



The Regional Municipality of Durham

Finance and Administration Committee Revised Agenda

Tuesday, September 12, 2023, 9:30 a.m.

Regional Council Chambers

Regional Headquarters Building

605 Rossland Road East, Whitby

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2054.

Note: This meeting will be held in a hybrid meeting format with electronic and in-person participation. Committee meetings may be [viewed via live streaming](#).

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There are no advisory committee resolutions to be considered

10. Confidential Matters

10.1 Report #2023-A-13

Confidential Report of the Commissioner of Corporate Services - Labour Relations/Employee Negotiations with respect to Ontario Nurses Association ("ONA"), Local 16

Under Separate Cover

11. Other Business

12. Date of Next Meeting

Tuesday, October 10, 2023 at 9:30 AM

13. Adjournment

Notice regarding collection, use and disclosure of personal information:

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The Regional Municipality of Durham

MINUTES

FINANCE & ADMINISTRATION COMMITTEE

Tuesday, June 13, 2023

A regular meeting of the Finance & Administration Committee was held on Tuesday, June 13, 2023 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:30 AM. Electronic participation was offered for this meeting.

1. Roll Call

Present: Councillor Ashe, Chair
Councillor Leahy, Vice-Chair
Councillor Garrod
Councillor Lee*
Councillor McDougall
Councillor Schummer*
Councillor Woo
Regional Chair Henry
***denotes Councillors participating electronically**

Staff

Present: B. Bridgeman, Commissioner of Planning & Economic Development
A. Burgess, Director, Corporate Communications
C. Chai, Director, Financial Solutions, Finance Department
B. Goodwin, Commissioner of Corporate Services
N. Taylor, Commissioner of Finance
J. Hunt, Regional Solicitor/Director of Legal Services, CAO's Office – Legal
A. Harras, Regional Clerk/Director of Legislative Services
R. Inacio, Systems Support Specialist, Corporate Services – IT
D. Ramkissoon, Manager, Investment Portfolio, Finance Department
N. Prasad, Assistant Secretary to Council, Corporate Services – Legislative Services

2. Declarations of Interest

There were no declarations of interest made.

3. Adoption of Minutes

Moved by Councillor Garrod, Seconded by Councillor McDougall,
(47) That the minutes of the regular Finance & Administration Committee meeting held on Tuesday, April 11, 2023 and the minutes of the Closed Finance & Administration Committee meeting held on April 11, 2023, be adopted.

CARRIED

4. Statutory Public Meetings

There were no statutory public meetings.

5. Presentations

There were no presentations.

Moved by Regional Chair Henry, Seconded by Councillor McDougall,
(48) That the order of the agenda be altered to consider Items 8.2 A), B) and C), at this time.

CARRIED

8. Finance

8.1 Correspondence

There were no communications to consider.

8.2 Reports

A) Tile Drainage Loan on Behalf of Township of Brock for Mr. Chris Vestergaard (B1160 Concession 3 Beaverton, ON) (2023-F-11)

Report #2023-F-11 from Nancy Taylor, Commissioner of Finance, was received.

Moved by Regional Chair Henry, Seconded by Councillor McDougall,
(49) That we recommend to Council:

A) That funds in the amount of \$41,700 be advanced to the Township of Brock with respect to a loan application pursuant to the *Tile Drainage Act*, R. S. O., 1990, c. T. 8 (the "Act") for Mr. Chris Vestergaard (B1160 Concession 3) in the Beaverton area of the Township of Brock; and

B) That the requisite by-laws be approved by Regional Council.

CARRIED

B) Establishment of a Debenture Committee (2023-F-12)

Report #2023-F-12 from Nancy Taylor, Commissioner of Finance, was received. Discussion ensued regarding the composition of the Debenture Committee.

Moved by Regional Chair Henry, Seconded by Councillor McDougall,
(50) That we recommend to Council:

A) That a Debenture Committee be established in accordance with the Terms of Reference outlined in Attachment #1 of Report #2023-F-12 of the Commissioner of Finance;

- B) That Council delegate to the Debenture Committee the authority to enact by-laws authorizing the issuance of debentures and the entering into of prescribed financial agreements for long-term borrowing where the debt authority for the capital works or classes of capital works to be financed has been approved by Council;
- C) That Council delegate to the Debenture Committee the power to authorize by by-law any one or more officers of The Regional Municipality of Durham ("Region") to do all things, including the execution of all debentures, the entering into of financial agreements and all ancillary documents necessary in order to give effect to the issuance of any debentures and the financing pursuant to any financial agreements;
- D) That Council delegate to the Debenture Committee the authority to enact temporary borrowing by-laws for current operations in accordance with section 407 of the Municipal Act, 2001 to authorize short-term borrowing for the purpose of meeting current expenditures in any year until such time as the taxes are collected and other revenues are received and to authorize any one or more members of the Debenture Committee to do all things and execute any loan or other agreements required to give effect to any temporary borrowing;
- E) That any Regional policies on the delegation of the Region's powers and duties and on debt and capital financing reflect the establishment of the Debenture Committee and indicate that the authority to enact debenture, other long-term borrowing and temporary borrowing by-laws has been delegated to the Debenture Committee; and
- F) That the by-law (s) generally in the form contained in Attachment #2 and Attachment #3 of Report #2023-F-12 be presented to Council for adoption to give effect to these recommendations.

CARRIED

Moved by Councillor Schummer, Seconded by Councillor Leahy,

- (51) That the Terms of Reference be amended to add the Chair of the Finance & Administration Committee and one designated member of Regional Council to the composition of the Debenture Committee.

MOTION DEFEATED

The main motion (50) of Regional Chair Henry and Councillor McDougall was then put to a vote and was CARRIED.

- C) Updated Policies – Financial Securities Acceptance for Development Agreements (2023-F-16)

Report #2023-F-16 from Nancy Taylor, Commissioner of Finance, was received.

Moved by Regional Chair Henry, Seconded by Councillor McDougall,
(52) That we recommend to Council:

- A) That the policy on Letter of Credit Acceptance be approved;
- B) That the policy on Surety Bond Acceptance be approved;
- C) That the Finance Department fee of \$475 for the initial acceptance of, and any subsequent exchanges of Letters of Credit, be extended to include Surety Bonds;
- D) That the local area municipalities be exempted from the requirement to provide a financial security in connection with local municipality development projects; and
- E) That staff be directed to update the Standard Subdivision Agreement and Standard Servicing Agreement for Non-Subdivision Development templates to reflect the changes implemented through Report #2023-F-16.

CARRIED

6. Delegations

6.1 Patricia Conlin, President, Speaker, Author and Trainer, Global Consulting Group Inc. re: Digital Transformation and SMART Initiatives in Durham Region

Patricia Conlin, President, Speaker, Author and Trainer, Global Consulting Group Inc., appeared before the Committee and expressed concerns regarding the following:

- SMART city, digital transformation and discriminatory spending and policies in Durham Region;
- Investments in CO2 emissions reduction;
- COVID-19 lockdowns and masking mandates;
- Digital surveillance and CO2 tracking technology;
- Assist farmers by eliminating CO2 taxes and nitrogen limits;
- Conduct an independent review of the safety of 5G towers and technology;
- Ban the purchase and installation of the new blue or purple LED street lights and the installation of any facial recognition cameras in stores, streets, buildings and public spaces;
- Reverse recent increases in property taxes for residents; and
- End spending on special interest groups.

7. Administration

7.1 Correspondence

There were no communications to consider.

7.2 Reports

There were no Administration reports to be considered.

8. **Finance**

8.1 Correspondence

There were no communications to consider.

8.2 Reports

- A) Tile Drainage Loan on Behalf of Township of Brock for Mr. Chris Vestergaard (B1160 Concession 3 Beaverton, ON) (2023-F-11)

This matter was dealt with earlier in the meeting (see page 2 of these minutes).

- B) Establishment of a Debenture Committee (2023-F-12)

This matter was dealt with earlier in the meeting (see pages 2 and 3 of these minutes).

- C) Updated Policies – Financial Securities Acceptance for Development Agreements (2023-F-16)

This matter was dealt with earlier in the meeting (see page 4 of these minutes).

9. **Advisory Committee Resolutions**

There were no advisory committee resolutions to be considered.

10. **Confidential Matters**

There were no confidential matters to be considered.

11. **Other Business**

There was no other business to be considered.

12. **Date of Next Meeting**

The next regularly scheduled Finance & Administration Committee meeting will be held on Tuesday, September 12, 2023 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

13. Adjournment

Moved by Regional Chair Henry, Seconded by Councillor Leahy,
(53) That the meeting be adjourned.

CARRIED

The meeting adjourned at 10:00 AM

Respectfully submitted,

K. Ashe, Chair

N. Prasad, Assistant Secretary to Council



2024 Regional Business Plans and Property Tax Supported Budget Guideline

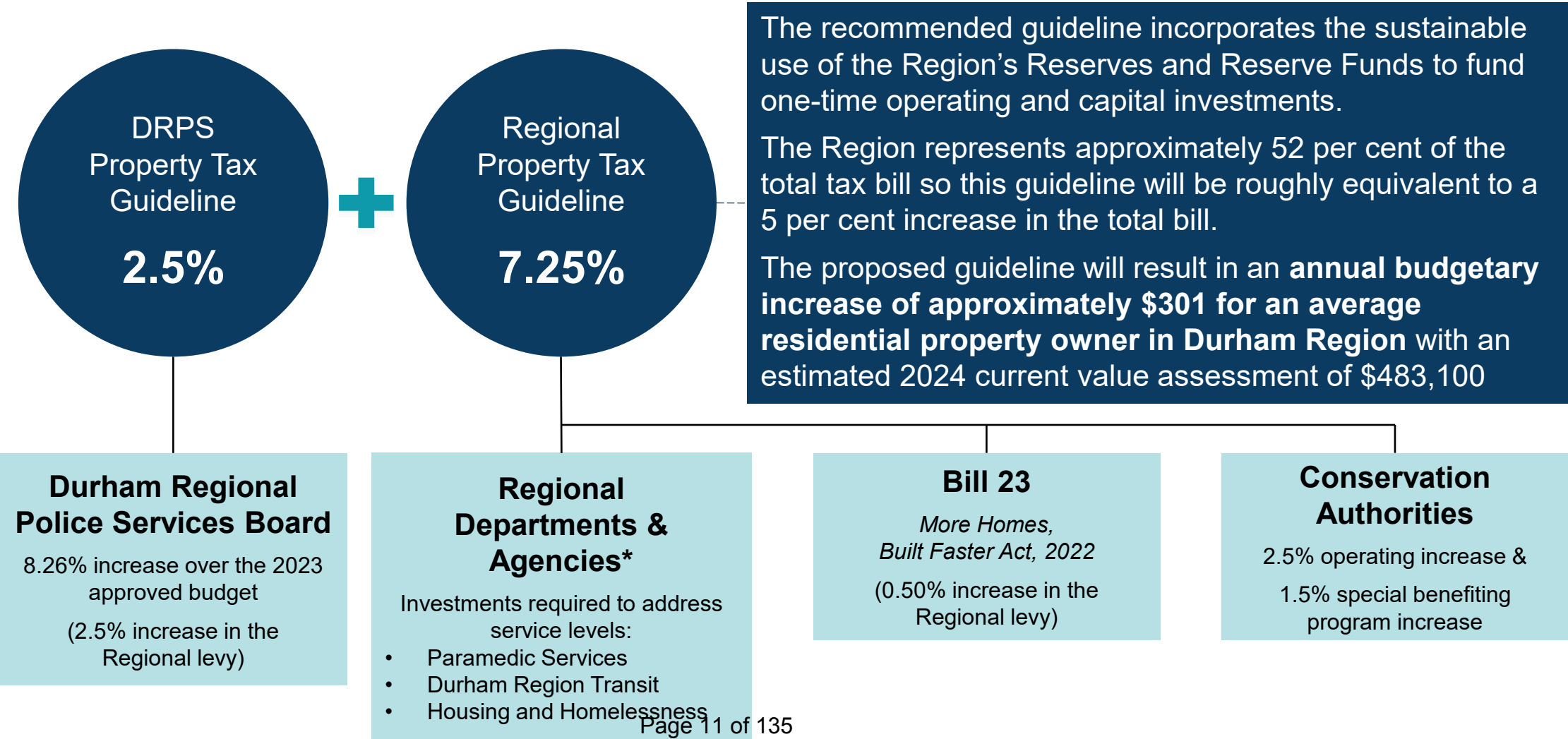
*Finance and Administration
Committee, September 12, 2023*



Purpose and Use of the Guideline

Establishes an **overall property tax cap** for the 2024 property tax supported business plans and budgets

Ensures **alignment** with Council’s final tax levy expectations and service level implications



The recommended guideline incorporates the sustainable use of the Region’s Reserves and Reserve Funds to fund one-time operating and capital investments.

The Region represents approximately 52 per cent of the total tax bill so this guideline will be roughly equivalent to a 5 per cent increase in the total bill.

The proposed guideline will result in an **annual budgetary increase of approximately \$301 for an average residential property owner in Durham Region** with an estimated 2024 current value assessment of \$483,100

* Includes DRT, 9-1-1 Emergency Service System, Durham OneNet Inc, and DRLHC

2024 Budget Pressures



Base Pressures

- Annualization of 2023 budget decisions and decisions approved in-year
- Inflationary pressures and significant capital cost escalations
- Staff and service contract cost increases
- Debt servicing costs for debt approved in 2023



Investment in Critical Front Line Core Service Areas

- Paramedic Services 10-Year Service and Financing Strategy
- Durham Region Transit's 10-Year Service and Financing Strategy
- Works Department capacity needs
- Housing and Homelessness Strategy implementation



Bill 23 – More Homes, Built Faster Act

- Incremental and advanced capital infrastructure investments
- Development Charge financing shortfalls (phase-in, freezing, exemptions, and discounts)
- Operating resource requirements



2024 Strategic Investment Pressures

- Durham Regional Police Services Board Budget priorities
- Investments to advance the implementation of the Region's Strategic Plan



Provincial / Federal Funding Impacts

- Homelessness Supports
- Paramedic Services
- Public Health
- Social Assistance
- Childcare
- Ukrainian and Asylum Seekers Humanitarian Response in Durham
- Long-term Care
- Police



Impacts from Legislative and Regulatory Changes

Current or potential changes that may have fiscal impacts for the Region include:

- Community Safety and Policing Act, 2019
- Conservation Authorities Act Regulations

Strategic Investment: Region of Durham Paramedic Services



Key Milestone

The 2023 – 2032 Region of Durham Paramedic Services Service and Financing Strategy report was approved by Committee and Council in February 2023 with a 10-year financial forecast that includes a:

- Staff resourcing plan
- Capital plan including new stations and increased state of good repair investments



Objective

Implementation strategy to address response time service levels which continue to be impacted by:

- Population growth and demographic changes
- Offload delay challenges at hospitals
- Employee wellness and sustained resiliency



Financing

- Projected 2024 gross spending increase of approximately \$11 million, including projected increase in provincial funding
- 2024 proposed guideline includes a 0.53 per cent increase dedicated for Paramedic Services
- Increased investment will be required over forecast to increase service performance and service growth



Strategic Investment: Durham Region Transit



Key Milestone

Durham Region Transit's Service and Financing Strategy report was approved by Committee and Council in February 2023



Key Priorities

The 10-year implementation strategy looks to advance the following key priorities:

- Service enhancements and growth
- Fleet transition to zero greenhouse gas emission vehicles
- Passenger amenities and infrastructure
- Fare modernization



Financing

- 2024 proposed guideline includes a 2.0 per cent increase dedicated for Durham Region Transit
- Significant increases in senior government funding for transit will be required to fund the 10-year investment plan



Strategic Investment: Housing and Homelessness



Overview

At Home in Durham, the Durham Housing Plan 2014 - 2024 reflects Council's priorities around housing and homelessness focused on improving affordability and access to housing, protecting the exiting affordable housing supply, encouraging housing diversity and building capacity in the housing system.

The 2023 budget included a \$16.6 million (28.3 per cent) increase in Regional funding for housing and homelessness supports. Significant additional investment by the Region, province and federal governments in 2024 and over the forecast is needed to address the complex housing and homelessness challenges facing our community.



Recommendations

The 2024 proposed guideline provides for the following investments:

- **Beaverton Supportive Housing** – estimated annualization of net operating costs (\$2.5 million)
- **1635 Dundas** – 2024 impact is under development and will be informed by ongoing consultations, services provided and number of residents support (a preliminary provision of \$2.5 million has been provided for)
- **Outreach Workers** – 10 new outreach workers approved in-year plus up to two new outreach workers to support DRT operations (\$1.5 million)
- **Housing Redevelopment Office** – annualized impact of three new positions approved in-year (\$0.6 million)
- **Homelessness Supports** – increase base regional property tax support (minimum increase of \$0.2 million)
- **At Home Incentive Program** – additional funding to support community partners in the development of additional affordable housing
- **DRLHC Redevelopment** – consultation is underway to help inform the 2024 investment

Durham Regional Police Service



Overview

Durham Regional Police Services have identified a total 2024 budget pressures of \$23.11 million (9.3 per cent)

- Base Pressures - \$15.16 million (6.1 per cent)
 - Staffing Costs (4.7 per cent increase)
 - Infrastructure (1.0 per cent increase)
 - Operating and Reserve Increases (0.9 per cent increase)
 - Revenues and Recoveries (0.5 per cent decrease)
- Strategic Investments - \$7.94 million (3.21 per cent) for 76 new positions including:
 - 20 front line officers
 - 34 uniform members in Serious and Organized Crime, Patrol Support and Operational Support
 - 22 civilian positions in Serious and Organized Crimes, Operational Support and Administrative Support



Recommendation

- A 2024 guideline of a 8.26 per cent increase on the Durham Regional Police Service Budget (2.5 per cent overall increase to the Regional property tax levy)
- This includes an increase of \$15.16 million to fund base pressures and \$5.27 million for other strategic priorities of the Durham Regional Police Services Board

Future Pressures

Based on current modeling, the Region anticipates annual property tax increases for 2025 to 2028 to be consistently challenging.

Staff continue to pursue all opportunities for provincial and federal partnerships to offset as much capital and operating impacts as possible.

