, Council shall ensure that at least one public meeting is held, notice of which shall be given in the manner and to the persons and public bodies containing the prescribed information.

In accordance with the Planning Act and the implementing Regulations the County of Grey gave notice of this Public Meeting, by individual prepaid first-class mail to persons within 120 metres based on the most recent assessment information provided by MPAC (Municipal Property Assessment Corporation), and to an extensive list of agencies as set out in the regulations. A sign was also posted on the property. The public meeting notice is located on the County web site at www.grey.ca.

It is imperative to note that:

If a person or public body would otherwise have an ability to appeal the decision of County of Grey in reference to the official plan amendment to the Local Planning Appeal Tribunal but the person or public body does not make oral submissions at a public meeting or make written submissions to the County before the amendments are decided upon, the person or public body is not entitled to appeal the decisions.

If a person or public body does not make oral submissions at a public meeting, or make written submissions to County of Grey in reference to the official plan amendment
before the amendment is decided upon, the person or public body may not be added as a party to the hearing of an appeal before the Local Planning Appeal Tribunal unless, in the opinion of the Tribunal, there are reasonable grounds to do so.

If you wish to be notified of the decision of the proposed official plan amendment you must make a written request to the County of Grey at 595 9th Ave. East, Owen Sound, Ontario N4K 3E3. This can be mailed to the County or deposited with the Administrative Assistant, Monica Scribner this evening. We have business cards here today if you need the contact information.

If there are any comments, questions or concerns for those in attendance this evening please address the Chair and give your name and Lot and Concession, or civic address, for the record.

The purpose and effect of the proposed official plan amendment is to fix some errors and omissions that were missed prior to the new Official Plan being approved by the Province. This includes formally recognizing previous official plan amendments that were adopted by County Council but were not incorporated into the new Official Plan. These include the following previously adopted official plan amendments:

- a. Raco OPA 126, Township of Georgian Bluffs
- b. Skyline OPA 134, Township of Georgian Bluffs
- c. Gibraltar Pit OPA 135, Town of The Blue Mountains
- d. Hensall Coop OPA 136, Township of Southgate
- e. Van Dolder OPA 139, Municipality of Meaford
- f. Orchard Pit OPA 142, Township of Southgate
- g. Schaus OPA 144, Municipality of West Grey

With respect to the Gibraltar Pit OPA 135, the Town and the Applicant have requested further revisions to the proposed extraction area which would make the extraction area smaller.

In addition to formally recognizing previously adopted OPA’s, the following additional errors are proposed to be fixed through this housekeeping amendment:

- Re-designating an area southeast of the settlement area of Walter’s Falls that was inadvertently designated as Secondary Settlement Area when it should have been designated as Rural
- Designating lands as Space Extensive Commercial/Industrial that have been designated as Rural Employment Lands in the Town of The Blue Mountains Official Plan and scoped to the uses in the Town’s Official Plan
- Clarifying that lot creation within Settlement Areas is permitted subject to an EIS for new lots proposed within a ‘Linkage’ identified on Schedule C – Natural Heritage Systems Cores and Linkages
• Clarifying Table 8: On-farm Diversified Use Size Criteria as it pertains to on-farm diversified uses being considered on non-farm sized lots within the Rural land use type.
• Clarifying the apparent conflict between Section 5.2.2(6) and 5.2.2(7) as it pertains to non-farm sized lot creation.
• Revising Schedule C – Natural Heritage System Core Areas and Linkages by removing Core Areas that overlap settlement area designations.
• Maps are provided on our Website www.grey.ca

Mr. Scherzer presented the Housekeeping OPA Presentation and read the comments received.

Comments received from the following:

There were no objections from Historic Saugeen Metis, Saugeen Valley Conservation Authority, Nottawasaga Valley Conservation Authority or Grey Sauble Conservation Authority.

COMMENTS FROM THE PUBLIC

David Alexander, 245299 Southgate Road 24

Mr. Alexander was concerned with future development at Hensall District Co-op and their proposed expansion near his home (OPA 136).

Main concerns:

- Speed limit of 50km/hour is not enforced,
- Pedestrian safety,
- Quantity of truck traffic and queueing on the roads,
- Jake brake signage is not effective or enforced,
- Difficulty getting in contact with the Site Manager at Hensall Co-op to discuss concerns,
- Promised improvements to the Co-op have not been made,
- Noise from the Co-op, especially overnight,
- Impacts on neighbours, including dust and other emissions,
- Potential future uses on the site including retail and a fertilizer plant,
- Timing for the expansion project, and
- Accuracy of mapping.