Environmental Sustainability

- Investments to implement Corporate Climate Action Plan
- Implement the Region's Long-term Waste Management Strategy
- Conservation Authority Regulatory Changes and Implementation

Community Vitality

- Paramedic Services 10 Year Service and Financing Strategy
- Durham Region Transit's 10 Year Service and Financing Strategy
- New Regional long-term care home in North Pickering
- Increased investment in Durham Regional Police Services

Economic Prosperity

- Advance transit-oriented development opportunities
- Meet Bill 23 legislative requirements with resulting financing implications
- Transit Oriented Development

Social Investment

- Implement the Region's Master Housing Strategy including DRLHC revitalization
- Two new Regional operated childcare centres

Service Excellence

- Implement the findings from the Works Department Capacity Study
- Cyber Security
- Service Durham



Projected Debenture Financing Requirements

The following table is based on the 2023 approved capital budget and nine-year forecast updated for existing conditions. The chart does not yet include forecasted debt requirements that are anticipated to increase as a result of Bill 23 and additional capital priorities that are anticipated to require debenture financing including:

- Housing/Homelessness Investments – DRLHC Redevelopment, 300 Ritson Road Revitalization/Redevelopment, 650 Rossland Road Redevelopment, 1635 Dundas capital improvements
- DRPS Capital Program – new headquarters, West Division (new build), Central East Division (new build), Ops Training Centre expansion, North Division expansion, NextGen
- GO East Extension Implications
- TOD/BRT

Debt servicing costs are projected to increase by \$115.1 million over the next ten years (\$43.1 million property tax fund; \$35.1 million water supply fund; \$36.9 sanitary sewer fund) based on the existing forecast.

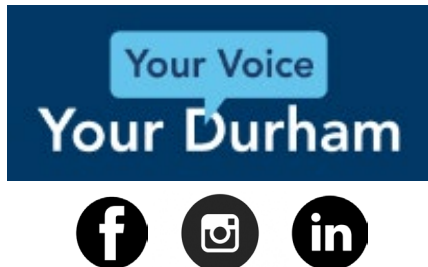
Departments/Divisions	Revised 2023	Projected Debenture Financing Requirements (\$'000's)									Total
		Forecast									
		2024	2025	2026	2027	2028	2029	2030	2031	2032	
Housing/Homelessness Supports	5,225	-	-	-	-	-	-	-	-	-	5,225
Long-term Care	130,303	-	-	-	-	-	-	-	-	-	130,303
Durham Region Transit	19,804	40,723	43,084	19,100	13,450	2,740	2,200	2,200	52,500	4,600	200,401
Paramedic Services	-	-	14,420	-	4,815	-	-	-	-	-	19,235
Region of Durham Police Services	-	-	-	11,438	3,210	-	31,298	57,777	-	-	103,723
Subtotal Property Tax Fund	155,333	40,723	57,504	30,538	21,475	2,740	33,498	59,977	52,500	4,600	458,888
Water Supply Fund	-	23,652	60,291	156,739	78,275	42,354	-	-	-	-	361,311
Sanitary Sewer Fund	-	38,893	52,176	69,297	12,000	106,140	101,550	-	-	-	380,056
Total	155,333	103,268	169,971	256,574	111,750	151,234	135,048	59,977	52,500	4,600	1,200,255

Embedding Enhanced Public Engagement



Hosting a **Budget Town Hall** where residents can join over the phone, online and in-person to:

- provide input and feedback on key priorities,
- ask questions about the Region's Business Plans and Budget
- learn more about the Region's programs and services



Utilizing a **year-round engagement plan** to support a wider understanding of the process and seek engagement throughout the process to inform budget development



Exploring **additional opportunities to engage with residents** throughout the annual Business Planning and Budget process (including sharing information on engagement opportunities through various community and stakeholder events)

Residents are encouraged to ask questions and share their ideas and priorities for the 2024 Budget online by using the [Have Your Say! Tool](#) or by emailing budgets@durham.ca



Conclusion

The recommended guideline supports:

-  Investments in **Critical Front Line Service Areas** (paramedic, transit, works, homelessness/housing supports);
-  Meeting the challenges of **inflation** and accounting for **future growth**;
-  **Strategic Plan** priorities; and
-  Senior government **funding and legislative / regulatory landscape**

Item	Estimated 2024 Levy Impact	
	\$ (millions)	%
Durham Region Transit	16.347	2.00
Region of Durham Paramedic Services	4.332	0.53
Conservation Authorities	0.186	0.02
<i>Bill 23 – More Homes, Built Faster Act, 2022 provision</i>	4.087	0.50
Department Increases – including Housing/Homelessness (Base Pressures)	34.559	4.23
Department Increases – including Housing/Homelessness (Strategic Priorities)	17.728	2.17
Assessment Growth		(2.20)
Net 2024 Property Tax Levy Impact (excluding Durham Regional Police Services Board)	77.239	7.25

Item	Estimated 2024 Levy Impact	
	\$ (millions)	%
Net 2024 Property Tax Levy Impact for Durham Regional Police Services Board	20.434	2.5
Total Net 2024 Property Levy Impact	97.673	9.75
Total 2024 Impact to Overall Tax Bill		5.00

* Amounts reflected in the above table are subject to change based on the results of the review of the Works Department, modelling of Bill 23 impacts, outcome of Greenbelt discussions, and updates from refinement and finalization of budget submissions.

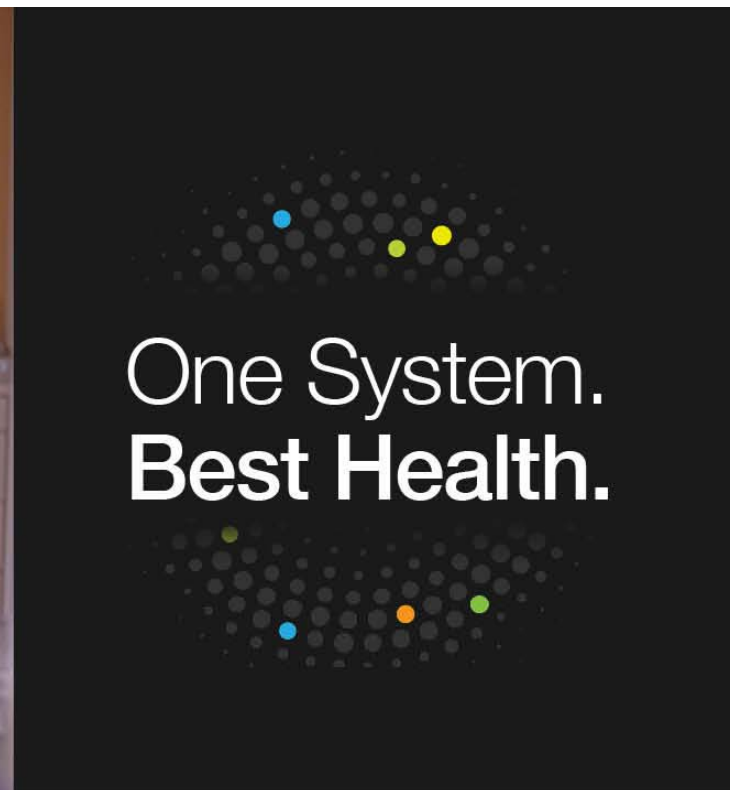
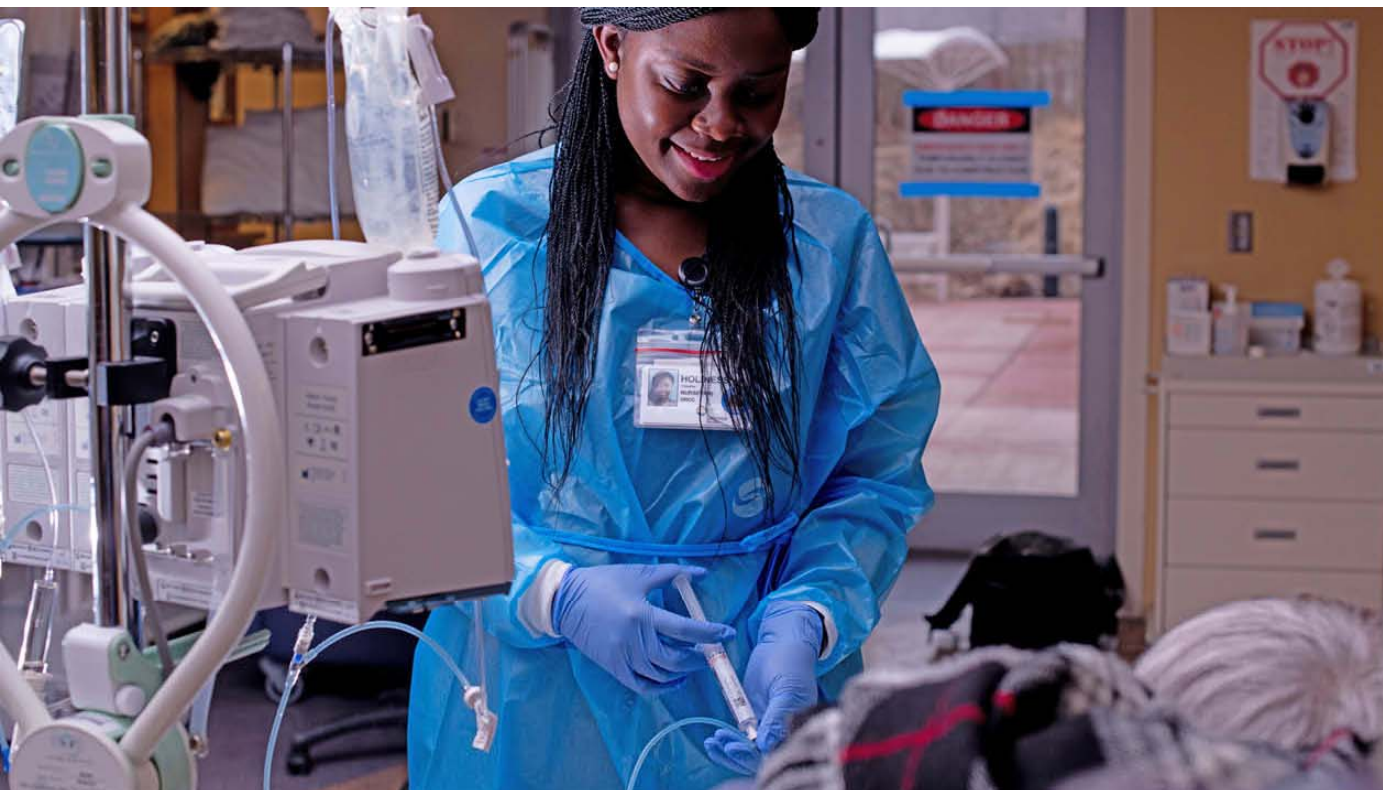
Questions?



Thank you!

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Region of Durham – Finance & Administration Committee Lakeridge Health Bowmanville Redevelopment

September 12, 2023



Background – Bowmanville Hospital



- In December 2020, Regional Council approved an allocation of up to \$37.5M in Local Share from its Community Investment Grant Program in support for the Bowmanville Hospital redevelopment.
 - Premised on a estimated Total Project cost of \$500M in 2020.
- Over the course of the last 30 months, further refinements and development of detailed plans with Lakeridge Health team members and the Ministry of Health have progressed.
- The Ministry and Infrastructure Ontario are targeting a Fall 2025 construction start and a 2.5 year estimated construction duration for the Bowmanville Hospital redevelopment.

Case for Support – Bowmanville Hospital



- Improvements to aging and insufficient Lakeridge Health hospitals across Durham Region is a high priority to support growth and aging.
 - Routinely Lakeridge Health operates at over 105% capacity. This pressure will continue with projected growth!
- A commitment to critical infrastructure spending from the Region of Durham is crucial to providing essential healthcare to our communities.
- The Bowmanville Hospital redevelopment will result in enhanced healthcare accessibility for the residents of Durham Region including advanced medical technologies, upgraded facilities, and expanded services.
 - 'Opening Day' capacity of 136 in-patient beds – an increase of almost 30% from current.
 - Designed capacity of 178 beds to meet projected acute care demand by 2040+.
 - New on-site hemodialysis services & Ambulatory Care Clinic services.

Current Status



- Final Design refinements negotiated with the Ministry and confirmation of planned Fall 2025 construction dates with the Province have resulted in clearer and more precise cost estimates.
 - This redevelopment will stimulate economic growth and create jobs within the region.
 - Construction activities will generate employment opportunities, support local businesses and contribute to the overall economic prosperity of Durham Region.
 - When operational in 2028 an estimated 275 additional employees will be working at the Bowmanville Hospital.
 - A modern and well-equipped hospital is essential for attracting and retaining skilled healthcare professionals.
- Construction cost escalation has occurred and total cost is materially higher than forecasted in 2020.
 - Scope of redevelopment is materially the same as 2020 planning estimates re: overall square footage, program scale and programming.

Our ask for the Bowmanville Hospital



- Estimated Total Project Costs are now forecasted (escalated to 2025) to be \$736M based on Ministry and Infrastructure Ontario forecasting models.
- Ministry mandated Local Share requirements have grown to \$110.4M (approximately 15%).
 - The *We Care We Can Campaign* is focused on this objective and has engaged deeply with the community with this Local Share goal.
- We are seeking continued Regional Council support for Local Share contribution of 7.5% of project costs. This amounts to an additional \$17.7M.
 - While a commitment is necessary in the short term, funding outflow can be deferred until Fall/Winter 2027 (expected timeline for Substantial Completion).

Concluding Context



- Healthcare and making our hospitals in Ontario strong is a main priority for all Ontarians, and more specifically, for the residents of Durham Region.
- With the new hospital estimated to be a decade away, we have an opportunity now to complete an extremely important healthcare project that will benefit all the residents of Durham Region.
- Redevelopment of the Bowmanville Hospital is on track for a Fall 2025 construction start and site diligence work is underway.
- We have financial support commitments in place from the Province and increased funding under strong consideration from the Municipality of Clarington.
- The Region of Durham's continued commitment to this critical healthcare project at the 7.5% level of project costs will make this project a reality.



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Chief Administrative Officer
Report: 2023-A-11
Date: September 12, 2023

Subject:

The Regional Municipality of Durham 2022 Accessibility Report

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

That the Regional Municipality of Durham 2022 Accessibility Report be received for information.

Report:

1. Purpose

- 1.1 The purpose of this report is to present the 2022 Accessibility Report to the Finance and Administration Committee.

2. Background

- 2.1 In June 2005, the Ontario Legislature passed the Accessibility for Ontarians with Disabilities Act, 2005 (AODA). The AODA builds on the previous Ontarians with Disabilities Act, 2001, and both acts are still in effect.
- 2.2 Provincial and municipal governments and key broader public-sector organizations are required to prepare an annual accessibility status report which outlines what steps have been taken to prevent and remove barriers to accessibility for people with disabilities, while meeting the AODA requirements. This Report is intended to report on the progress of actions outlined in the Multi-Year Accessibility Plan.

3. Process

- 3.1 The 2022 Accessibility Report is an annual update on the implementation of standards and timelines outlined in the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and the 2022-2025 Multi-Year Accessibility Plan. The AODA legislation supports the identification, removal and prevention of accessibility barriers throughout the organization's provision of goods and services, facilities and employment. The attached report reviews the progress on actions moving forward as outlined in this 2022-2025 Multi-Year Accessibility Plan.
- 3.2 The Chief Administrative Officer's office led the report's development, in consultation with representatives from each regional department and the Accessibility Advisory Committee. The staff working group has worked with internal departments to prepare updates for the 2022 Accessibility Report.

4. Next Steps

- 4.1 After Regional Council receives the 2022 Accessibility Report it will be made available to the public and posted to the regional website. The Report will also be made available in various accessible formats upon request.

5. Attachments

Attachment #1: The Regional Municipality of Durham 2022 Accessibility Report

Respectfully submitted,

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer



2022 Durham Region Accessibility Report

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Page 8. [Accessibility Advisory Committee \(AAC\)](#)

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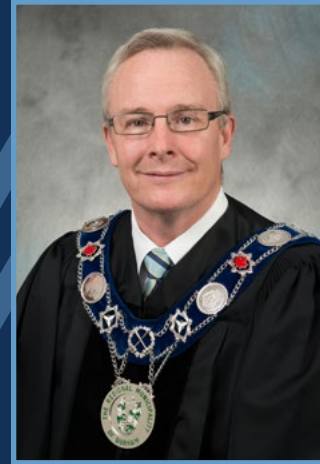
Land Acknowledgement

The Region of Durham is located on land that the Michi Saagiig Anishinaabeg inhabited for thousands of years prior to European colonization. These lands are the traditional and treaty territories of the Nations covered under the Williams Treaties, including the Mississaugas of Scugog Island First Nation, Alderville First Nation, Hiawatha First Nation, Curve Lake First Nation, and the Chippewa Nations of Georgina Island, Beausoleil and Rama.

We honour, recognize, and respect Indigenous Peoples as rights holders and stewards of the lands and waters on which we have the privilege to live. In our efforts toward reconciliation, we continue to build and strengthen relationships with First Nations, as well as the large Métis communities and growing Inuit communities here in Durham. We commit to learning from Indigenous values and knowledge, building opportunities for collaboration and recognizing that we are all connected.

Miigwech/ Nia:wen/ Marsi/ Thank you / Merci

Message from the Regional Chair and Chief Administrative Officer



Durham Region is growing now more than ever. With this expansion, we welcome people of all identities and abilities.

In order to ensure we are responsive to our growing population, we adjust our programs and services to address the needs of our communities. This aligns with our vision of creating equitable communities where everyone feels supported.

In 2022, we welcomed many employees back into the office after working remotely for nearly two years. Upon our reopening, we identified and implemented ways to leverage technology for inclusion. By holding Council and Committee meetings in a hybrid format, we made it easier to join meetings remotely and watch the live stream. Court services also introduced updates including automatic, touchless accessible doors; hybrid equipment in two courtrooms and closed captioning enabled in Zoom court proceedings.

The new Oral Health Office and Dental clinic in Oshawa expanded access, this year, to the Ontario Seniors Dental Care Programs and other oral health programs and services. This public space was built with accessibility in mind, without stairs or elevators, wider hallways, accessible washrooms, and a lift system to transfer clients from a wheelchair to the dental chair.

We made strides to acknowledge the importance of invisible disabilities. Our employee census helped us better understand the diversity of our staff—noting that 21 per cent of respondents indicated they live with a disability, some of which are invisible disabilities.

To increase awareness of invisible disabilities and overall diversity represented through regional staff, our Diversity, Equity and Inclusion division organized several educational opportunities. Let's Talk sessions offered insight into topics including anti-Black racism, invisible disabilities and creating 2SLGBTQI+ affirming spaces.

Senior Leaders at the Region also attended a session on Invisible Disabilities, learning from a presenter who shared lived experiences. In December, to honour International Day for Persons with Disabilities, regional staff were invited to attend a presentation on how neurodiversity can be valued in the workplace.

We also partnered with Abilities Centre to host Durham's first Accessibility Conference and welcomed more than 300 participants virtually.

As we work toward an environment where everyone is treated with dignity and respect, we remain committed to promoting continuous education and full participation for all. Together, we will create a region where every person, of any age and ability, can thrive.

Message from the Chair, Durham Region Accessibility Advisory Committee

Throughout this past year, I have had the privilege to serve on the committee alongside a passionate and diverse group of individuals who live across our beautiful region. Their personal experiences with disability and accessibility have contributed to creating a more inclusive and accessible Durham Region.

As a committee we adapted well to virtual meetings that remained in place throughout the year. A few highlights for the year included inspiring lunch and learns for committee members and Durham Region staff. Daniel Cullen, Chair of the GAP committee and community advocate at the Mission United Hub in Oshawa shared his personal story in observance of Bell Let's Talk Day. Michael Jacques, an author who never surrenders to the idea of, "can't," spoke about learning, inclusion, advocating, independence and the power of perseverance while living with a disability.

May is always an exciting month for accessibility advocates because of National AccessAbility Week which is celebrated throughout the last week of the month. The week was celebrated with the first Durham Accessibility Conference entitled, "Build Back Better." The conference was presented in collaboration with the Abilities Centre and was a

free virtual conference focused on breaking down barriers in Durham Region and providing fair access to services.

One of the roles of the AAC is to provide accessibility consultations to departments about their initiatives. One such initiative included working with the Planning and Economic Development Department, in partnership with the Diversity, Equity and Inclusion division, to host an e-scooter and e-bike demo at Regional Headquarters. This event included the Coordinator, Advocacy & Outreach from the CNIB, who ensured there was open communication and consideration for people with disabilities at the event.

Let us remember that everyone has a right to feel included in our region. By keeping accessibility top of mind when creating and planning, the result will always be a more inclusive community.

**Dawn Campbell, Chair,
Durham Region Accessibility
Advisory Committee**



Durham Region Accessibility Report

The Regional Municipality of Durham's 2022 Accessibility Report is an annual update on the implementation of standards and timelines outlined in the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and the 2022-2025 Multi-Year Accessibility Plan. The Multi-Year Accessibility Plan builds on the accomplishments of Durham Region's previous accessibility plans and activities to implement the Integrated Accessibility Standards Regulation outlined in the AODA.

The Regional Municipality of Durham 2022-2025 Multi-Year Accessibility Plan and previous Accessibility Reports can be found at durham.ca/accessibility.



The accessibility initiatives outlined in this report have met the requirements of the AODA, outlined under the Integrated Accessibility Standards Regulations. These standards include transportation, information and communication, customer service, employment and the design of public spaces. Durham Region's accessibility initiatives are guided by the 2020-2024 Strategic Plan and align with the goal of healthy, inclusive, age-friendly communities where everyone feels a sense of belonging. To achieve a sense of belonging, it is our goal to provide equitable opportunities for everyone in Durham Region to participate fully in their communities.

Accessibility Advisory Committee

The Durham Region Accessibility Advisory Committee (AAC) is a Committee of Council that acts in an advisory role to Regional Council. The goal of the committee is to prevent, identify and remove barriers for people with disabilities.

The AAC is made up of 11 members including one representative of Regional Council. The majority of members are people who have disabilities, have family members with disabilities or are professionals who work with people who have disabilities.



AAC work throughout 2022

The committee wishes to acknowledge that there is continuous work ahead and that listening to people with disabilities is crucial to identify gaps in service. When we improve our understanding of the realities of living with a disability in Durham Region, we can take the steps and make changes to create innovative, inclusive communities. Below is a list of some of the activities that the AAC supported in 2022.

- Reviewed accessibility-related issues, activities and opportunities within the Region.
- Supported accessibility initiatives related to buildings and structures.
- Collaborated with community organizations on various issues including transit.
- Reviewed the 2022-2025 Multi-Year Accessibility Plan.
- Reviewed the Annual Accessibility Report.

The AAC is committed to charting a path to creating an accessible Region by 2025.



Accessibility for Ontarians with Disabilities Act (AODA), 2005

The AODA legislation supports the identification, removal and prevention of accessibility barriers throughout the organization's provision of goods and services, facilities and employment. The AODA's purpose is to improve accessibility standards for Ontarians with disabilities across all public establishments. This includes all levels of government, non-profit organizations and businesses. All service providers and business owners in the region should be aware of current compliance deadlines. Learn more about [Accessibility rules for businesses and non-profits.](#)

There have been many areas of progress in accessibility in Durham Region and Ontario since 2005, however we must continue to prioritize the removal of barriers for people with disabilities to achieve the collective goal of being accessible. We understand that to reach this destination is a journey. We encourage everyone to focus on prioritizing their efforts to meet the requirements under the AODA as soon as possible. Learn more about [accessibility laws.](#)





Accessibility Awards

The Region of Durham's Accessibility Awards celebrate accessibility as an essential foundation of our vision for a healthy, prosperous community for all. Nominations for these awards are made by the Accessibility Advisory Committees (AAC) of local area municipalities within Durham Region. Gratitude goes out to all committee and community partners who recommend and support the nominations. Celebrating these successes helps to highlight the needed awareness of accessibility and breaks down barriers for people with disabilities.

Accessibility Award Recipients

Town of Ajax

Barb Dowds

Barb Dowds served on the Ajax AAC from 2010 to 2022. Throughout her tenure, Barb served as Committee Chair for several years, and led numerous initiatives to identify and break down barriers in her community. In recent years, Barb was always taking part in the Accessible Ajax Information Station at town community events.



Township of Brock

Brock Township Public Library

Throughout the pandemic, the Brock libraries showed their dedicated commitment to diversity, equity, inclusion and accessibility for their patrons and community members by advancing the provision of service during the pandemic. They pivoted to online programming including virtual children's story times, curbside book pickups, and wifi-hubs for public use.



Municipality of Clarington

Kingsway Hardware

Naveed Khan is known for providing exceptional customer service at Kingsway Hardware in Clarington, particularly to those who have mobility issues or use mobility devices. Customers can call the store from a parking spot outside the business or go to the customer service desk to request their items and have staff bring the items to their car.



City of Oshawa

Back Door Mission for the Relief of Poverty

The Back Door Mission for the Relief of Poverty with the support of Simcoe Street United Church, began Project Mission United when it opened available spaces to be used as a collaborative and centralized service hub for people living unsheltered or marginally housed with limited access to essential supports. Project Mission United is a low-barrier access hub for essential services, social supports and primary health care.



City of Pickering

Peter Bashaw

Peter Bashaw was appointed by Council to the Pickering AAC in 2013 and was a committed member until his retirement in 2022. Peter's wisdom, judgment, technical expertise and fabulous networking skills have been invaluable to the Pickering Committee.



Township of Scugog

Two Blokes Cider

Two Blokes Cider owners, Matthew Somerville and Andrew Paul, incorporated the Scugog Accessibility Advisory Committee's comments into the plan for Two Blokes Cider. This included an accessible pathway with a minimum width of one-and-a-half metres, having the entire structure at grade level to allow accessible access, and incorporating automatic doors to the facility and washrooms.



Township of Uxbridge

Uxbridge Lions Club

The Uxbridge Lions Club is committed to creating spaces that are accessible for families of all ages and abilities so that everyone can participate together. They embarked on an ambitious project of creating a universal playground at Elgin Park. The new park with wheelchair accessible features, will incorporate sensory music play and opportunities for individuals of all ages, with differing abilities, to enjoy the space together in nature exploration.



Town of Whitby

WindReach Farm

WindReach Farm's LEARNING-4-LIFE adult day program redefined creativity during the COVID-19 pandemic when in-person programming was not possible. WindReach Farm adapted its program to connect with participants virtually to offer barn and local attraction visits, art projects and movie afternoons.



Durham Region

Mike Roche

Mike Roche served on the Durham Region AAC, the Durham Region Transit Advisory Committee, as well as the site plan subcommittee, throughout his tenure from 2004 to 2022. He offered insights on accessibility for several key projects. Mike played an important role on the team to advocate and raise awareness on issues that impact people with disabilities in our community, improving the quality of life and participation for residents and visitors to Durham Region.



2022 Achievements and Highlights



Diversity, Equity and Inclusion Division

Throughout 2022, Durham Region advanced diversity and inclusion efforts by building on past achievements and launching new initiatives. As part of this work, the Accessibility portfolio, the Diversity & Immigration Program and Durham Local Immigration Partnership transitioned into the Diversity, Equity and Inclusion division.

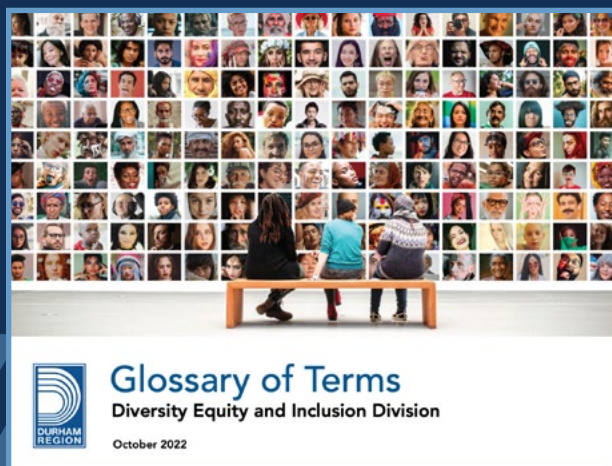


The work of the DEI division centred around four areas of focus:

1. Improving our understanding of diversity and deepening the Region's commitment to inclusion.
2. Strengthening equity and inclusion within our organizational culture.
3. Engaging staff in equity and inclusion efforts; and fostering opportunities for leadership, advancement and employee development.
4. Identifying and addressing barriers to inclusion in the delivery of Regional programs and services.

Key advancements include:

- Complying with recommendations from the Anti-Black Racism Pillar Report: Released in 2020, this report identified recommendations to address lived experiences as well as corporate and community concerns related to anti-Black racism, equity and inclusion. Expanding on the recommendations met in 2021, the DEI Division created a Glossary of Terms to promote person-first inclusive language.
- Durham Region Anti-Racism Taskforce: As part of the Region's commitment to fostering healthy and vibrant local communities, the Durham Region Anti-Racism Taskforce (DRART) advises Regional Council on anti-racism practices and processes. Established in 2021, the Taskforce identifies systemic issues related to anti-racism and equity, collaborates with community organizations and institutions and makes recommendations for systemic equity.



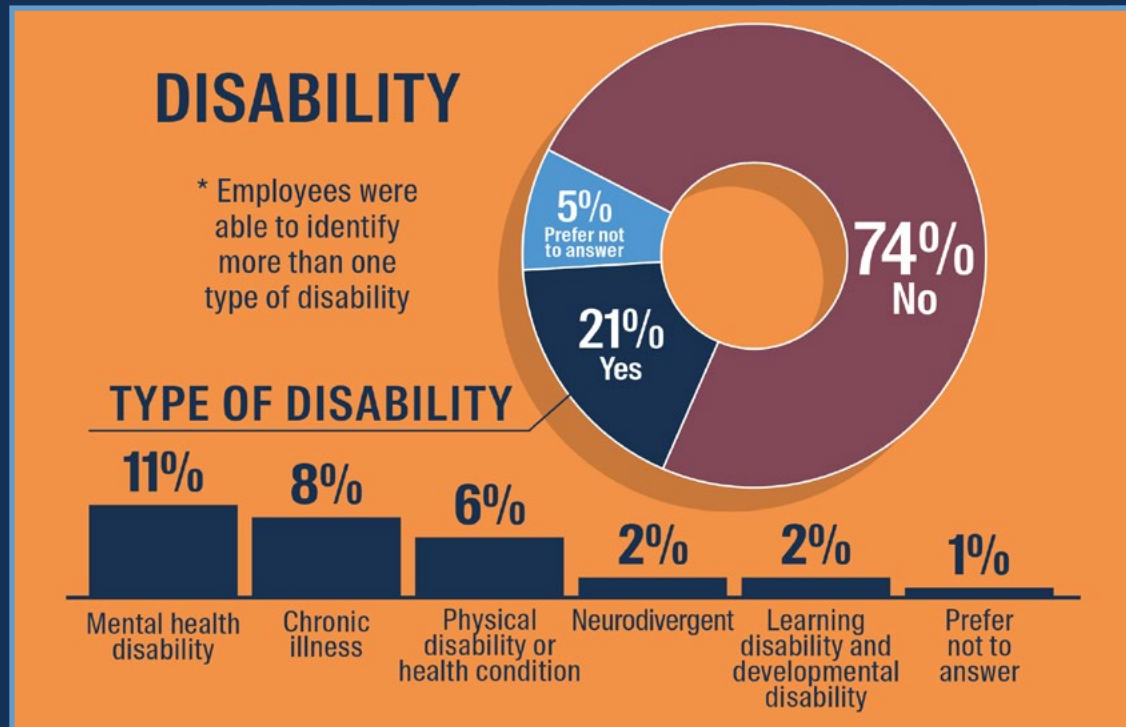
- DEI staff working groups continued their work to build a more inclusive workplace by making recommendations for equity priority areas including Indigenous advocacy, anti-Black racism, anti-Asian racism, disabilities, 2SLGBTQI+ and Black history.



The DEI division championed inclusion and accessibility across the region through several initiatives.

- Partnered with Abilities Centre to host Durham's first virtual Accessibility Conference, with more than 300 participants in attendance.
- Created a land acknowledgement educational video to provide guidance on how to respectfully acknowledge ancestral lands and Indigenous communities. Please view the video here: [Land Acknowledgement Video.](#)
- Installed a commemorative orange crosswalk and accompanying plaque at Regional Headquarters to honour the Indigenous children taken, families left behind and survivors of Canada's residential school system.
- Launched the "Durham Is Our Home" awareness campaign to celebrate Durham's newcomer residents and encourage everyone to play a positive role in building a welcoming and inclusive community.
- Collaborated with local organizations and service providers to offer support to Ukrainian newcomers by providing temporary accommodations and wraparound supports to those without housing plans.
- Hosted Youth Pride Durham at Regional Headquarters with more than 500 attendees offering a safe, inclusive celebration for youth, children and families who are part of the 2SLGBTQI+ community, as well as their allies.

Employee Census



Durham Region conducted an employee census to understand the diversity of Regional staff. This data will inform the design of programs and services, succession planning, staff learning and skills development, and will be critical in fostering an inclusive workplace.

One key finding of the census was that 21 per cent of respondents indicated that they live with a disability. This information will inform how the Region moves from words to action in advancing its commitment to accessibility.

DEI Staff Training and Education

The Region continues to support staff to expand their knowledge, increase awareness and offer opportunities for engagement in DEI topics and issues. Below is a snapshot of training and education opportunities in 2022.

- 418 staff received training on accessible documents.
- The Region's "Let's Talk" employee education series offered sessions on bystander intervention, anti-Black racism, invisible disabilities, creating 2SLGBTQI+ affirming spaces, Indigenous histories and restorative justice.
- The Senior Leadership Team participated in an Invisible Disabilities session with the presenter being a person with lived experience.
- A special Lunch and Learn event was held in January called "Dancing in Recovery" featuring Daniel Cullen, an advocate for people who are street engaged and living without shelter.
- In recognition of International Day for Persons with Disabilities, a special presentation was offered on the value of neurodiversity in the workplace.



LEAD Canada™

The Region partnered with Abilities Centre in a LEAD (Leading Equitable and Accessible Delivery) Canada™ evaluation, which assessed current competencies and identified opportunities to improve and enhance inclusion and accessibility at the Region.

The LEAD process guided Regional staff through a facilitated self-assessment of current inclusion practices and assisted in creating an action plan to increase involvement and participation by persons of all abilities, ages and backgrounds in the organization and community.



Community Safety and Well-Being Plan

The Region hosted the virtual Community Safety and Well-Being (CSWB) Symposium, in partnership with Durham Regional Police Service and Greater Toronto and Hamilton Area (GTHA) partners. More than 250 participants from 140 organizations, including 30 Ontario Municipalities were represented. This shared willingness to participate speaks to a shared understanding that a collaborative approach to this work is necessary. The GTHA CSWB Symposium brought together diverse stakeholders from across the province, to make connections, learn from one another and start conversations that lead to meaningful change.

Durham's CSWB Plan identifies the priority risk factors in the Region; the programs, strategies, and bodies to address those priority risk factors; and measurable outcomes to track the effectiveness of the plan. The plan also presents action items and a short-term implementation plan. The CSWB Plan calls upon different sectors, institutions and service delivery agents to share in the collective responsibility of creating the type of community we want to live in. More information is available on the [Community Safety and Well-Being Plan web page](#).





Corporate Services

Human Resources

The Talent and Organization Development Team developed an External Facilitator Handbook for external facilitators who are providing professional learning and training for Regional employees. The handbook was developed in collaboration with the Diversity, Equity and Inclusion division to support a shared understanding of the Region's expectations and accessibility requirements.

Support and guidance were provided to external facilitators on creating accessible documents by:

- Viewing the materials and slide decks before the session.
- Offering training and support on how to align with expectations in the Facilitator's Handbook.

In-person sessions were enhanced by ensuring:

- All facilitators use closed captions in their training.
- A microphone is utilized for all in-person large meetings.

The team developed an e-learning module on Respect in the Workplace to provide staff with more tools on creating an inclusive and welcoming workplace.

An internal mentoring program for employees was launched through an online platform offering staff opportunities to learn from one another. Participation in the program's first year consisted of 36 mentors and 53 mentees.

Disability Management

Over the last five years the Region has doubled the number of facilitations for staff who have made successful returns to work after being off on a medical leave and required accommodations in the workplace. In the last quarter of 2022, 176 staff returned to work, which is the highest (in a quarter) ever recorded after a medical leave.

754 staff returned to work in 2022 after being on a medical leave of absence in 2022. This includes staff who required modified duties or full regular duties to return to work after a medical leave. 160 new accommodations for individuals staying in the workplace were made.



Service Durham Division

All messaging on the Public Front Counter Information Display TV at Regional Headquarters now meets Web Content Accessibility Guidelines (WCAG) 2.0 Level AA accessible guidelines. In 2022, one Senior Customer Service Representative completed a Level One ASL (American Sign Language) Course with the Canadian Hearing Society.

Service Durham maintains, reviews and updates the online accessible Durham Regional Directory: [The Regional Municipality of Durham 2022/2023 Service Directory](#)

Trained customer service representatives provided assistance to anyone who called 311 within Durham Region. Calling 711 connected customers to the Teletypewriter (TTY) Relay Services for people who have speech or hearing disabilities.

Council Services

Council and Committee meetings continue to be offered in a hybrid format allowing the public to participate either virtually or in-person.

Technology in the Council Chambers was updated to improve the experience of participants and viewers. It is now easier to join meetings remotely, watch the livestream or review the recording following the meeting. Refinements continue to be made to improve the experience for all.

Court Services

Regional Court Services is a proud participant in the Ministry of the Attorney General Provincial Courts accessibility committee. Significant improvements were made to the court services user experience with accessibility in mind:

- Automatic/touchless buttons were installed on doors in all courtrooms, the main court lobby hallway and washrooms at Durham Regional Headquarters.
- Installation of hybrid equipment began in two courtrooms and will be completed in 2023.
- Closed captioning was enabled in all Zoom court proceedings.
- As a result of the pandemic, access to many counter services have been moved to remote channels.



Information Technology

Rooms 1A and 1B at Regional Headquarters now allows for hybrid meeting spaces for staff and the community to use.

Durham Region Transit

Site selection criteria and draft locations for 11 transfer hubs were developed. These included transfer hubs with enlarged bus stops and enhanced amenities to support transfers between On Demand and scheduled transit, and space for multiple vehicles, shelters, signage and seating.