COMMENTS FROM COUNTY PLANNING STAFF

Clarification was provided to Mr. Alexander that this Official Plan Housekeeping Amendment would simply recognize what County Council had already passed in OPA 136. It was noted that the associated zoning amendment and consent application have also already been passed. A site plan has not yet been submitted for the Hensall Co-op location. However, Township and County Planning staff will work with developers on
any future site plans prior to development to help control current and possible future concerns.

For a number of Mr. Alexander’s concerns he should contact Southgate By-law Enforcement, or for speed related issues she should call the Ontario Provincial Police (OPP).

County Planning staff will share the concerns raised with Southgate staff, then provide Mr. Alexander a follow up letter.

All comments on the Housekeeping Amendment will be summarized and then a report will be taken to the Committee of the Whole in early 2020.

Chair McQueen thanked everyone for coming and adjourned the public meeting at 1:42 p.m.

Chair Paul McQueen
Committee Minutes

Health Care Funding Roles and Responsibilities Task Force

December 12, 2019 – 3:11 PM

The Health Care Funding Roles and Responsibilities Task Force met on the above date at the County Administration Building with the following members in attendance:

Present: Councillors Tom Hutchinson, Brian Milne, Selwyn Hicks; and Warden Paul McQueen

Regrets: Barb Clumpus

Staff Present: Kim Wingrove, Chief Administrative Officer; Heather Morrison, Clerk; Kevin Weppler, Director of Corporate Services and Tara Warder, Deputy Clerk/Legislative Coordinator

Call to Order

Warden Paul McQueen called the meeting to order at 3:11 PM.

Declaration of Interest

There was none.

Reports

Confirmation of Stakeholders to Engage

Kim Wingrove noted that she has had conversations with some proposed stakeholders to see if they can provide background information on how they came to decisions on funding priorities and to provide a case for why Grey County should be involved in funding certain health related initiatives.

Ms. Wingrove noted that June Porter of the Physician Recruitment Committee in the Blue Mountains is interested in attending future meetings as a member of the public.

Ms. Wingrove will reach out to Dana Howes and Gerry Glover from the Grey Bruce
Ontario Health Team Planning Committee as well.

The Task Force may also want to hear from someone from the Canadian Forces base about the proposal for an operational post-traumatic stress disorder clinic at the Meaford hospital.

The Committee discussed physician recruitment and whether the County should be involved in this as currently the mandate is for health care capital projects only.

Staff will brainstorm the key questions the stakeholders can speak to when they attend. If there are other matters, the task force can provide these to the CAO.

Staff and the Committee believe a recommendation can come forward around May of 2020 from the task force.

Other Business

There was no other business.

Next Meeting Dates

To be determined.

On motion by Councillor Hicks, the meeting adjourned at 3:26 PM.

Paul McQueen, Chair
Recommendation

1. That report CAOR-CW-01-20 Community Transportation Update be received; and
2. That County Council direct staff to proceed with and RFP to lease buses until March 2023; and
3. That County Council approves a single source contract with First Student; and
4. That the Warden and Clerk be authorized to execute a Transit Procurement Initiative (TPI) agreement with Metrolinx.

Executive Summary

Grey County and the Township of Southgate are working collaboratively to develop the transit services required under the terms of their respective Community Transportation grant transfer payment agreements. The services are required to be in operation by Spring 2020 and the total $2.3M in funding is to be expended by March 31, 2023. The purpose of this report is to provide a summary of consultation undertaken, recent community survey results and transit system operating policies to be developed. It also provides an outline of the service levels and associated costs required to meet grant requirements. An enhanced level of service is also modelled for Council consideration and discussion.

Background and Discussion

On December 6th, 2019 a Grey Transit Route (GTR) survey was distributed for public input. The GTR survey was promoted through various media platforms across, Grey, Bruce and Dufferin County. As of January 2, 2020, 1037 individuals had responded to the survey. This survey has received a lot of positive attention from the public and has provided Grey County staff with valuable insight on the needs of riders. Survey results can be viewed in Appendix A.
Transit Operations

Discussions were held with other municipalities with experience initiating and operating a transit system including City of Owen Sound, Town of Collingwood, County of Simcoe, County of Wellington, Town of Orangeville. Input was also received from the County’s Accessibility Advisory Committee, and representatives from Meaford, Town of the Blue Mountains, Chatsworth, Grey Highlands, Georgian Bluffs, South Bruce Peninsula, Hanover and Launch Pad Youth Activity Centre.