There were 95,931 Specialized Service trips for people who have disabilities in 2022.



Transit Assistance Program

The paper Access Pass was phased out in October 2022 and transitioned the Access Pass for customers to the Transit Assistance Program (TAP) on PRESTO cards, providing enhanced customer service and security benefits of electronic fare payment.

Transit Stop Infrastructure

Durham Region Transit (DRT) is working toward accessibility at all bus stops by 2025, in alignment with the AODA. Hard surfacing of existing bus stops continued to be implemented; and select stops were audited when not accessible.

Bus stop infrastructure was reallocated to high priority bus stops, distributing bus shelters to more bus stops throughout the Region.

2022 Peter J. Marshall Municipal Innovation Award for On Demand Service

Durham Region was the recipient of the 2022 Peter J. Marshall Award for the implementation of On Demand service, recognizing municipalities implementing innovative ways to serve the public.

During the pandemic, DRT expanded its On Demand service to meet the transit needs of residents and essential workers, offering service 24/7 in urban areas, and from early morning to late evening in rural areas. On Demand transit offers a flexible travel option, allowing customers to book a trip by phone or through the On Demand App at a time that suits their schedule, making direct connections to nearby bus stops or destinations. The cost-effectiveness of the On Demand service has enabled DRT to further invest in scheduled service in main corridors, increasing frequency and convenience of transit.



Abilities Centre Pathways program



DRT is pleased to collaborate with groups and programs across the Region, including Abilities Centre's [Pathways program](#). The 12-week program is designed to introduce participants to everyday community settings—such as shopping, recreation and dining out—while teaching them important functional skills. One of the strong areas of focus of this program is on transit awareness. Throughout 2022, the program completed two sessions with the Pathways Program at Abilities Centre, offering customers with a variety of abilities a transit orientation session, supporting a total of 20 customers.

DRT staff facilitate sessions to help participants build their confidence and learn how to use DRT public transit services. The one-day session opens with an outline of DRT's services, website, apps and how to use the PRESTO fare payment system. Participants then board a bus for a real-world learning experience.

While on the bus, participants learn that transit operators are approachable and friendly, should they need assistance, and they are encouraged to ask questions or make requests if needed. Participants also learned to identify their stop locations, pull the bus cord to request a stop, pay fares, use the ramp, identify where to sit on the bus if they have reduced mobility or use a mobility device and much more.

Durham Region Health Department

Durham Region Health Department provides programs and services to people who live, work or attend school in Durham Region. The new Oral Health Office and Dental Clinic in Oshawa expanded access to the Ontario Seniors Dental Care Programs and other oral health programs and services. The Dental Clinic is more accessible for the public with features such as having no stairs or elevators, wider hallways, and accessible washrooms, and a lift system to transfer clients from a wheelchair to the dental chair. Learn more about the [Dental and Oral Health Program](#).

The Health Department continued COVID-19 vaccinations in collaboration with other Regional departments, including stationary immunization clinics; mobile, pop-up; homebound visits and immunizing Long-Term Care residents and staff. All clinic sites were assessed for accessibility and required modifications were made. Routine health and safety inspections were completed at stationary immunization clinics to identify and action opportunities to increase accessibility. An ambassador role at stationary immunization clinics was implemented to offer additional support for clients. Transportation and translation services were offered to address access barriers.

Some Regional Health programs transitioned to virtual care services to increase access for clients.

A new Durham Region Health Department Client Experience Survey was launched to gather feedback from the public to improve services. The survey asks questions about a client's experience with the physical space, providers, services delivered and asks questions about overall experience. To gain a better understanding of clients served, the survey also asks respondents sociodemographic questions, including a question about living with or identifying as having a disability or health concern.



Social Services

The following actions reflect professional and person-centred services for a diverse client population:

- Interpreter services and ASL interpretation are used for virtual and in-person service delivery.
- Continual tech support is available for clients to improve participation in virtual services.
- Virtual services continue to be offered for people who are living without shelter in the region through the Primary Care Outreach Program (PCOP).
- The Mental Health Outreach Program that provides Mental Health supports to vulnerable populations in the community was implemented.

Family Services

Partner Assault Response Program

One-on-one phone or video intake sessions were available to clients that have barriers to attending in-person intake sessions. These individualized phone sessions were also available to individuals requiring interpreters, experiencing technical issues or having a mental health diagnosis.



Adult Protective Services

Adult Protective Services (APS) utilized electronic equipment, such as tablets, to enable clients without access to electronics or the internet to fill out applications, attend workshops and use communication platforms such as MS Teams and Zoom. Staff took time to teach clients how to use the technology and digital tools so that they could meet with their APS worker virtually. This has also proven to be helpful for clients accessing medical care virtually. Staff also discussed a client's goals and supported them with technology support where possible. For example if learning transit was a goal, staff assisted clients with downloading the Durham Region Transit app and taught them how to use it.

Virtual workshops were expanded for clients and the PCard system was expanded. The PCard system is a purchasing system for APS clients. It provides funds to clients to assist them with purchasing technology, such as laptops, leading to enhanced community integration. Expanding the PCard system ensured clients had access to the items they needed and reduced financial hardship for clients with accessing technology and other supports.

A monthly information series was created for staff to attend called "Coffee Chats." These chats provided learning opportunities for staff on community

resources, and an opportunity to network and problem solve for clients. Community service providers were invited to share information on the programs and services they offered.

APS workers and counsellors created an integrated team to work together to support APS clients who have experienced developmental trauma.

An Income, Employment and Homelessness Support Durham partnership was created to facilitate clients being connected to Developmental Services Ontario and the Ontario Disability Support Program.

Children's Developmental and Behavioural Support

The Play Project parent guide was translated into French. Pamphlets were also translated into Urdu and made accessible.

Long-Term Care

To ensure that families of Long-Term Care (LTC) home residents were provided with clear and timely communications, the mass notification system called RAVE was adjusted to more effectively call and email families. This significantly decreased the amount of call backs LTC homes received. The regular uploads to the RAVE system—three times per week—ensured that family contact information was up-to-date.

The resident and Family newsletter is now published in a larger 14-point font in response requests from families. Documents shared with residents digitally such as through electronic monitors are enlarged for easier viewing.

Increased signage and communication to families and staff also helped to improve the flow in the clinic and screening areas.

Several renovations to the exterior area at Lakeview Manor Long-Term Care home included new pavement around the main driveway and repairs to the backlot to eliminate hazards and create a smooth transition between asphalt and concrete. A new design and door system in the main hall at Lakeview Manor now makes the space accessible for all mobility devices. Automatic doors to the outdoor spaces will increase independence for residents in their home.



Planning and Economic Development

Economic Development and Tourism

The Economic Development and Tourism division improved the diverse representation of people within photography for web, digital and print promotions across all brands within Invest Durham and Durham Tourism. Visual assets including photography and videography with narration on internet and social media platforms include alternate and descriptive text.



Planning

Regional Electric Kick Scooter By-law, Traffic and Parking By-law and E-Mobility Demo

The Planning and Economic Development Department, in partnership with the Diversity, Equity and Inclusion division, hosted an e-scooter and e-bike demo at Regional Headquarters in June in the northwest parking lot of Regional Headquarters. Attendees had the opportunity to learn about e-mobility devices, rules, regulations and safety tips outlined in the new [Regional Electric Kick Scooter By-law](#) at the demo. Vendors were on-site to allow people to experience e-scooters and e-bikes firsthand. This event took place in consultation with the Coordinator of Advocacy & Outreach from the Canadian National Institute for the Blind (CNIB), who ensured there was open communication and consideration for people with disabilities.

Many stakeholders expressed the need for establishing clear regulations on where and how to enable the safe operations of e-scooter and e-bicycle devices on Regional roads and property. Staff applied two approaches to support the use of e-scooters and e-bikes on Regional roads and properties. This included the development of an Electric Kick-Scooter By-law to permit the use of e-scooter devices, and amending the Regional Traffic and Parking By-law to include the definition of power-assisted bicycle, commonly known as an e-bicycle, to conform with the Highway Traffic Act.

The community was consulted in February 2021 via the Your Voice Your Durham platform to help shape the Regional Electric Kick-Scooter By-Law. [Lean more about the use of e-scooters and e-bikes on Regional roads and properties.](#)

Transportation and Field Services

Traffic Engineering and Operations

The Works department enhanced accessibility across the region including:

- Retrofitting 17 traffic control signal locations to include Accessible Pedestrian Signals with sidewalk improvements, better crosswalk alignment and the installation of tactile plates.
- Adjusting walk times to accommodate slower walking speeds and additional countdown pedestrian signals were added to provide further guidance for pedestrians.
- Adding additional countdown pedestrian signals to provide further guidance for pedestrians.



Contact Information

We welcome your feedback. Please let us know what you think about the Regional Municipality of Durham 2022 Accessibility Report.

By mail:

Diversity, Equity and Inclusion Division
The Regional Municipality of Durham
605 Rossland Road East
Post Office Box 623
Whitby, Ontario L1N 6A3

By phone:

905-668-4113 extension 2009 or
1-800-372-1102 or 311

By email:

accessibility@durham.ca

If you require this information in an accessible format, please contact the Accessibility Coordinator by emailing accessibility@durham.ca or calling 905-668-4113 extension 2009.





The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Chief Administrative Officer
Report: 2023-A-12
Date: September 12, 2023

Subject:

Appointment of new members to the Durham Accessibility Advisory Committee (AAC)

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

That the following people be appointed to the Durham Accessibility Advisory Committee:

Ms. Priya Chandwani – Professional from the stakeholder community; and

Mr. Lyle Williams – Person with a disability.

Report:

1. Purpose

- 1.1 The Accessibility Advisory Committee's (AAC) Terms of Reference allow for an eleven-member committee. The purpose of this report is to facilitate two appointments for the vacant positions for a person with a disability and a professional from the stakeholder community.

2. Background

- 2.1 Under the Ontarians with Disabilities Act, 2001 (ODA), Durham Region is obligated to form an Accessibility Advisory Committee (AAC). A second piece of legislation, Accessibility for Ontarians with Disabilities Act, 2005 (AODA) was proclaimed in 2005. However, the first Act was not repealed, and therefore, Durham must comply with both pieces of legislation. The requirement to have an AAC is still in effect.

3. Appointment of new members

- 3.1 The application process for the current nominees is the same as was for the original committee. After completing an application form, an interview was held with each applicant. The selection criteria used to determine suitability to serve on the committee are:

- a. Knowledge of disability issues
- b. Experience with committees, volunteerism, community work
- c. Excellent communication skills
- d. Team building and collaboration skills
- e. Demonstrated commitment to projects/teams
- f. Ability to build trust and relationships.

- 3.2 Every effort is made to ensure that there is representation from people with a variety of disabilities, lived experiences and from different professional bodies.

The term of membership will correspond with the term of Regional Council and if a member resigns the Region will seek a replacement in accordance with the Terms of Reference.

Following Council's appointment of the membership, the first AAC meeting the new members will attend will be on November 28, 2023.

4. Relationship to the Strategic Plan

- 4.1 This report aligns with the following strategic goals and priorities in the Durham Region Strategic Plan:
- a. Goal 2 – Community Vitality, specifically Priority 2.5 – Build a healthy, inclusive, age-friendly community where everyone feels a sense of belonging.

5. Professional from the Stakeholder Community Appointment

- 5.1 Ms. Priya Chandwani is a resident of Whitby and works as the Director for Digital Accessibility and AODA Program, Global Wealth Management at Scotiabank. Ms. Chandwani has demonstrated a wealth of knowledge in running accessibility related initiatives and working closely with Diversity, Equity and Inclusion groups at Scotiabank. Her work involves actively engaging people with disabilities to understand their digital accessibility experiences and communicating these experiences to drive innovation and action in the services provided. She brings many years of industry experience and her expertise in the global business world will contribute strategic planning skills to the AAC.
- 5.2 Ms. Chandwani meets the eligibility criteria for membership in accordance with the AAC Terms of Reference.

6. Person with a Disability Member Appointment

- 6.1 Mr. Lyle Williams is a resident of Pickering and is an Adaptive Technology Specialist at Centennial College, supporting the accommodation needs of people with disabilities. His work requires a deep understanding of disability in combination with identifying appropriate accommodations to support a person in their education and life. Mr. Williams is passionate about equity-based work to support the inclusion, full participation, and accessibility of people to build healthy and thriving environments for equity-deserving groups in Durham Region. He is a person living with an invisible disability. He has received several awards for his work and brings years of experience from several professional committees to the AAC.
- 6.2 Mr. Lyle Williams meets the eligibility criteria for membership in accordance with the AAC Terms of Reference.

7. Conclusion

- 7.1 It is recommended that Ms. Priya Chandwani and Mr. Lyle Williams be appointed as members on the AAC.

8. Attachments

- 8.1 Attachment #1: Priya Chandwani's Resume **Under Separate Cover**
Attachment #2: Lyle Williams Resume **Under Separate Cover**

Respectfully submitted,

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Chief Administrative Officer
Report: 2023-A-14
Date: September 12, 2023

Subject:

Durham Region Anti-Racism Taskforce Cohort 2 Workplan

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

That the Durham Region Anti-Racism Taskforce Cohort 2 Workplan, as outlined in Attachment #1, be approved.

Report:

1. Purpose

- 1.1 The purpose of this report is to present the Durham Region Anti-Racism Taskforce (DRART) Cohort 2 Workplan to the Finance and Administration Committee and Regional Council.

2. Background

- 2.1 DRART was established in 2021 to act as an advisory body to Regional Council through the Finance and Administration Committee on issues related to racism—structural, systemic and interpersonal.
- 2.2 The DRART Terms of Reference provides for members to be appointed by the Finance and Administration Committee and Regional Council.
- 2.3 Durham Regional Council approved the appointments of community members and representatives from industry, association and public institutions on February 1, 2023. On March 30, 2023, the first DRART meeting of this term was held.

3. Previous Reports and Decisions

- 3.1 Report [#2023-A-1](#), Durham Region Anti- Racism Taskforce Membership Appointments and Revised Terms of Reference
- 3.2 Report [#2022-A-9](#) Durham Region Anti-Racism Taskforce 2022 Workplan
- 3.3 Report [#2021-A-8](#), Durham Region Anti-Racism Taskforce Terms of Reference.
- 3.4 Report [#2020-COW-26](#), Anti-Black Racism Town Hall and Diversity, Equity and Inclusion Follow-Up.

4. Durham Region Anti-Racism Taskforce Cohort 2 Workplan

- 4.1 DRART's proposed Workplan (Attachment #1), outlines priority activities identified by members and informed by local community needs. These activities, as outlined below, are achievable within this term:
 - Developing a forum, speakers' series, symposium or conference to increase DRART's presence within the region, create spaces for community members to explore issues related to racism and collaborate with regional organizations.
 - Creating connections with equity-focused advocacy groups and organizations to identify points of collaboration and amplify existing initiatives that champion anti-racism.
 - Conducting a jurisdictional scan to identify and explore racism and discrimination public reporting systems.
 - Establishing a working relationship with Durham Regional Police Service to learn more about their commitments toward anti-racist and equitable practices and identify points of collaboration.
 - Establishing a working relationship with school boards operating within Durham Region to learn more about their commitments toward anti-racist and equitable practices and identify points of collaboration.
- 4.2 To establish the Cohort 2 Workplan, DRART members reviewed the focus areas outlined in the 2022 Workplan by the inaugural DRART cohort. DRART members were then engaged through a survey and by email correspondence to identify priority areas for this new term. The projects and activities outlined in the Cohort 2 Workplan were determined and approved by members during the DRART meeting held on June 22, 2023.
- 4.3 Subcommittees were established to focus on the identified tasks within each of the project areas and all DRART members joined the subcommittee of their preference.

5. Relationship to Strategic Plan

5.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

a. Community Vitality:

- Goal 2.5: Build a healthy, inclusive, age-friendly community where everyone feels a sense of belonging

b. Service Excellence:

- Goal 5.3: Demonstrate commitment to continuous quality improvement and communicating results

6. Conclusion

6.1 The priority activities included in the DRART Cohort 2 Workplan are responsive to community needs, feasible, and can leverage existing partnerships and initiatives championing anti-racism and equity within the region. DRART's leadership on the identified activities will strengthen the Region's commitment to fostering healthy and vibrant communities.

6.2 For additional information, contact: Allison Hector-Alexander, Director Diversity, Equity, and Inclusion at 905-668-7711, extension 3893.

7. Attachments

Attachment #1: Durham Region Anti-Racism Taskforce Cohort 2 Workplan

Respectfully submitted,

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer



If this information is required in an accessible format, please
contact 1-800-372-1102 extension 3893

Durham Region Anti-Racism Taskforce Cohort 2 Workplan

Activity	Status	Completion Date
Developing a forum, speakers' series, symposium or conference. • Raise awareness and presence on social media. • Co-host events with regional partners. • Respond to community needs for learning and awareness.	• Event planning in progress	Event date – Fall 2023
Creating connections with equity-focused advocacy groups. ○ Create a network of municipal groups and community organizations championing anti-racism. ○ Establish regular touch points to share information and resources to strategically align. ○ Collaborate to advance anti-racism work.	• Jurisdictional scan of equity-focused groups is in progress – 2023 • Engagement with equity-focused groups – 2024 • Relationship building with equity-focused groups – Ongoing	End of term
Exploring racism and discrimination public reporting systems. ○ Conduct a jurisdictional scan to identify tools that measure racism and/or discrimination. ○ Consult with organizations that have established	• Jurisdictional scan of reporting tools is in progress – 2023 • Submit recommendation to the region regarding the adoption an appropriate reporting	End of term

Activity	Status	Completion Date
reporting tools to identify and adopt best practices. ○ Recommend appropriate tool for the region.	tool – 2024	
Establishing a working relationship with Durham Regional Police Service (DRPS). ○ Meet with DRPS leaders to learn more about their anti-racism initiatives. ○ Review DRPS data and identify any gaps in data collection. ○ Review 2024 Strategic Plan. ○ Identify points of collaboration.	• Review of DRPS materials and data is underway – 2023 • Relationship building with DRPS leadership – Ongoing • Submit a statement or list of recommendations to DRPS – 2024	End of term
Establishing a working relationship with school boards operating within Durham Region. ○ Meet with school board representatives, trustees and frontline education workers learn more about anti-racism strategies in schools. ○ Review data and materials from school boards. ○ Provide feedback and input to inform strategic plans. ○ Identify points of collaboration.	• Submit a letter to school boards seeking collaboration – 2023 • Relationship building with school boards – Ongoing	End of term

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2303.



The Regional Municipality of Durham Information Report

From: Commissioner of Finance
Report: #2023-INFO-67
Date: August 4, 2023

Subject:

2022 Annual Investment Report

Recommendation:

Receive for information.

Report:

1. Purpose

- 1.1 In accordance with the *Municipal Act, 2001*, *Ontario Regulation 438/97*, and the Region's "Statement of Investment Policy and Goals" (Policy), the Treasurer is required to report annually on the Region's investment portfolio following the end of each fiscal year, generally to report on performance of the portfolio and its compliance with investment policies and goals.
- 1.2 This report summarizes the performance of the investment portfolio for 2022 and provides the required statement of the Treasurer, based on the updated Investment Policy approved by Regional Council in January 2022.

2. Background

- 2.1 The Statement of Investment Policy and Goals establishes and prioritizes the Region's investment objectives and provides strategic direction for the management of the Region's operating, capital, and reserve funds by establishing guidelines for investing within the parameters of the prevailing legislation. The Policy also formalizes the expected standard of care required for investment staff and others as custodians of public funds in the execution of the Regional investment strategy.

- 2.2 The Policy and the overall investing approach emphasizes capital preservation and liquidity when considering investment opportunities to maximize returns within risk tolerance guidelines. For funds invested over the short-term, a low risk tolerance is adopted, whereas investments made with longer-term funds will demonstrate a low to moderate risk tolerance.
- 2.3 In 2022, capital markets were extremely volatile but fixed income yields were boosted by a 4.0% increase in the Bank of Canada overnight rate. Combined with a more active investment approach, the performance of the Region's investment portfolio benefitted from higher returns on new investments. However, portfolio returns were negatively affected by lower yields on older investments purchased in a low interest rate environment. Starting in July 2022 and continuing into 2023, returns were also affected by an inverted yield curve, a phenomenon where longer term yields fall below short-term yields due to perceived economic weakness and recession fears.
- 2.4 The Region prioritizes liquidity by investing available funds not required for immediate use in its operations, reserve funds, and capital programs. Earnings from the investment portfolio are allocated to each of these areas in proportion to the cash balances invested.

3. Previous Reports and Decisions

- 3.1 An investment report is prepared annually by the Treasurer to report on the performance of the investment portfolio for the prior fiscal year and compliance with the Region's investment policies and goals. The 2021 Annual Investment Report (#2022-INFO-68) was provided to Council in August 2022.
- 3.2 Under Report #2022-F-1, an updated Statement of Investment Policy and Goals was approved.
- 3.3 Report #2023-F-4 provided an Investment Portfolio Update.

4. Performance of the Investment Portfolio

Investment Returns

- 4.1 First and foremost, the newly approved Statement of Investment Policy and Goals recognizes compliance with the legality of investments as permitted by the Municipal Act, 2001, as amended. The Policy specifically recognizes the Region's role as custodian of public funds, with safeguarding of funds being paramount. The investment strategy emphasizes the security of principal and the maintenance of adequate liquidity to ensure the daily operating cash flow requirements can be met. Competitive rates of return, on higher yielding, marginally riskier securities is sought for longer-term investments.

- 4.2 While investment returns are an important measure of the performance of the portfolio, they are a function of the investment objectives adopted by the Region, as well as market conditions.
- 4.3 The Region's overall investment returns were higher than those obtained in the prior year, reflecting the more active investing approach and the higher interest rates available in the marketplace for interest-bearing accounts and securities. For 2022, the return on the portfolio averaged 2.943% (2021 – 1.512%).
- 4.4 The average rate of return for investments stratified by the remaining term is shown in the following table. Note that under the new Policy, new term periods were adopted, so prior year comparatives are not applicable for all terms.

Investment Returns by Remaining Term

Remaining Term of Investment	2022	2021
Less than 6 months	3.60%	1.34%
6 months to 18 months	3.43%	n/a
6 months to 1 year	n/a	2.14%
18 months up to 5 years	3.35%	n/a
1 year up to 5 years	n/a	1.34%
5 years up to 10 years	1.87%	2.49%
10 years up to 30 years	4.59%	4.31%

Investment Terms

- 4.5 The Statement of Investment Policy and Goals provides guidelines for the stratification of the Region's portfolio over investment terms ranging from less than six months up to thirty years.
- 4.6 At December 31, 2022, the Region's portfolio was invested in securities with the below remaining terms to maturity.

Investment Terms by Remaining Term

Remaining Term of Investment	2022	2021
Less than 18 months	51.1%	53.1%
18 months to 5 years	43.2%	45.0%
Maturities beyond 5 years	5.6%	2.0%

- 4.7 The liquidity guideline ensures ready access to funds in order to meet the financial obligations of the Region as they come due and recommends that a minimum of 25% of the Region's investments should have a term of 18 months or less. Short-term investment holdings were above this target at the end of 2022. The allocation to maturities over 5 years also increased with efforts to lock in higher returns over longer term investment horizons.

Investment Portfolio Composition

- 4.8 The Investment Policy establishes general guidelines for minimum and maximum investment targets by type of financial instrument and by issuers, as well as minimum credit ratings for issuers. The portfolio composition at any one point in time should reflect the availability of high credit quality investments at rates of return that exceed those being received on surplus operating cash balances. During the year, none of the investments fell below the minimum credit ratings standards and virtually all investments were held to maturity.
- 4.9 As at December 31, 2022, 92.7% of the portfolio was invested with Schedule I Banks, including investments in GICs and High Interest Savings Accounts. This is above the policy target of 50%, with the deviation from the target approved at the discretion of the Commissioner of Finance in accordance with the Policy. To improve diversification under the new Policy, a strategy was undertaken in 2022 to increase the portfolio's exposure to longer term bonds and equity securities.
- 4.10 The composition of the Region's investment portfolio at year end by type of financial institution is shown in the following table:

Investment Portfolio Composition

Financial Institution / Instrument	Target Maximum	Actual at Dec 31/22
Government of Canada	100%	0.6%
Provincial Governments	75%	0.6%
Large Urban Municipal Debentures		
Region of Durham	25%	0.6%
Other	30%	0.6%
Schedule 1 Banks	50%	92.7%
ONE Investment High Interest Savings Account	10%	1.4%
ONE Investment Canadian Equity Portfolio	10%	3.5%

- 4.11 Canadian interest rates increased rapidly over 2022. GICs, both short-term and long-term, were the primary investment vehicles for the Region but diversification into other asset classes and instruments approved under the Policy remains a priority. This approach allows the Region to continue to benefit from the high interest rates in future years while mitigating interest rate and reinvestment risk.
- 4.12 The Investment Policy also permits the Region to invest in its own debt issuances, with the requirement to report such investments in each annual investment report. The following table lists the Region of Durham debentures, totalling \$22,857,467, held in the investment portfolio as at December 31, 2022. A total of \$9.7 million of Region of Durham debentures were acquired on issuance in 2022.

Investment in Own Debt

Broker	Coupon Rate	Maturity Amount	Issue Date	Purchase Date	Maturity Date
RBC	4.588%	\$4,794,467*	Oct. 6/05	Feb. 14/11	Oct. 6/28
RBC	4.15%	\$1,538,000	Oct. 16/13	Oct. 16/13	Oct. 16/29
RBC	4.20%	\$1,602,000	Oct. 16/13	Oct. 16/13	Oct. 16/30
RBC	4.25%	\$1,669,000	Oct. 16/13	Oct. 16/13	Oct. 16/31
RBC	4.30%	\$1,740,000	Oct. 16/13	Oct. 16/13	Oct. 16/32
RBC	4.30%	\$1,814,000	Oct. 16/13	Oct. 16/13	Oct. 16/33
RBC	4.50%	\$3,256,000	July 5/22	July 5/22	July 5/34
RBC	4.70%	\$1,500,000	July 5/22	July 5/22	July 5/38
RBC	4.70%	\$1,571,000	July 5/22	July 5/22	July 5/39
RBC	4.75%	\$1,647,000	July 5/22	July 5/22	July 5/40
RBC	4.75%	\$1,726,000	July 5/22	Jul. 5/22	July 5/41

*Amortizing bond – amount will reduce over the term

- 4.13 The total value of the Region's investment portfolio was \$3,975,030,424 as at December 31, 2022. Below is a summary of the portfolio composition by type of security at year end:

Portfolio Composition by Type of Security

Type of Investment	\$('000's)	Yield % Range	Maturity Range
Bonds / GICs			
Government of Canada	22,500	3.25 – 3.70	2027 – 2028
Provinces	22,500	4.49	2032
Municipalities	47,857	4.18 – 4.77	2028 – 2042
Schedule 1 Banks	3,681,364	0.96 – 6.75	2023 – 2027
High Interest Accounts	59,852	4.72 – 4.83	On demand
ONE Canadian Equity Portfolio	140,957	Not applicable	Not applicable

5. Compliance with Investment Policies and Goals

- 5.1 Internal controls established by Finance Department staff are an integral component in ensuring that all investment transactions are made in accordance with the Region's Statement of Investment Policies and Goals. They include those outlined in the Policy as well as professional ethics and conflict of interest guidelines.
- 5.2 The Region's investments are also audited annually by Deloitte LLP, the independent external auditor, as part of the audit of the Region's Consolidated Financial Statements.

6. Forecast

- 6.1 In 2022, there was a rapid increase to interest rates. The objective of the higher interest rates is to moderate the economy and reduce inflation. The Bank of Canada expects inflation will hover around 3% for the next year until gradually declining to the 2% target by the middle of 2025. Given that, we should expect to see higher rates and prolonged inversion in the yield curve until inflation consistently returns to within the Bank of Canada's target range.
- 6.2 As investments continue to mature in 2023, proceeds should be invested in diversified, higher yielding investments which will significantly impact the portfolio's Net Rate of Return, as seen in 2022. Higher returns will positively impact investment earnings on the Region's available cash balances and investments, as well as benefit reserve funds and capital programs that rely on investment earnings to supplement funding for tangible capital asset investments.

7. Relationship to Strategic Plan

- 7.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:
- a) Goal 5.4 Service Excellence – This investment report demonstrates the commitment to financial stability and transparency by communicating the annual performance of the portfolio along with compliance results.

8. Conclusion

- 8.1 The Region continues to invest in a diverse portfolio of high credit quality securities delivering a suitable rate of return considering the market conditions.
- 8.2 In my opinion, all investment transactions for 2022 continue to conform to the Region's investment policies and goals as adopted by Regional Council, reflecting the objectives for optimizing returns on investments and funds not immediately required.

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance



The Regional Municipality of Durham Report

To: Finance & Administration Committee
From: Commissioner of Finance
Report: #2023-F-17
Date: September 12, 2023

Subject:

Tile Drainage Loans on behalf of the Township of Brock for Ms. Candice Greer (C845 Concession Road 11, Lot 10, Cannington, ON) and Mr. Jason Creighton (C845 Concession Road 11, Lot 9, Cannington, ON)

Recommendation:

That the Finance & Administration Committee recommends to Regional Council that:

- A) Funds in the amount of \$50,000 be advanced to the Township of Brock with respect to a loan application pursuant to the *Tile Drainage Act*, R.S.O., 1990, c. T. 8 (the "Act") for Ms. Candice Greer (C845 Concession Road 11, Lot 10) in the Cannington area of the Township of Brock).
 - B) Funds in the amount of \$20,500 be advanced to the Township of Brock with respect to a loan application pursuant to the *Tile Drainage Act*, R.S.O., 1990, c. T. 8 (the "Act") for Mr. Jason Creighton (C845 Concession Road 11, Lot 9) in the Cannington area of the Township of Brock).
 - C) The requisite by-laws be approved by Regional Council.
-

Report:

1. Purpose

- 1.1 The purpose of this report is to advise the Finance and Administration Committee of the Township of Brock's application, on behalf of the property owners Ms. Candice Greer and Mr. Jason Creighton, under the Act for a loan for the purpose of constructing sub-surface drainage works on their properties, and further to seek authorization for the requisite by-laws.

2. Background

Under this provincial program, landowners are eligible for a loan for up to 75% of the total cost of the tile drainage work up to a maximum of \$50,000 in any fiscal year. The 2023 Tile Loan Program has set the fixed interest rate of 6% for the 10-year term of the loan.

- 2.1 The Township of Brock is required to: (i) review the loan application; (ii) confirm with the Province that sufficient provincial funding is available for the loan; (iii) obtain the Township of Brock's Council approval for the loan and the allocation of funds; and (iv) pass a Rating By-law.

3. Analysis

- 3.1 The Regional Treasurer received the Township of Brock's submission on behalf of Ms. Candice Greer for a tile drainage loan ("Tile Loan") in the amount of \$50,000 and Mr. Jason Creighton for a Tile Loan in the amount of \$22,500 for the installation of a tile drainage system on the landowner's properties located on C845 Concession Road 11, Lot 10 and C845 Concession Road 11, Lot 9, respectively, in the Cannington area of the Township of Brock. Oct 1, 2023 is the agreed date of issue of the Region's tile drainage debenture for the Tile Loan.

- 3.2 The Township of Brock, in accordance with the Act has provided the following required documents to the Region for:

Ms. Candice Greer:

- A) copy of Ms. Candice Greer's application for the Tile Loan in the amount of \$50,000;
- B) copy of resolution number 2023-164 dated June 26, 2023 from the Township of Brock approving the \$50,000 Tile Loan;
- C) certified copy of Township of Brock's rating by-law, Number 3202-2023, being a by-law to impose annual drainage rates upon land in respect of which money will be borrowed under the Act;
- D) inspection and completion certificate of the work completed; and
- E) drainage map

Mr. Jason Creighton:

- A) copy of Mr. Jason Creighton's application for the Tile Loan in the amount of \$20,500;
- B) copy of resolution number 2023-165 dated June 26, 2023 from the Township of Brock approving the \$20,500 Tile Loan;
- C) certified copy of Township of Brock's rating by-law, Number 3203-2023, being a by-law to impose annual drainage rates upon land in respect of which money will be borrowed under the Act;
- D) inspection and completion certificate of the work completed; and
- E) drainage map

- 3.3 The Region is now required to approve a borrowing by-law to authorize the issuance of the tile drainage debenture, a by-law to raise money to aid in the construction of drainage works and a by-law to impose annual drainage rates upon the land in the Township of Brock in respect of which the money will be borrowed to collect the annual instalments of principal and interest required for the repayment for the Tile Loan.

4. Financial Implication

- 4.1 There are no financial implications for the Region. The Region is the facilitator acting as the administrator between the Province, the Township of Brock and the landowner(s).
- 4.2 The Region obtains the funds in the amount of the Tile Loan from the Province through the Ministry of Agriculture, Food and Rural Affairs and provides such funds to the Township of Brock to provide to the landowner(s).
- 4.3 In accordance with the Act, the Region imposes annual levies upon the Township of Brock for the annual instalments of principal and interest required for the repayment of the Tile Loan to the Province.

5. Conclusion

- 5.1 Council of the Township of Brock has approved Ms. Candice Greer's and Mr. Jason Creighton's applications for Tile Loans in the amounts of \$50,000 and \$20,500 respectively, under the Act and submitted the required documents to the Region.
- 5.2 In accordance with the Act, Regional Council approval of a borrowing by-law to authorize the issuance of the tile drainage debenture, a by-law to raise money to aid in the construction of drainage works as well as a by-law to impose annual levies upon the Township of Brock to collect the annual instalments of principal and interest for the repayment of the Tile Loan is required.
- 5.3 Regional Council has provided the Debenture Committee with the authority to enact by-laws for debentures and financial agreements including agreements for temporary borrowing, promissory notes, bankers' acceptances, bank loan agreements, for long-term borrowing, debentures, and to execute all documents necessary to give effect to the foregoing.

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer



The Regional Municipality of Durham Report

To: Finance & Administration Committee
From: Commissioner of Finance
Report: #2023-F-18
Date: September 12, 2023

Subject:

Update of Regional Commodity Price Hedging Agreements: Statement of Policies and Goals

Recommendations:

That the Finance and Administration Committee recommend to Regional Council that:

- A) The proposed September 2023 update to the Region's Commodity Price Hedging Agreements: Statement of Policies and Goals contained in Attachment #1 be approved with the following key elements:
- i) The Region of Durham (the Region) will continue to consider commodity price hedging agreements as a means of fixing, directly or indirectly, or enabling the Region to fix the price or range of prices to be paid by the Region for the future delivery of some or all of the commodity or the future cost to the municipality of an equivalent quantity of the commodity, where it is advantageous for the Region to do so;
 - ii) The Commissioner of Finance and Treasurer for the Region will continue to be the designated person responsible for administrative matters pertaining to commodity price hedging and will delegate certain administrative duties and responsibilities to internal staff and external agents. In addition, the Commissioner of Finance and Treasurer, or his/her designate, will continue to be authorized to enter into contracts for the purpose of engaging a Contract Agent in accordance with the Region's Purchasing Policies;
 - iii) The Statement of Policies and Goals: Commodity Price Hedging Agreements be further broadened to consider a wider range of appropriate risk control measures for particular commodity price hedging agreements, which may include, but not be limited to, the potential for limiting credit exposure based on a degree of regulatory, oversight and/or on the regulatory capital of the other party to the agreement;

- iv) The Statement of Policies and Goals: Commodity Price Hedging Agreements be updated to reflect current staff responsibilities and accountabilities for reviewing and recommending commodity price hedging transactions; and
 - v) In accordance with the requirements of Ontario Regulation 653/05 under the *Municipal Act*, 2001, the Commissioner of Finance and Treasurer continue to annually prepare and provide a report to Regional Council with respect to any and all commodity price hedging agreements in place for the prior fiscal year.
-

Report:

1. Purpose

- 1.1 Section 6.1 of Ontario Regulation 653/05 under the *Municipal Act*, 2001, requires that before a municipality passes a by-law authorizing a commodity price hedging agreement, the council of the municipality shall adopt a statement of policies and goals relating to the use of financial agreements to address commodity pricing and costs.
- 1.2 For many years, the Region has been entering into commodity price hedging agreements and related transactions in accordance with its current Commodity Price Hedging Agreements: Statement of Policies and Goals, which was approved by Council in 2007. Through this report, staff are seeking approval for an updated modernized policy that reflects current best practice.

2. Previous Reports and Decisions

- 2.1 On June 20, 2007, through [Report 2007-F-53](#), Regional Council approved the Commodity Price Hedging Agreements: Statement of Policies and Goals for the Region of Durham.
- 2.2 Staff report to Council annually on Commodity Price Hedging Agreements in accordance with the Region's approved Policy and provincial regulation. The 2022 report ([Report 2023-INFO-69](#)) was presented on August 18, 2023.

3. Proposed Updates to the Region's Commodity Price Hedging Agreements: Statement of Policies and Goals

- 3.1 The Region's Commodity Price Hedging Agreements: Statement of Policies and Goals requires minor updating to improve the efficiency and flexibility of the Policy as it relates to assessing contract counterparty risk and maintaining the Region's roster of prequalified energy suppliers (to-date this has primarily been for electricity and/or natural gas).