In determining the most cost-effective method of meeting or exceeding the transit services required under the terms of the transfer payment agreement with the Province of Ontario, Grey County staff have consulted numerous transit industry agencies regarding pricing and opportunities. A negotiated request for proposals was advertised and closed September 18, 2019. The County received several proposals; however no firm was able to provide a complete service at an affordable price.

Further consultation was undertaken to determine approximate costing for drivers and vehicles from First Student, City View, Mississauga Bus and Metrolinx. Appendix B demonstrates the costs required to operate the minimum service required by the province, and potential route options. Appendix C demonstrates the costs required to operate an enhanced service level and potential route options.

Transit Service Policies

The adoption of policies to guide the operation of the transit system is important to ensure the system can be operated safely, efficiently and that customers are provided with an enjoyable experience. Grey County staff are investigating the process and appropriateness of implementing policies on the following topics:

- Behaviour/ Conduct
- Animals
- Smoking
- Fares
- Boarding and Exiting
- Priority Seating
- Parking
- Support Person Assistance Card
- Presumption
- Penalties and Enforcement

Next Steps

Staff have reviewed various transit structures and cost models and have concluded that the most appropriate option for Grey County is to contract drivers and lease vehicles to deliver a piloted transit service in Grey County till 2023.
Furthermore, staff are recommending that County Council direct staff to single source the contracting of drivers to First Student. This company has a strong presence in the region and has been the successful service provider in neighboring municipalities and counties. First Student is currently driving for the City of Owen Sound, Municipality of Meaford, Town of Orangeville, Simcoe County and many others. Having access to a pool of trained, skilled drivers is critical to the success of Grey County’s transit system.

In order to access competitively priced transit vehicles (should we decide to buy buses), cameras, monitoring software etc. many transit agencies throughout the province have joined the Transit Procurement Initiative provided by Metrolinx. Staff received a presentation on the program and believe that the buying power it provides would be very difficult to obtain on our own. Staff recommend that County Council approves the signing of the governance agreement, attached in Appendix D.

Legal and Legislated Requirements
Upon County Council direction, staff will finalize contract details with appropriate agencies (First Student, Metrolinx, Province of Ontario). Bus stop agreements along the determined route will be negotiated with property owners.

Financial and Resource Implications
As noted in Appendix B, using the recommended service delivery model of leased vehicles and contracted drivers, Grey County can meet the service levels required by the transfer payment agreement. Enhancing the services as outlined in Appendix C would require additional investment of between $454,000 and $612,000 annually.

Relevant Consultation
Grey County Legislative Services
Grey County Finance Department
Grey County Transportation Services
Grey County and City of Owen Sound Accessibility Committees
Grey County
Municipality of Chatsworth
Municipality of Georgian Bluffs
Municipality of Grey Highlands
Municipality of Southgate
Municipality of West Grey
Municipality of Meaford
The Town of Blue Mountains
Appendices and Attachments

Appendix A- Grey County Community Transportation Survey
Appendix B- Transit Service Grant Requirements
Appendix C- Enhanced Service Option
Appendix D- TPI Governance Agreement
Committee Report

To: Warden McQueen and Members of Grey County Council

Committee Date: January 9, 2020

Subject / Report No: EDTC-CW-04-20

Title: Grey Roots KidsCamp Fees

Prepared by: Savanna Myers, Director of Economic Development, Tourism & Culture
Laura Arnold, Heritage Interpreter

Reviewed by: Kim Wingrove, CAO

Lower Tier(s) Affected: All

Status: Recommendation

1. That Report EDTC-CW-04-20 regarding Grey Roots KidsCamp Fees, be received; and

2. That the proposed fees be included in the 2020 Fees and Service Charges Schedule G of Bylaw 4735-11.

Executive Summary

Quality programing is the cornerstone of Grey Roots KidsCamp. Comparative research has shown that KidsCamp is the least expensive camp experience in Grey County. A modest price increase will ensure Grey Roots remains competitive while offering world class educational programming, maintaining a successful track record of returning participants and happy families.