- 3.2 More specifically, given the continuous evolution of energy markets and varying involvement of various entities as it relates to energy purchase and sale and price hedging agreements, consideration of a broader range of risk control measures is required to ensure the Region is maximizing and maintaining its access to an extensive roster of cost-effective, quality energy suppliers while also reducing rigidity with use of prescribed credit rating thresholds.
- 3.3 The enhanced flexibility will provide the Commissioner of Finance and Treasurer with greater discretion for assessing counterparty risk when prequalifying suppliers and maintaining existing arrangements. As entities may be subject to acquisition and/or merger including through private, non-rated entities, the use of prescribed credit rate thresholds may not be optimal as it may limit access to quality suppliers and adversely financially impact existing positions being maintained by the Region.
- 3.4 The Region's supplier contracts generally follow industry standard templates (e.g., GasEDI for natural gas base agreements) which include further risk mitigation provisions including performance requirements, financial responsibility, default and remedies, just to name a few that further protect the Region's interests.
- 3.5 The Region's Finance Department (including Procurement and Risk Management and Insurance), and Legal Services will continue to work with its expert energy advisors in structuring base agreements which serve to appropriately allocate and mitigate risk to the Region for its energy purchase and sale and price hedging agreements.
- 3.6 The Region's Commodity Price Hedging Agreements: Statement of Policies and Goals is proposed to be updated to reflect current staff responsibilities and accountabilities for reviewing and recommending commodity price hedging transactions.
- 3.7 The Commissioner of Finance and Treasurer will continue to annually prepare and provide a report to Regional Council with respect to any and all commodity price hedging agreements in place for the prior fiscal year along with any updates/changes regarding the Region's base supply agreements.
- 3.8 The updated Regional Commodity Price Hedging Agreements: Statement of Policies and Goals is enclosed in Attachment #1.

4. Relationship to Financial Plan

- 4.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:
- Goal 5.4 Service Excellence – This report demonstrates the commitment to effective, responsible financial management and provision of exceptional value to Durham taxpayers by identifying opportunities to drive organizational success through innovation, a skilled workforce, and modernized services.

5. Conclusion

- 5.1 The proposed updates to the Region's Commodity Price Hedging Agreements: Statement of Policies and Goals works to allow the Region to consider a wider range of appropriate risk control measures for particular commodity price hedging agreements, which may include, but not be limited to, the potential for limiting credit exposure based on a degree of regulatory oversight and/or on the regulatory capital of the other party to the agreement. More specifically the enhanced flexibility of the updated policy will provide the Commissioner of Finance and Treasurer with greater discretion for assessing counterparty risk when prequalifying suppliers and maintaining existing arrangements. The proposed updates also reflect current staff responsibilities and accountability.

6. Attachments

Attachment #1: Commodity Price Hedging Agreements: Statement of Policies and Goals (September 2023)

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer



FINANCE DEPARTMENT

Commodity Price Hedging Agreements: STATEMENT OF POLICIES AND GOALS

PROPOSED - September 2023

Interpretation

This policy is to be interpreted and applied in accordance with the requirements of the Municipal Act, 2001 ("the Act") and any regulations passed thereunder ("the regulations"). Terms used in this policy have the meanings applicable to those terms in the corresponding sections of the Act and the regulations.

Purpose of Statement

This Statement of Policies and Goals (the "Policy") provides the framework for the consideration of commodity price hedging by the Regional Municipality of Durham.

- a) The Region of Durham (the Region) will consider commodity price hedging agreements as a means of fixing, directly or indirectly, or enabling the Region to fix the price or range of prices to be paid by the Region for the future delivery of some or all of the commodity or the future cost to the municipality of an equivalent quantity of the commodity, where it is advantageous for the Region to do so.

Delegation of Responsibilities

The Commissioner of Finance and Treasurer for the Region is the designated person responsible for administrative matters pertaining to commodity price hedging. The Commissioner of Finance and Treasurer will delegate certain administrative duties and responsibilities to internal staff and external agents.

The Commissioner of Finance and Treasurer, or his/her designate, is authorized to enter into contracts for the purpose of engaging a Contract Agent in accordance with the Region's Purchasing Policies.

Commissioner of Finance and Treasurer

The Commissioner of Finance and Treasurer is responsible for:

- a) determining whether a particular commodity price hedging agreement is advantageous for the Region, whereby, the following considerations will be taken into account:
 - (i) any and all commodity purchases for which commodity price hedging agreements will be appropriate. Appropriate refers to opportunities to fix the price or a range of prices, the market for the commodity must be subject to fluctuation and formal documentation has been completed that outlines the benefits and cost savings to the Region;
 - (ii) that the financial position and stability of the Region will be enhanced by virtue of the use of such an agreement;
 - (iii) that the all-inclusive contracted price and cost to the Region of the associated commodity will be lower or more stable than it would be without the agreement;
 - (iv) formulate a detailed estimate of the expected result of using such an agreement;
 - (v) formulate the financial and other risks to the municipality that would exist with the use of such an agreement and determine if such risk would be lower than the financial and other risks to the municipality that would exist without such an agreement;
 - (vi) using his/her best judgment and in his/her sole discretion determine that the agreement contains adequate risk control measures. For example, risk control measures may include the potential for limiting credit exposure based on a degree of regulatory, creditworthiness, oversight and/or on the regulatory capital of the other party to the agreement; and
 - (vii) ensure ongoing monitoring with respect to the commodity price hedging agreements.

Director, Business Planning and Budgets

The Director, Business Planning and Budgets and his/her designate will be authorized to:

- 1) execute commodity procurement contracts and enter into commodity transactions in accordance with the policy and as approved by the Commissioner of Finance and Treasurer or designate;

- 2) meet with the Commissioner of Finance and Treasurer, as required, and provide written reports regarding the past performance of Commodity Hedging Agreements, future strategies and other issues as requested;
- 3) notify the Commissioner of Finance and Treasurer, in writing, of any significant changes in the commodity hedging philosophies or policies and organization;
- 4) will provide periodically, not less than annually, lists of Commodity Hedging Agreements and such other information as may be requested by the Commissioner of Finance and Treasurer; and
- 5) enter into Agency Agreements or Contracts with Contract Agents for the purpose of purchasing, securing and delivery of commodities upon approval from the Commissioner of Finance and Treasurer.

Contract Agent (independent contractor external to Region of Durham)

The Contract Agent will only be authorized to act within the scope of his/her/its' specific authority under any executed Contract and/or Agency Agreement with the Region and shall, in accordance with such a Contract or Agreement, provide a number of services to the Region, which may include:

- 1) assisting the Director of Business Planning and Budgets and his/her designate in developing a prudent commodity procurement mix and specific procurement objectives and policies;
- 2) monitoring, analyzing and reporting on the Region's procurement performance and supporting the Director, Business Planning and Budgets and his/her designate with respect to commodity procurement related matters;
- 3) assisting in the selection of commodity suppliers;
- 4) meeting with Regional staff, as required; and
- 5) entering into commodity transactions or commodity procurement agreements on behalf of the Region with commodity suppliers and/or distribution utilities when so directed by the Director of Business Planning and Budgets and/or the Commissioner of Finance and Treasurer and where a proper Agency Agreement has been executed with the Region.

Reporting Requirements

The Commissioner of Finance and Treasurer shall report to Council at least once each fiscal year with respect to any and all commodity price hedging agreements in place. The report shall contain, at a minimum, all requirements as set out in O. Reg. 653/05 and include:

- a statement summarizing any contingent payment obligations under the commodity price hedging agreement that, in the opinion of the Commissioner of Finance and Treasurer, would result in a material impact for the municipality, including agreement termination provisions, equipment loss, equipment replacement options and guarantees and indemnities;
- a summary of the assumptions applicable to any possible variations in the commodity price hedge agreement payment and contingent payment obligations

Excerpt from Municipal Act, 2001, Ontario Regulation 653/05 Debt-Related Financial Instruments and Financial Agreements**COMMODITY PRICE HEDGING AGREEMENTS****Commodity price hedging agreements**

5. (1.) A municipality that has entered or plans to enter, an agreement under Part II of the Act for the supply of a commodity required for a municipal system may enter into one or more financial agreements to minimize the cost or financial risk associated with incurring debt for the commodity. O. Reg. 653/05, s 5(1).

(2) The financial agreement must fix, directly or indirectly, or enable the municipality to fix the price or range of prices to be paid by the municipality for the future delivery of some or all of the commodity or the future cost to the municipality of an equivalent quantity of the commodity. O. Reg. 653/05, s. 5(2).

(3) Subject to subsection (4), the municipality shall not sell or otherwise dispose of the financial agreement or any interest of the municipality in the agreement O. Reg. 653/05, s. 5(3).

(4) The municipality may sell or dispose of the financial agreement or an interest of the municipality in the agreement if, in the opinion of the Treasurer of the municipality, the sale or disposition is in the best interests of the municipality and if either of the following conditions is satisfied:

1. The sale or disposition is part of a transaction for the sale of real property by the municipality relating to a change in the use of the property by the municipality.
2. The municipality has ceased to carry on any activity relating to the municipal system for which the commodity was being acquired. O. Reg. 653/05, s. 5(4).

Statement of Policies and Goals Re: Commodity Price Hedging Agreements

6. (1) Before a municipality passes a by-law authorizing a commodity price hedging agreement, the Council of the municipality shall adopt a statement of policies and goals relating to the use of financial agreements to address commodity pricing and costs. O. Reg. 653/05, s. 6(1).

(2) The Council of the municipality shall consider the following matters when preparing the statement of policies and goals:

1. The types of projects for which commodity price hedging agreements are appropriate.

2. The fixed costs and estimated costs of the municipality resulting from the use of such agreements.
3. Whether the future price or cost to the municipality of the applicable commodities will be lower or more stable than it would be without the agreements.
4. A detailed estimate of the expected result of using such agreements.
5. The financial and other risks to the municipality that would exist with and without the use of such agreements.
6. Risk control measures relating to such agreements, such as,
 - (i) credit exposure based on credit ratings and on the degree of regulatory oversight and on the regulatory capital of the other party to the agreement;
 - (ii) standard agreements; and
 - (iii) ongoing monitoring with respect to the agreements. O. Reg. 563/05, s. 6(2).

Report on commodity price hedging agreements

7. (1) If a municipality has any subsisting commodity price hedging agreements in a fiscal year, the Treasurer of the municipality shall prepare and present to the municipal council once in that fiscal year, or more frequently if Council so desires, a detailed report on all of those agreements. O. Reg. 653/05, s. 7(1),
 - (2) The report must contain the following information and documents:
 1. A statement about the status of the agreements during the period of the report, including a comparison of the expected and actual results of using the agreements.
 2. A statement by the Treasurer indicating whether, in his or her opinion, all of the agreements entered during the period of the report are consistent with the municipality's statement of policies and goals relating to the use of financial agreements to address commodity pricing and costs.
 3. Such other information as the Council may require.
 4. Such other information as the Treasurer considers appropriate to include in the report. O. Reg. 653/05, s. 7(2).



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2023-F-19
Date: September 12, 2023

Subject:

By-Law for the Appointment of Municipal Auditor

Recommendation:

That the Finance & Administration Committee recommends to Regional Council:

That the Legal Department be directed to submit the appropriate by-law for the appointment of Deloitte LLP as Municipal Auditor for a five (5) year term for the 2023 to 2027 fiscal years.

Report:

1. Purpose

- 1.1 The purpose of this report is to report on the outcome of the Request for Proposals (RFP) process utilized to select a Municipal Auditor and to recommend to the Finance & Administration Committee and Regional Council that a by-law be passed to appoint Deloitte LLP (Deloitte) as the Municipal Auditor of the Regional Municipality of Durham for the fiscal years 2023 to 2027 inclusive.

2. Background

- 2.1 The appointment of a municipal auditor is a requirement under Provincial legislation. Specifically, the Ontario *Municipal Act, 2001* section 296, states that:

“(1) A municipality shall appoint an auditor licensed under the *Public Accounting Act, 2004* who is responsible for,

- (a) Annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit; and
- (b) Performing duties required by the municipality or local board.”

and

“(2) An auditor of a municipality shall not be appointed for a term exceeding five years.”

- 2.2 A municipal auditor is engaged to express an opinion on the financial statements and base their evaluation on audit work undertaken in accordance with Canadian Generally Accepted Auditing Standards. The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements that are prepared by Regional staff in accordance with Public Sector Accounting Standards. The audit also considers the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Regional staff, as well as evaluating the overall presentation of the financial statements. To complete their audit, the independent auditor will develop risk assessments and design audit procedures appropriate in the circumstances to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 2.3 The issuance of an Independent Auditor’s Report adds credibility to the Region’s reported financial position and results of its operations. The audited financial statements are an integral component of the Region’s financial accountability framework and are used by stakeholders, including Durham residents and bond rating agencies.

3. Previous Reports and Decisions

- 3.1 Report 2018-F-3, presented to the Finance and Administration Committee on December 12, 2018, recommended the appointment of Deloitte for the fiscal years 2018-2020. Deloitte was the successful bidder to the RFP issued in 2018.
- 3.2 Report 2021-F-18, presented to the Finance and Administration Committee on June 8, 2021, recommended the appointment of Deloitte LLP for the fiscal years 2021 and 2022.

4. Request for Proposals RFP 631-2023

- 4.1 On June 29th, 2023, RFP- 631-2023 for the Provision of External Auditing Services for the Region of Durham was released. The scope of the services requested in the RFP included audit services for the Region’s Consolidated Financial Statements; the Financial Statements of the Durham Regional Local Housing Corporation (DRLHC), the public housing business wholly owned by the Region; Durham OneNet Inc. (DONi), the wholly owned business dealing with broadband services; and, audits of subsidized programs, as required under provincial or federal funding agreements.
- 4.2 The RFP indicated a term of five (5) years, the maximum allowed under the Ontario Municipal Act.

- 4.3 The RFP resulted in the submission of only one (1) proposal, which was reviewed by the Purchasing Section of the Finance Department for completeness and deemed compliant. The proposal was received from Deloitte LLP ('Deloitte'), the incumbent municipal auditor.
- 4.4 The proposal was evaluated by an Evaluation Committee made up of Finance Department staff, with the process overseen by the Purchasing section of the Finance Department, using the following criteria noted in the RFP:
- Understanding the Region's Requirements
 - Municipal Audit Experience and qualifications
 - Audit Approach
 - Pricing
- 4.5 The proposal submitted by Deloitte met the required scoring threshold and positive reference checks were obtained. It is also noted that Deloitte has the expertise, experience, and resources to meet the Region's current and future audit needs as the municipal corporation continues to grow, evolve and become more complex.
- 4.6 It is recommended that a by-law be passed (Attachment #1) to appoint Deloitte LLP as the Municipal Auditor of the Regional Municipality of Durham for the years 2023 to 2027 inclusive.

5. Financial Implications

- 5.1 The pricing submitted by Deloitte for the audit of the core annual Consolidated Financial Statements was \$105,000, an increase of \$27,000 or 35% from the 2022 fee of \$78,000. It should be noted, however, that **the previous fee of \$78,000 had been unchanged for over twenty (20) years.**
- 5.2 The fees would increase by five (5) per cent in Year 3, and again by five (5) per cent in Year 5 of the five (5) year term.
- 5.3 Funding for municipal audit services is available within the annual operating budgets for the Region, the DRLHC, DONi and the subsidized programs that require audits in compliance with their respective funding agreements.

6. Conclusion

- 6.1 It is therefore recommended that the by-law for the appointment of Deloitte LLP as Municipal Auditor for a five (5) year term for the 2023 to 2027 fiscal years be approved and that the Legal Department be directed to submit the appropriate by-law.

7. Attachments

Attachment #1: Draft By-Law to Appoint Municipal Auditor

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer

BY-LAW NUMBER XX-2023

OF

THE REGIONAL MUNICIPALITY OF DURHAM

being a by-law to appoint the firm of Deloitte LLP as the Municipal auditor for the 2023 to 2027 fiscal years inclusive.

WHEREAS Section 296(1) of the Municipal Act, 2001 provides that a Municipality shall appoint an auditor licensed under the *Public Accounting Act, 2004* who is responsible for:

- a) annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit; and
- b) performing duties required by the municipality or local board

AND WHEREAS Section 296(3) of the Municipal Act, 2001 provides that an auditor of a municipality shall not be appointed for a term exceeding five years.

NOW, THEREFORE, BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Regional Municipality of Durham by the Council thereof as follows:

- 1. Deloitte LLP be appointed as the Regional Auditors for the 2023 to 2027 fiscal years inclusive;
- 2. Deloitte LLP shall audit the accounts and transactions of the Regional Corporation, the Durham Regional Local Housing Corporation, Durham OneNet Inc., and of every local board of the Corporation.

BY-LAW read and passed this xx day of September, 2023.

John Henry, Regional Chair and CEO

A. Harras, Regional Clerk



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2023-F-20
Date: September 12, 2023

Subject:

Additional Allocation and Revision of Canada Community-Building Fund Program Funds to Road Rehabilitation Projects

Recommendation:

That the Finance & Administration Committee recommends to Regional Council:

- A) That in order to fully utilize Canada Community-Building Fund (CCBF) Program Funds, an additional allocation of \$3.3 million be approved for the following road rehabilitation projects, replacing the previously approved Road Rehabilitation Reserve Fund financing:

Main Street Uxbridge / Concession Road 7 (Project R2216)	\$1,900,000
Lake Ridge Road from north of Regional Road 5 to south Chalk Lake Road (Project R1718)	<u>\$1,400,000</u>
Total	<u>\$3,300,000</u>

- B) That the Commissioner of Finance be authorized to adjust the split between the CCBF and other financing for the roads rehabilitation projects as required to ensure that the full CCBF funding is utilized prior to the expiry of the applicable expenditure period.
-

Report:

1. Purpose

- 1.1 The purpose of this report is to seek approval for an additional allocation of Canada Community-Building Fund (CCBF) and revise the financing for various projects to ensure that the program funding is fully utilized on eligible projects. As the CCBF

funding agreement contains time limited expenditure periods, it is critical that all funding be spent within the 5-year expiry period.

- 1.2 The report also seeks approval for the Commissioner of Finance to adjust CCBF funding to ensure that the program funding set to expire in 2023 and 2024 is fully utilized on eligible projects and expenditures, in compliance with the CCBF funding agreement.

2. Background

- 2.1 The Canada Community-Building Fund (CCBF), previously known as the Federal Gas Tax program, was established by the Federal Government in 2004 as a stable and predictable source of revenue for Canadian municipalities to be used for funding sustainable municipal infrastructure projects.
- 2.2 Funds are distributed twice annually to all Canadian municipalities on a per capita basis. The Association of Municipalities of Ontario (AMO) is directly responsible for administering the CCBF in Ontario.
- 2.3 The current CCBF funding agreement covers the ten-year period to March 31, 2024.
- 2.4 Funds under the CCBF must be expended within five (5) years of the end of the year in which the funds were received. Thus, the funds received in 2018 must be utilized by December 31, 2023, and the 2019 amount must be used by December 31, 2024.
- 2.5 Based on a review of the total available CCBF funds for use and the status of all CCBF funded projects, staff have identified an unexpended amount of \$3,000,000 which is subject to 5-year expiry this year. This unutilized funding arises from savings on completed roads rehabilitation projects of \$1,000,000 and cumulative interest earnings of \$2,000,000 on CCBF funds. An additional unexpended amount of \$300,000 has been identified for the December 31, 2024 expenditure period.
- 2.6 To make use of the unexpended funding, staff of the Finance and Works Departments reviewed projects currently in progress to identify those that would qualify under CCBF spending categories and which are anticipated to incur eligible expenditures by December 31, 2023, in order to offset expenditure shortfalls from the 2018 and 2019 funding periods. Road rehabilitation projects that are currently underway, that are financed from sources that could be exchanged for CCBF funding, and where spending would total \$3,300,000 by the end of December 31, 2023, were deemed the most applicable.

3. Previous Reports and Decisions

- 3.1 The following reports relate to the allocation of 2018 and 2019 CCBF financing to roads rehabilitation projects:

- a. In February 2018, Regional Council approved Report 2018-COW-19, the 2018 Regional Business Plans and Budgets for Property Tax Purposes, including \$4,800,000 of CCBF funding for critical roads rehabilitation projects.
- b. In March 2019, Regional Council approved Report 2019-F-11, the 2019 Regional Business Plans and Budgets for Property Tax Purposes, including \$7,500,000 of CCBF funding for critical roads rehabilitation projects.

4. Identification of Capital Projects Eligible CCBF Spending

- 4.1 A review of roads rehabilitation projects was undertaken by Finance and Works staff and two current road rehabilitation projects were identified for which spending in 2023 would be sufficient to address the unexpended CCBF funding situation.
- 4.2 Main Street and Concession Road 7, in the Township of Uxbridge, is currently under construction. This project has approved Roads Rehabilitation reserve fund financing of \$2,648,000 and has a combination of CCBF eligible costs and ineligible expenditures. It is anticipated that CCBF eligible costs of \$1,900,000 will be incurred by December 31, 2023.
- 4.3 Lake Ridge Road from north of Regional Road 5 to south of Chalk Lake Road, in the Township of Uxbridge, is also under construction in 2023. The project has an approved budget of \$7,942,135, with current financing from the Roads Rehabilitation reserve fund and the CCBF. It is anticipated that eligible CCBF costs of \$5,400,000 will be incurred by December 31, 2023, or \$1.4 million more than the currently approved CCBF financing.
- 4.4 Substituting a portion of the currently approved Roads Rehabilitation reserve fund amounts with an additional allocation of CCBF financing for these two projects would fully utilize the unexpended 2018 and 2019 CCBF program funds. Consequently, no CCBF programs funds would be in jeopardy, avoiding the potential return of the funding to AMO.

5. Financial Implications

- 5.1 In order to fully utilize the CCBF program funds for which the spending period will expire, an additional allocation of \$3.3 million of CCBF funds, replacing the previously approved Road Rehabilitation reserve fund financing for the above-noted projects, is being recommended.

- 5.2 The revised financing for the projects, with the allocation of the additional CCBF funding is shown as follows:

	Roads Rehabilitation Reserve Fund \$	CCBF \$	Total \$
Main Street Uxbridge / Concession Road 7 (Project R2216)			
Previously Approved Financing	2,648,000	-	2,648,000
CCBF allocation	(1,900,000)	1,900,000	=
Revised Financing	<u>748,000</u>	<u>1,900,000</u>	<u>2,648,000</u>
Lake Ridge Road from north of Regional Road 5 to south Chalk Lake Road (Project R1718)			
Previously Approved Financing	3,492,135	4,000,000	7,942,135
CCBF allocation	(1,400,000)	1,400,000	=
Revised Financing	<u>2,092,135</u>	<u>5,400,000</u>	<u>7,942,135</u>

- 5.3 Funding originally approved utilizing the Road Rehabilitation Reserve Fund will be returned to the reserve fund and will be available for future roads rehabilitation priorities as determined in the annual Regional Business Plans and Budgets.
- 5.4 Should it be necessary to prevent the expiry of funds due to underspending or project delays and to ensure unexpended funds are fully utilized, it is also recommended that the Commissioner of Finance be authorized to adjust the split between the CCBF and Roads Rehabilitation reserve fund or other financing as required.

6. Relationship to Strategic Plan

- 6.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic plan:
- Goal 2: Community Vitality – To foster an exceptional quality of life with services that contribute to strong neighbourhoods, vibrant and diverse communities, and influence our safety and well-being.

- b. Goal 3: Economic Prosperity – To build a strong and resilient economy that maximizes opportunities for business and employment growth, innovation and partnership.
- c. Goal 5: Service Excellence – to provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery.

7. Conclusion

- 7.1 In order to fully utilize the CCBF funding within the five year expenditure limit, an additional allocation of \$3.3 million of unexpended CCBF program funds, in lieu of previously approved Road Rehabilitation reserve fund financing, is being recommended. This will preserve Durham's entitlement to the CCBF funds received in 2018 and 2019 and return funds to the applicable reserve fund for spending in future years.

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance and Treasurer
Report: #2023-F-21
Date: September 12, 2023

Subject:

Requesting a Share of Ontario's Harmonized Sales Tax (HST) for Ontario Municipalities

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

That the Province of Ontario be requested to provide municipalities with a share of the provincial portion of the Harmonized Sales Tax (HST) to ensure sustainable municipal revenues and sufficient financial capacity for increasingly complex programs and services.

Report:

1. Purpose

- 1.1 This report is to request the Province of Ontario provide a share of the provincial portion of the HST to ensure long-term municipal fiscal capacity and sustainability for Ontario municipalities, recognizing that Ontario's municipalities:
- a. Are an integral part of Canadian governance.
 - b. Serve the public without sustainable funding sources, relying primarily on property taxes, which are inappropriate to fund increasingly complex social and income redistribution programs, many historically funded by the province.
 - c. Increasingly face challenges given inflationary pressures, population growth, higher interest rates, strained household/taxpayer affordability and reduced property taxes available from the non-residential sector due to historic economic shifts (e.g., to a service-oriented economy and to an increasingly digitized economy).
 - d. Are an initial and primary hub for new immigrants and refugee claimants, benefitting from front-line municipal services such as emergency shelters, housing supports, recreational, cultural, transit, public health, employment programs and other social services delivered by municipalities.

- e. Are integral to resolving the housing crises in concert with provincial and federal partners, but face issues implementing bold housing plans due to lack of sustainable long-term funding.
- f. Must adjust operational and capital plans to accommodate higher service needs along with decreases in available revenues due to recent provincial legislative changes.

2. Background

- 2.1 On January 17, 2023, the following direction was received from the Finance and Administration Committee (F&A):

Whereas an increased municipal capital program generates offsetting income tax and HST revenues to upper levels of government.

Whereas recent provincial legislation has reduced development charge revenues, while increasing demand for infrastructure planning, delivery, and maintenance.

That staff be directed to report back on the feasibility and implications of municipalities receiving a 10% share of annual HST revenue from either the Federal and/or Provincial governments and to investigate the feasibility and impact of the Province providing a full rebate on the Provincial share of the HST paid by Municipal governments.

3. Previous Reports and Decisions

4. The January 17, 2023 F&A direction resulted from Durham Region Report #2023-F-8: "2023 Property Tax Study," which noted the emergence of a new E-economy and that the Finance Department continues to examine the anticipated impacts on Durham Region's non-residential property tax base resulting from structural economic changes, including increasing prevalence of online retail, remote work, new technologies and the decline in brick-and-mortar stores and office buildings, on which property taxes are historically based.
5. The report noted a collaboration with Ontario Tech and Trent Universities to complete statistical analysis and explore potential relationships between online commercial activity and relative property value assessments. Insights gained will assist in building an evidence-driven foundation to explore innovative policy solutions and additional revenue tools which may be able to address structural economic changes.

6. Calls to Dedicate a Portion of the HST to Address Increasingly Complex Social Needs

- 6.1 An increasing body of literature, from academics and municipalities argues that more sustainable revenue tools are required for municipalities to address increasingly complex and critical social issues. Also, as noted following, there are examples of private sector calls for HST/GST relief directly for home buyers.

- 6.2 It has been argued that the Province of Ontario should give due consideration to providing a share of provincial sales taxes or income taxes to municipalities as a way of ensuring adequate funding sources and fiscal capacity at the municipal level. For years, the Association of Municipalities Ontario (AMO) has argued that municipal revenues need to be diversified to ensure sustainable municipal service delivery and finance. In May 2017, AMO's "Proposed Action Plan" noted a one per cent increase in the provincial portion of the HST, if dedicated to municipalities, could generate approximately a net \$2.5 billion annually for critical municipal services post collection/administration. AMO noted, "... municipalities face an estimated shortfall of \$4.9 billion each year for the next 10 years to maintain current service levels, not improve them, and finance infrastructure needs. If higher property taxes are the only revenue option, municipal property tax bills and user fees might need to double by 2025. That represents a revenue increase of at least eight per cent each year for the next decade to bridge the \$4.9 billion annual gap."
- 6.3 More recently, on August 17, 2023, the City of Toronto released its "Toronto Long-term Financial Plan" summary report, which indicated a City funding gap of \$46.5 billion, including \$29.5 billion in unfunded capital requirements over 10 years. The report notes that "... 22 per cent or \$1.1 billion of Torontonians' annual property taxes are directly invested in three main areas of service that reduce the financial burden on other orders of government, including: housing (\$616 million); social services (\$247 million); and health services (\$256 million)." The report makes recommendations for the review of municipal options to address the funding gap commencing with the 2024 Budget process. It also puts senior governments on notice that municipalities deliver services well beyond their traditional mandate, noting that property tax revenues do not capture the benefits of economic growth and the City requires more sustainable funding sources, including the ability to impose a sales tax on City residents.
- 6.4 The June 2023 CIBC Economics publication "The Week Ahead" noted the overall trajectory is towards an even tighter and more unaffordable housing market and looked to senior governments recommending:
- "...by far, the most pragmatic step to take in the immediate future would be to waive or defer HST payments on purpose-built rental projects from first occupancy to the sale of the building, while keeping the same valuation methodology as the current regime. It's the most realistic option since it's relatively easy to implement, and Ottawa will have a willing partner in the Ontario government. Buried in page 84 of the recent Ontario budget was the following sentence, '...we call on the federal government to come to the table on potential Goods and Services Tax/Harmonized Sales Tax (GST/HST) relief, including rebates, exemptions, zero-rating or deferrals.'"
- 6.5 This approach was also noted by the PLACE Centre: Smart Prosperity Institute, which in its August 2023 "Working Together to Build 1.5 Million Homes" report notes
- "The federal government must ensure that immigration and international student

policies are aligned with housing policy, and set in collaboration with provincial and municipal governments (page 3)...Governments, particularly the federal government, can affect both the availability and cost of capital through lending rules, programs offered by the CMHC and other agencies, and changes to the tax code, such as altering capital-cost allowance provisions or removing the HST on purpose-built rental unit construction.” (page 39)

- 6.6 In July 2023, in a Toronto Sun editorial piece “BILD: Federal Government Can Help with Housing Affordability by Keeping an Old Promise,” Dave Wilkes, President and CEO of the Building Industry and Land Development Association (BILD), noted,

“...If the federal government were to keep a 32-year-old promise to adjust price thresholds for the GST/HST new housing rebate program, it would have an immediate positive impact on the affordability of new homes for all Canadians...the government pledged to adjust the rebate thresholds to reflect changes in house prices to protect housing affordability. This review was to occur at least every two years. Unfortunately, no review has taken place... In 2010, the HST was introduced on new homes, replacing the GST and the Provincial Sales Tax (PST), but the federal rebate program and its thresholds remain the same.”

- 6.7 Many municipalities have bold action plans in place to address the housing crises, but face issues implementing plans due to lack of sustainable funding. A more coordinated approach with provincial and federal partners is required, with municipalities ideally assured sufficient financial capacity for long-term implementation. Durham Region’s Housing Plan includes a 10-year vision for housing and homelessness and aims to: end homelessness in Durham, ensure affordable rent for all, along with the goals of ensuring greater housing choice and strong and vibrant neighbourhoods. Supported by Durham Region’s Master Housing Strategy and the recommendations of the Affordable and Senior’s Housing Task Force, implementation plans include commitments to develop 1,000 new affordable rental housing units by 2024, including supportive and transitional housing for vulnerable low-income residents.

- 6.8 Immigration is also a priority for many Ontario municipalities to bolster economic growth and address labour market shortages, including skilled trades across a variety of sectors. The historically high immigration levels proposed by the federal government over the next three years could exacerbate the existing housing and homelessness crisis while increasing demands for public health and safety services, including mental health, addictions, and infrastructure needs. AMO has long advocated that “...the federal government work directly with municipal governments ... to receive policy advice to explore new ways to disperse the benefits of immigration more widely throughout Ontario, including in urban, rural, northern and francophone municipalities ... and increase funding and supports to provide services to refugee claimants ...”

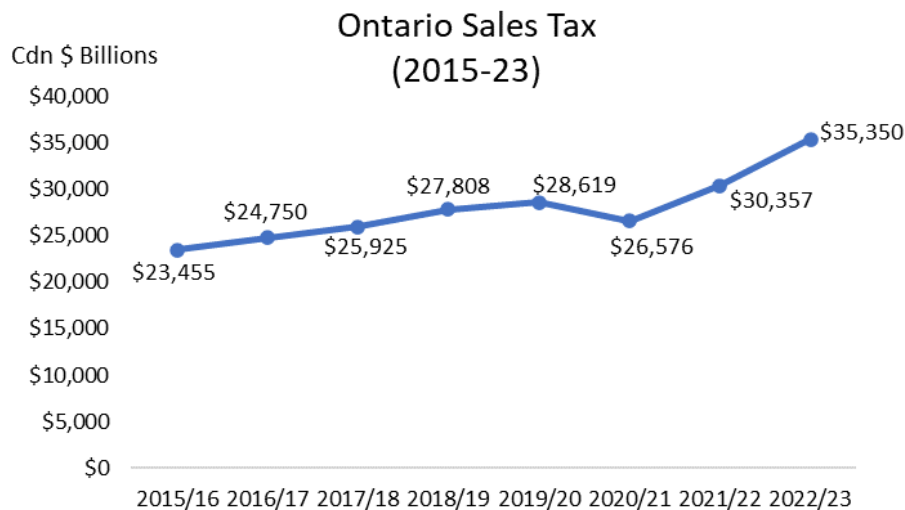
- 6.9 In July 2023, Ontario’s Big City Mayors (OBCM) collaborative, in addressing the current refugee crisis in GTA communities and beyond, noted the influx of refugees

into Canada has dramatically increased pressure on the municipal system, which is already over capacity. The OBCM stated "...the federal government has not consulted nor planned with municipalities to ensure these newcomers receive the housing and other supports they need, including for those who have come to Canada to learn. And when these needs cannot be met, it is often vulnerable and marginalized communities that are impacted the most." In a public statement, the OBCM called "... on the federal government to consult with municipalities, provinces and territories on the process of setting of immigration targets, including for international students, and on the funding and supports cities require to ensure people receive the housing and other services they need when they arrive."

- 6.10 A share of the provinces growing HST sales tax revenues would provide sustainable funding tied to economic growth and would greatly benefit Durham's significant efforts to resolve the housing crises as well as welcome, accommodate and support newcomers.

7. Ensuring Sustainable Municipal Revenue Sources

- 7.1 There is an increasing discrepancy between services provided by Ontario municipalities and the revenue sources available to fund them. Property taxes are insufficient to provide increasingly complex municipal services into the future and unlike a sales tax, property taxes do not necessarily reflect economic growth and consumption levels. Municipalities must carefully balance property tax increases needed to fund critical services with household affordability considerations. Households already struggle with affordability issues and property taxes do not necessarily reflect an ability to pay like the main tax sources available to senior governments (i.e., income tax).
- 7.2 Provision of a share of the province's existing and growing sales tax revenues to municipalities would allow municipalities to more sustainably face inflation, higher interest rates, asset management, infrastructure requirements, population growth, continuing pandemic impacts, increased demands for social, health, housing and homelessness, and long-term care services.
- 7.3 While other broader forms of taxation could also be considered (e.g., providing a share of income tax), providing a share of the province's portion of HST to Ontario municipalities would be relatively less complex, and could be implemented by the province in a timely fashion, perhaps modelled on distributions already made to municipalities under the Canada Community-Building Fund framework.
- 7.4 As the chart following demonstrates, the Province of Ontario's total sales tax, collected and remitted by the federal Canada Revenue Agency (CRA), has grown 51 per cent since 2016, from \$23.5 billion to \$35.4 billion, reflecting both economic growth/consumption and price inflation.



Source: Government of Ontario, Treasury Board Secretariat, Public Accounts Releases

8. Existing Municipal HST Rebate

- 8.1 The HST is a 13 per cent consumption point-of-sale tax paid by consumers and businesses and combines the federal goods and services tax (5 per cent) and the Ontario goods and services tax (8 per cent). The Canada Revenue Agency collects the HST from businesses (mandatory for businesses with revenues over \$30,000) and then remits Ontario's allocation to the province.
- 8.2 Generally, businesses must register to collect the Harmonized Sales Tax (HST), which allows them to claim offsetting Input Tax Credits (ITCs) on the goods and services they purchase. Currently, there is also a Municipal HST rebate that reduces the HST rate for municipalities from 13 to 1.76 per cent. In 2022, Durham Region paid HST of \$69.4 million on its expenditures. After claiming the Municipal Rebate and ITCs of \$60.4 million, Durham Region effectively incurred a net HST cost of \$8.9 million on its expenditures. Note that the net HST cost reflects the provincial portion of the tax that is not refunded (the federal portion is fully refunded).

9. Relationship to Strategic Plan

- 9.1 This report aligns with the following strategic goals and priorities in the Durham Region Strategic Plan:
- a. Goal 5: Service Excellence: To provide exceptional value to Durham taxpayers through responsive, effective, and fiscally sustainable service delivery.

10. Conclusion

10.1 This report is to request the Province of Ontario provide a share of the provincial portion of the HST to ensure long-term municipal fiscal capacity and sustainability for Ontario municipalities. This report recommends the province share an existing portion of their provincial share of the HST, as the most expedient method of ensuring Ontario's municipalities have financial capacity to address increasingly complex and pressing social and infrastructure needs, including significant requirements driven by new municipal responsibilities, legislative changes and increased service and program requirements.