Background and Discussion

KidsCamp at Grey Roots Museum is part of the core, mission-specific programming targeting the younger generation of museum goers and their families. Studies show that early exposure to museums fosters a love of life-long learning. Qualified Grey Roots staff work diligently to provide quality, educational day programming for school-aged children aged five to ten.

Grey Roots museum is a leader in offering quality educational programming in Grey County. Staff purposefully attract and hire summer staff from the education field, teachers-in-training or early childhood educators. Grey Roots knows that having knowledgeable, experienced staff means our participants benefit from a world-class, well-planned, and safe program.
Grey Roots KidsCamp fees have remained constant since 2011-2012 while the number of children accepted has increased to the maximum allowable. Programming runs 8:30am to 4:30pm. Combined with early drop off and a later pick up to better accommodate parents’ schedules, a standard KidsCamp day runs from 8:00am to 5:00pm.

With increased numbers of children there is an increase in the number of participants requiring advanced care. Changing needs of children means staff must actively plan with classroom management in mind to mitigate potential issues with violence and other behavior concerns. Increased revenues will allow Grey Roots to better prepare staff and physical space. Parents trust Grey Roots to provide the safest and best learning environment for their children.

Legal and Legislated Requirements

Bylaw 4735-11 is the County’s Fees and Services bylaw. If approved by Council, these fees will be added to Schedule G beginning in 2020.

Financial and Resource Implications

The proposed price increase is meant to accurately reflect the cost of doing business while also remaining competitive. Fees will be regularly monitored for future increases.

<table>
<thead>
<tr>
<th>KIDSCAMP</th>
<th>Current Prices</th>
<th>Proposed Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Day, Grey Roots Member</td>
<td>$25.00</td>
<td>$28.50</td>
</tr>
<tr>
<td>Full Week, Grey Roots Member</td>
<td>$110.00</td>
<td>$125.00</td>
</tr>
<tr>
<td>Four-Day Week, Grey Roots Member</td>
<td>$90.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>Single Day, Non-Member</td>
<td>$27.50</td>
<td>$31.00</td>
</tr>
<tr>
<td>Full Week, Non-Member</td>
<td>$125.00</td>
<td>$145.00</td>
</tr>
<tr>
<td>Four-Day Week, Non-Member</td>
<td>$100.00</td>
<td>$116.00</td>
</tr>
<tr>
<td>Early Drop Off (8-8:30 am)</td>
<td>$2.00</td>
<td>$3.00</td>
</tr>
<tr>
<td>7 PA Day Bundle, Member</td>
<td>n/a</td>
<td>$165.00</td>
</tr>
<tr>
<td>7 PA Day Bundle, Non-Member</td>
<td>n/a</td>
<td>$186.00</td>
</tr>
</tbody>
</table>

In order to meet the marketing cycle of the 2020 Grey Roots programming, staff are recommending that these fees be considered prior to the full Fees and Service Charges Schedule review in 2020.

Relevant Consultation

☒  Internal – Heritage Interpretation, Finance Officer, Clerk
☒  External – comparison research only
Appendices and Attachments

None.
## Executive Summary

Grey County is a Schedule 2 employer under the Workplace Safety and Insurance Board (WSIB). As a Schedule 2 employer, the County is self-insured, paying the actual claim costs plus administration fees to the WSIB. In order to protect itself from catastrophic loss, the County purchases insurance. The insurance policy renews each January 1st.

## Background and Discussion

The County of Grey transferred from being a Schedule 1 WSIB employer to a Schedule 2 WSIB employer on January 1, 1998. The benefits paid to employees are identical under the two schedules. They include lost wages, health care (medication, hospital stays, chiropractor, physiotherapists and other health professions), rehabilitation (costs for upgrading of education for workers who have suffered a permanent injury that
prevents them from returning to their pre accident occupation), non economic loss (NEL – money paid to a worker who has suffered a permanent impairment to compensate them for the “loss of use”). The difference is in the amount the employer pays for coverage.

Under Schedule 1, WSIB coverage is a pooled insurance plan for workplace injuries where WSIB is liable to pay benefit compensation for worker’s claims. Employers are grouped into industry classes, with premium rates varying by group. Premiums are calculated on insurable earnings (taxable wages and benefits) up to the annual maximum limit set by WSIB. Schedule 1 employers are relieved of individual responsibility for actual claim costs, since the WSIB pays for claim costs out of money pooled in the insurance fund. Starting in 2020, WSIB has implemented a new premium model that will ensure employers are paying a fair rate that is reflective of their previous six years of claims experience.

Schedule 2 employers self-insure workplace accident costs. Employers are liable to pay all benefit compensation and administration costs for worker’s claims. The WSIB administers the payment of benefits for workers of Schedule 2 employers and recovers the cost of these benefits plus administration fees from the employer. Under Schedule 2, the employer is responsible for 100% of the claim cost for the life of the claim.

Additional Insurance

Prior to 2019, Grey County had two types of insurance policies to protect itself from catastrophic loss. In January 2019, Council elected to not renew the first level of insurance that paid up to $500,000 per claim. It was determined at that time that the increased cost of the policy along with the increased criteria for eligible claims, it made more sense to self-insure the first $500,000, and when necessary, draw from the WSIB reserve.

The Chubb Insurance Company of Canada currently provides excess indemnity insurance for all expenses exceeding $500,000 to a maximum of $15,000,000 due to work related injury, disease or death.

The cap on reimbursement of the WSIB administrative fee remains at 28%. The provisional administration rate set by WSIB for 2019 is 23.2%. WSIB will calculate the actual 2019 administration rate in August 2020 and will make retroactive adjustments to 2019 invoices. The provisional rate for 2020 has not yet been announced.

Premiums for excess indemnity insurance are calculated on projected insurable earnings (taxable wages and benefits up to the WSIB annual limit). The premium rate will increase by 3.83% in 2020. With the increase in projected insurable earnings of 3.59%, it results in a compounded increase of 7.56% over the 2019 premium.
Staff are recommending the renewal of the excess indemnity insurance to protect the County against high claims costs.

Legal and Legislated Requirements
None

Financial and Resource Implications
The 2020 cost for excess indemnity insurance is $196,822.44 including provincial sales tax and is $13,841.28 higher than 2019. This amount has been built into the 2020 budget.

The WSIB reserve balance is currently $3,036,598.56.

Relevant Consultation
☒ Internal Human Resources, Finance
☒ External Jardine Lloyd Thompson of Canada (Marsh)

Appendices and Attachments
Committee Report

To: Warden McQueen and Members of Grey County Council
Committee Date: January 9, 2020
Subject / Report No: HRR-CW-03-20
Title: 2020 Employee Group Benefit Renewal
Prepared by: Sandra Shipley, Human Resources Manager
Reviewed by: Kevin Weppler, Director of Corporate Services
Lower Tier(s) Affected: 
Status: 

Recommendation

1. That Report HRR-CW-03-20 regarding the 2020 employee group benefit program renewal be received; and

2. That the insurance polices with AIG Insurance and Sun Life Financial be renewed for the period of January 1 – December 31, 2020 at the proposed premium level.

Executive Summary

The employee group benefit program for Grey County is underwritten by Sun Life Financial and AIG Insurance. Accidental Death and Dismemberment (AD&D) benefits are underwritten by AIG, while basic life, insured short term disability (STD), long term disability (LTD), extended health care and dental are underwritten by Sun Life Financial. The benefit renewal period is January 1 to December 31, 2020. Mosey and Mosey Benefit Consultants is the county’s Agent of Record.

Background and Discussion

Mosey and Mosey last marketed the group benefit plan in 2016. County Council made the decision to remain with Sun Life and AIG as it was felt that the premiums quoted at that time were underfunded and would result in significant rate increases at the next renewal. Mosey and Mosey is recommending that that the plans be marketed for the 2021 renewal.
The breakdown of employee groups covered by insured benefit type is outlined in the following chart. These figures are as of the December 1, 2019 billing. The amount of coverage varies by employee group:

**Number of Employees Insured by Benefit Type**

<table>
<thead>
<tr>
<th>GROUP</th>
<th>LIFE</th>
<th>AD&amp;D</th>
<th>STD</th>
<th>LTD</th>
<th>HEALTH</th>
<th>DENTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>OPSEU Lee Manor</td>
<td>70</td>
<td>70</td>
<td>*</td>
<td>70</td>
<td>69</td>
<td>69</td>
</tr>
<tr>
<td>OPSEU Lee Manor Retirees</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Non Union</td>
<td>182</td>
<td>182</td>
<td>182</td>
<td>181</td>
<td>184</td>
<td>184</td>
</tr>
<tr>
<td>Non Union Retirees</td>
<td>11</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>OPSEU Paramedics</td>
<td>69</td>
<td>69</td>
<td>*</td>
<td>69</td>
<td>69</td>
<td>69</td>
</tr>
<tr>
<td>OPSEU Paramedic Retirees</td>
<td>3</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>UNIFOR</td>
<td>43</td>
<td>43</td>
<td>*</td>
<td>41</td>
<td>41</td>
<td>40</td>
</tr>
<tr>
<td>ONA Rockwood Terr.</td>
<td>4</td>
<td>4</td>
<td>*</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>ONA Grey Gables</td>
<td>3</td>
<td>3</td>
<td>*</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>OPSEU Social Services</td>
<td>41</td>
<td>41</td>
<td>41</td>
<td>39</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>OPSEU Social Services Retirees</td>
<td>10</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>CUPE</td>
<td>47</td>
<td>47</td>
<td>47</td>
<td>47</td>
<td>47</td>
<td>47</td>
</tr>
<tr>
<td>CUPE Retirees</td>
<td>5</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>OPSEU Grey Gables</td>
<td>25</td>
<td>25</td>
<td>*</td>
<td>23</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>ONA Lee Manor</td>
<td>3</td>
<td>n/a</td>
<td>*</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>ONA Lee Manor Retirees</td>
<td>1</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>517</td>
<td>484</td>
<td>270</td>
<td>480</td>
<td>519</td>
<td>518</td>
</tr>
</tbody>
</table>

* this benefit is self-insured

As part of the annual renewal process, Mosey and Mosey reviewed proposed premium adjustments and entered into negotiations with Sun Life and AIG. All group benefits are up for renewal. The results are summarized on the next page.

Negotiated renewal costs are based on claim costs for the period of September 1, 2018 to August 31, 2019.
The significant increases are found in the STD and dental benefits. Short term disability is an experience-rated benefit. The industry standard formula for determining renewal adjustments is to apply 50% credibility to the most recent 12 month review period, and 30% and 20% credibility to the previous two year periods. Based on this formula, an increase of 58.7% is warranted. Since the paid claims increased significantly for the most recent review period, Sun Life agreed to apply slightly less credibility to the most recent review period to avoid over-funding the benefit into the next review period.

The renewal calculation for dental benefits is based on the premium and claims experience for the 12 month period of September 1, 2018 to August 31, 2019. The Ontario Dental Association fee guide increase of 3.98% is a contributing factor to the 2020 dental increase.

The historical renewal information is outlined in the following chart:

<table>
<thead>
<tr>
<th>Benefit</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Average Annual Adjustment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life</td>
<td>-19.8%</td>
<td>0.0%</td>
<td>8.0%</td>
<td>-5.0%</td>
<td>-5.0%</td>
<td>-4.4%</td>
</tr>
<tr>
<td>LTD</td>
<td>-6.1%</td>
<td>0.0%</td>
<td>-6.0%</td>
<td>13.0%</td>
<td>-1.0%</td>
<td>+0.0%</td>
</tr>
<tr>
<td>STD</td>
<td>-10.0%</td>
<td>-16.0%</td>
<td>-20.0%</td>
<td>-15.7%</td>
<td>45.0%</td>
<td>-3.3%</td>
</tr>
<tr>
<td>Ext Health</td>
<td>4.3%</td>
<td>6.0%</td>
<td>0.4%</td>
<td>6.0%</td>
<td>-5.0%</td>
<td>+2.3%</td>
</tr>
<tr>
<td>Dental</td>
<td>7.9%</td>
<td>2.3%</td>
<td>9.0%</td>
<td>-1.0%</td>
<td>9.0%</td>
<td>+5.4%</td>
</tr>
<tr>
<td>Overall</td>
<td>0.0%</td>
<td>2.5%</td>
<td>-0.5%</td>
<td>+5.4%</td>
<td>-0.2%</td>
<td>+1.4%</td>
</tr>
</tbody>
</table>
Mosey and Mosey has advised that the average annual cost adjustment of +1.4% for all benefits combined is well below expected industry trends. The main cost drivers continue to be extended health care and dental benefits.

**Legal and Legislated Requirements**

None

**Financial and Resource Implications**

The annual cost to renew the group benefit policies is a reduction of $9,061 including provincial sales tax.

**Relevant Consultation**

- Internal (list) CAO, Human Resources and Finance staff
- External (list) Mosey and Mosey Benefit Consultants

**Appendices and Attachments**

None