Respectfully submitted,

Original Signed By

Nancy Taylor
Commissioner of Finance and Treasurer

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2023-F-22
Date: September 12, 2023

Subject:

2024 Regional Business Plans and Property Tax Supported Budget Guideline

Recommendations:

That the Finance and Administration Committee recommends to Regional Council that:

- A) The following detailed direction and guidelines for the 2024 Business Plans and Budget for Regional Departments, Conservation Authorities and other Outside Agencies (excluding Durham Regional Police Services Board) be approved:
- i. The 2024 Property Tax Guideline not exceed an overall property tax impact of 7.25 per cent compared to the 2023 approved budget including 0.50 per cent dedicated to fund anticipated property tax impacts resulting from Provincial Bill 23, *More Homes Built Faster Act, 2022*, and the guideline increases for Conservation Authorities as detailed in recommendation A (ii)
 - ii. The 2023 Operating Budget for each Conservation Authority not exceed an increase of 2.5 per cent, plus or minus any current value assessment adjustments, and the 2024 Special Benefitting Programs Budget for each Conservation Authority not exceed an increase of 1.5 per cent, plus or minus any current value assessment adjustments, compared to the 2023 approved budget
- B) The following detailed direction and guideline for the 2024 Business Plans and Budget for the Durham Regional Police Services Board be approved:
- i. The 2024 Business Plans and Budget for the Durham Regional Police Services Board not exceed \$267.966 million, an increase of 8.26 per cent compared to the 2023 approved budget for the Durham Regional Police Service, which translates to an overall budgetary property tax impact of 2.50 per cent
- C) The requested funding by Oak Valley Hospital for the Uxbridge Hospital redevelopment, under the Region's Community Investment Grant Program, be approved up to a maximum of \$10.0 million subject to the execution of a funding agreement with terms satisfactory to the Commissioner of Finance that include milestone payments and performance deliverables;

- D) The requested funding by Lakeridge Health for the Bowmanville Hospital Expansion, under the Region's Community Investment Grant Program, be approved up to a maximum of \$37.5 million subject to the execution of a funding agreement with terms satisfactory to the Commissioner of Finance that include milestone payments and performance deliverables;
- E) A moratorium be placed on the acceptance of any funding submissions/requests under the Region's Community Investment Grant Program until the current Council approved funding commitments have been fully funded from within the current annual funding envelope - which is to be 2026 at the earliest, and further that staff be directed to review the Region's Community Investment Grant policy and bring forward recommended changes for Council's consideration that reflect the service delivery challenges facing the Region and the alignment of provincial and municipal funding;
- F) The February 2024 Finance and Administration Committee meeting be moved from February 13, 2024 to February 21, 2024 and the preliminary timetable for the 2024 Regional Business Plans and Budget be approved as outlined in Attachment #1 to this report, which includes the following key dates:
- i. December 20, 2023 – final Regional Council approval of the 2024 Water Supply and Sanitary Sewerage Business Plans and Budget;
 - ii. February 21, 2024 – Finance and Administration Committee consideration of the staff report recommending adoption of the proposed 2024 Property Tax Supported Business Plans and Budget;
 - iii. February 28, 2024 – final Regional Council approval of the entirety of the 2024 Property Tax Supported Business Plans and Budget; and
- G) Copies of this report be forwarded to the Durham Regional Police Services Board, Durham Region Transit Commission, Conservation Authorities, Durham Regional Local Housing Corporation, and other Outside Agencies to guide the development of detailed 2024 Business Plans and Budget.

Report:

1. Overview

- 1.1 This report provides an overview of the current economic factors impacting the Region's 2024 property tax supported Business Plans and Budget as well as the Regional priorities and initiatives for both 2024 and the four-year forecast period (2025 to 2028). This report also identifies pressures and risks facing the Region that need to be considered in establishing the 2024 Regional Business Plans and Budget guidelines including provincial funding impacts on the 2024 budget; approved 10 year financial plans for transit and paramedic services; decisions approved in year; and approved or anticipated legislative and regulatory changes impacting the Region's programs and services.
- 1.2 This report also outlines the proposed timetable and public engagement strategy for the 2024 Business Plans and Budget.

2. Purpose and Use of the Recommended Guideline

- 2.1 The overall 2024 property tax guideline provides a capped tax impact for the 2024 Regional Property Tax Supported Business Plans and Budget. This guideline is an overall impact which is then allocated across all departments, Durham Region Transit (DRT), 9-1-1 Emergency Service System, Durham OneNet Inc., Conservation Authorities and Durham Regional Local Housing Corporation (DRLHC). Durham Regional Police Service has a separately identified property tax guideline for Council consideration.
- 2.2 The establishment of specific property tax guidelines at this time provides direction and assists staff with finalizing the 2024 budget submission for presentation to Regional Council in February 2024.
- 2.3 Regional staff will continue to review priorities and pressures with a goal of delivering the annual Property Tax Supported Business Plans and Budget within the guideline. However, the Region is faced with a constantly changing external environment that continues to affect our service delivery.

3. 2024 Property Tax Guideline Overview

- 3.1 Through this report, staff are seeking Regional Council approval for a 2024 Regional property tax guideline impact for Regional Departments, Conservation Authorities and other Outside Agencies (excluding Durham Regional Police Service) not to exceed 7.25 per cent compared to the 2023 approved budget (after net weighted assessment growth). This includes 0.5 per cent dedicated to fund anticipated property tax impacts resulting from provincial Bill 23, *More Homes, Built Faster Act, 2022* and related legislation and the following specific guidelines for Conservation Authorities:
 - The 2024 Operating Budget for each Conservation Authority not exceed an increase of 2.5 per cent compared to the 2023 approved budget plus or minus any current value assessment adjustments, and
 - The 2024 Special Benefiting Programs Budget for each Conservation Authority not exceed an increase of 1.5 per cent compared to the 2023 approved budget, plus or minus any current value assessment adjustments.
- 3.2 In addition to the 7.25 per cent increase noted above, staff are seeking Regional Council approval for a 2024 property tax guideline impact of 2.50 per cent dedicated for the Durham Regional Police Service to fund base pressures (estimated by Durham Regional Police Service at \$15.16 million) and other strategic priorities of the Durham Regional Police Services Board (estimated at \$5.27 million). This translates to an overall increase of 8.25 per cent on the Durham Regional Police Service budget compared to their 2023 approved budget.

- 3.3 The overall Regional property tax guideline impact of 9.75 per cent (after net weighted assessment growth) including 0.50 per cent dedicated to fund anticipated property tax impacts resulting from provincial Bill 23, *More Homes, Built Faster Act, 2022* and the 2.50 per cent for the Durham Regional Police Services Board will result in an annual budgetary increase of approximately \$301 for an average residential property owner in Durham Region with an estimated 2024 current value assessment of \$483,100.
- 3.4 Based on current 2023 assessment growth and through discussions with the Municipal Property Assessment Corporation (MPAC), net weighted assessment growth is estimated at approximately 2.2 per cent (excluding net assessment growth in Seaton and Cherrywood). This is fairly consistent with the net weighted assessment growth of 2.1 per cent (excluding net assessment growth in Seaton) realized for the 2023 Budget. The current 2023 net weighted assessment growth estimate for 2024 taxation is only a preliminary estimate and should be used with caution as the actual assessment growth could vary either higher or lower than this estimate.
- 3.5 Setting the recommended guideline was achieved in consultation with the CAO, Regional departments, and Durham Region Transit and through detailed review of 2024 to 2028 operating pressures and 2024 to 2033 capital priorities. In addition, this guideline contemplates changes in the local and broader economic, political and social environments and associated risks and uncertainties facing the Region in the delivery of its programs and services. The Durham Regional Police Service guideline balances the current budget request of the Durham Regional Police Service staff and the Board's Finance Committee, which is being submitted to the Durham Regional Police Services Board for deliberation at their September 19, 2023 meeting, with the significant pressures being felt across all essential services provided by the Region.
- 3.6 The development of the recommended guideline incorporates the sustainable use of Development Charges, Canada Community-Building Funds (formally the Federal Gas Tax Fund), Provincial Gas Tax Funds and the Region's reserves and reserve funds to fund one-time operating and capital investments. Strategically optimizing the use of reserves and reserve funds in this way is effective in offsetting or mitigating tax levy increases without automatically shifting the tax levy increase to the next budget year. As staff continue to develop the 2024 Business Plans and Budget submissions, all additional opportunities to sustainably use the Region's reserves and reserve funds will be pursued. The optimized usage of reserves, reserve funds and debt financing will be critical to achieve the recommended property tax guideline.
- 3.7 The 2024 Regional Business Plans and Budget, which includes a nine-year capital forecast, will provide additional details on the utilization of alternative revenue sources including reserves and reserve funds for operating and capital expenditures as well as debenture financing, where appropriate, for significant priority capital projects that are planned for 2024 and the nine-year forecast. It is worth noting that the Region is entering into a period with a series of significant investments in major projects for which the Region has been accumulating funding over the last number of years. In addition, as a result of these significant capital projects, the Region is also entering into a period of significant increases in

the usage of debt to partially or fully fund a number of these significant projects resulting in debt repayment impacts over the forecast period.

- 3.8 To achieve the guideline recommended in this report Regional departments, boards, commissions and outside agencies will continue to review their operating and capital business plans and budgets for efficiencies, prioritizing and pursuing the necessary adjustments to balance competing priorities, capital requirements and operating pressures. The same will be required of the Durham Regional Police Service to achieve the recommended guideline.

4. Projected 2024 Base Pressures and Non-Discretionary Items

- 4.1 Preliminary 2024 budget analysis indicates several base pressures and non-discretionary items that are required to continue to deliver the Region's existing programs and services including:
- The annualization of 2023 budget decisions and adjustments for one-time items included in the 2023 budget;
 - Contractual and inflationary increases;
 - Economic increases (salary/benefit contracts); and
 - Items that have received in-year approval by Regional Council during 2023.
- 4.2 Base pressures for 2024, currently estimated at \$34.6 million are much more significant than in prior years due in large part to a number of items that have received in-year approval by Regional Council during 2023 and significant inflationary pressures experienced in 2023 and projected for 2024. In July, the Bank of Canada projected inflation to stay around 3 per cent for next year, returning to the 2 per cent target by the middle of 2025. However, the Region is experiencing significantly more than this currently, particularly for capital projects.
- 4.3 Escalating prices directly impact Regional expenditures, including material inputs and services utilized for Regional service delivery. Projected gasoline pricing and national energy pricing are easing providing some relief to these operating components of the budget.
- 4.4 With the economy continuing to respond to supply shortages, tight labour markets, rising wages and resulting inflation this places additional pressure on the Region's budget and increases financial risks. These financial pressures are being particularly felt on the Region's capital program.
- 4.5 Staff continue to review these base budget pressures as well as explore all opportunities for efficiencies and line by line savings to help mitigate the impacts of these base pressures and to achieve the recommended 2024 property tax guideline.

5. Strategic Investment in Core Service Areas – Durham Region Transit and Region of Durham Paramedic Services

- 5.1 As part of the 2023 business planning and budget process, staff presented the 2023 – 2032 Region of Durham Paramedic Services Service and Financing Strategy ([Report 2023-COW-7](#)) and the Durham Region Transit's Service and Financing Strategy (2023 – 2032) ([Report 2023-F-5](#)) to Committee and Council in February 2023.
- 5.2 These reports outlined a 10-year strategy, beginning in 2023, for increased annual investment in these two critical front line core service areas to address current and forecast growth, modernization and service pressures.
- 5.3 To meet the current and projected service pressures to Region of Durham Paramedic Services and the priorities for service delivery and electrification for Durham Region Transit, significant priority funding increases approved through these 10 year plans are included in the 2024 guideline. This represents an incremental dedicated 0.53 per cent property tax levy increase for Region of Durham Paramedic Services and a 2.0 per cent property tax levy increase for Durham Region Transit.

6. Strategic Investment in Core Service Areas – Works Department

- 6.1 The Works Department is supporting unprecedented projected housing growth requiring critical Regional services (roads, water/sewer, waste management, and facilities infrastructure). The volume of work to provide servicing and services to these projected developments exceeds that which can be provided with current staffing resources. The Region is committed to ensuring we optimize our staffing resources and deliverables. We are doing this by identifying efficiencies and modernizations—not only in our work processes but also in how we organize our work and ourselves. As a result, an assessment of the resources and organizational structure of the Works Department, undertaken by an external consultant, is underway at the time of writing this report.
- 6.2 This external consulting team will review the current staff complement of the Works Department, with a focus on determining how many staff are needed to meet the increasing demands of the department projected for the next five to 10 years. In addition, the consulting team will review the organizational structure to ensure it positions the Department to handle new and emerging projects to support current and future residents.

- 6.3 There have been significant implications for the Works Department resulting from provincial changes announced through Bill 23 and related legislation and the development of lands removed from the Greenbelt (most notable the Cherrywood lands). There has been dialogue about municipalities being ‘made whole’ and/or the developer(s) funding the Regional costs associated with the development of the lands removed from the Greenbelt. Council has provided instructions to the CAO with respect to any discussions with the Greenbelt developers to ensure the principle of ‘at no cost’ to existing residents and ratepayers. At the time of writing this report, there is some positive dialogue underway with respect to funding additional staffing resources. Depending upon what occurs between now and final budget deliberations, there may be significant additional impacts from the capital perspective not noted in this report as it is premature to ascertain the outcome at this point. This issue is most challenging from the water and sewer user rate perspective.

7. Strategic Investment in Core Service Areas – Housing and Homelessness

- 7.1 During 2023, Council has received various reports outlining the significant and complex challenges facing many Durham residents who are homeless or at risk of becoming homeless. The following is a list of the projected increased investment for the housing and homelessness support programs impacting the 2024 budget. Some of these items have been approved in-year and others are under development:

- Approval of 10 new outreach workers to provide supports to those in need of housing and other life stabilization supports – estimated 2024 impact of \$1.22 million ([Report 2023-COW-19 as amended](#));
- Pending the review of the outcomes from a pilot, an additional two new outreach workers to support DRT operations – estimated 2024 impact of \$0.24 million ([Report 2023-DRT-16](#));
- Establish a Housing Redevelopment Office – estimated 2024 impact of \$0.59 million ([Report 2023-COW-28](#));
- Estimated annualization for the operating expenses for the Beaverton Supportive Housing facility which is nearing completion with occupancy anticipated shortly – estimated 2024 impact of \$2.45 million;
- Estimated operating costs for 1635 Dundas Street East – 2024 impact is under development and will be informed by the ongoing consultation, services provided, and the number of residents supported (Confidential Report 2023-COW-31);
- DRLHC redevelopment and the development of the former Ritson School site – consultation is underway and will help inform the estimated 2024 impact; and
- Additional funding for the Region’s At Home in Durham program – 2024 impact under review ([Report 2023-COW-13](#)).

8. Bill 23 – *More Homes, Built Faster Act, 2022 and Related Legislation*

- 8.1 Report [2022-COW-33](#) provided Regional Council with an overview of Bill 23, the *More Homes, Built Faster Act, 2022* and summarized the anticipated impacts of Bill 23 and related legislation to the Region, the Region of Durham taxpayers and water and sanitary sewer ratepayers. [Report 2023-F-13](#), Final Recommendations Regarding the New Regional Development Charges By-law, provided additional updates to the financial impacts.
- 8.2 Bill 23 and related legislation will have significant impacts on the Region's ability to coordinate and finance capital infrastructure investments for growth. Under this legislation, municipalities are required to phase-in new development charge rates, allow developers to 'lock-in' their development charge rates at time of development application (i.e., "rate freezing"), and provide development charge exemptions and discounts to select development categories. The implication is a smaller share of the Region's growth capital costs will be recoverable from development charges as the Region is required, under provincial legislation, to fund the impact of these provisions from non-development charge sources.
- 8.3 A partial and preliminary estimate of the non-development charge funding that will be required to compensate for the phase-in of the new development charge rates, rate freezing, rental discount provisions and mandatory exemptions for non-profit housing and secondary units is estimated at \$881.5 million by 2033. Of this, a projected \$360.0 million is for property tax supported services with the balance of \$521.5 million for water supply and sanitary sewerage user rate funded services. These estimates are based on the provincial growth targets and development of lands removed from the Greenbelt. The estimates do not include the impact of exemptions for affordable housing and attainable housing (which is yet to be defined) nor do they include financial impacts at the local area municipal level. Non-residential development levels above those forecasted as part of the Region's development charge background studies that may occur due to the removal of lands from the Greenbelt would also imply further impacts.
- 8.4 While the Region will continue to advocate for provincial funding to adequately mitigate the negative financial impact to property taxpayers and user ratepayers of the *More Homes, Built Faster Act, 2022*, and related legislation it is prudent to begin to set funds aside to address the significant financial impacts resulting from Bill 23. There are also significant resource requirements in the early years to implement the level of growth directed by the Province to achieve the home construction targets. It is therefore recommended that a minimum tax levy increase of 0.50 per cent (\$4.09 million) be dedicated to fund anticipated property tax impacts resulting from provincial Bill 23, *More Homes, Built Faster Act, 2022* and related legislation.
- 8.5 Additional modelling is currently underway to determine specific impacts on capital financing and timing of projects as a result of the reduced Development Charges receipts in 2023 and 2024 due to phase-in, freezing, exemptions and discounts. These are very significant in the next five years due to the phase-in impact of the new Development Charge bylaw. It is quite possible that greater than 0.50 per cent will be required to be set aside in a Bill 23 capital funding reserve fund to finance the shortfall as each capital project approaches

commencement of work.

9. 2024 Strategic Investment Pressures

- 9.1 In addition to addressing the non-discretionary pressures and strategic investment requirements in critical core service areas, the guideline provides for strategic investments to support other key priorities identified in the Region's Strategic Plan while balancing the need for taxpayer affordability and competitive property taxes.
- 9.2 Following sound business planning and budget practices, departments have identified strategic investments that are aligned with and support the following five goals of the Region's Strategic Plan:
- Environmental Sustainability;
 - Community Vitality;
 - Economic Prosperity;
 - Social Investment; and
 - Service Excellence.
- 9.3 Many of these initiatives are multi-year initiatives and will also have impacts on the 2025 budget and beyond. Given the base budget pressures (identified in Section 4) and the strategic investment in core service areas and financial pressures (identified in Sections 5 through 8), not all of the identified strategic investments can be accommodated within the recommended 2024 guideline. Significant prioritization and refinement of these strategic initiatives including the use of reserves, reserve funds and debenture financing is required to achieve the guideline recommended in this report.

10. Durham Regional Police Service

- 10.1 On July 18, 2023, Durham Regional Police Service provided a presentation on their 2024 draft budget to the Durham Regional Police Services Board Finance Committee and intend to present the detailed 2024 budget to the full Durham Regional Police Services Board on September 19, 2023.
- 10.2 As part of the presentation to the Police Services Board, staff identified total 2024 budget pressures of \$23.11 million (9.3 per cent). This included Durham Regional Police Service defined base pressures of \$15.16 million and new investments for strategic priorities of \$7.94 million. This is subject to potential change for their final submission to the Police Services Board.
- 10.3 The following are the base pressures for 2024 that Durham Regional Police Service staff identified totaling \$15.16 million, an increase of 6.13 per cent over the 2023 approved Police Service Budget. Regional staff continue to work with Durham Regional Police Service staff to find creative solutions to reduce these operating pressures without impacting service levels:

- Contractual increases (4.7 per cent increase) – this includes negotiated salary and benefits and new premium pay for front line response positions to be phased in over 2023 and 2024 and annualization of full-time positions approved in the 2023 budget and other payroll related items (e.g., provisions for post employment benefits and WSIB costs).
 - Infrastructure (1.0 per cent increase).
 - Operating and reserve increases (0.9 per cent increase) – this includes inflationary pressures, increased contribution to the helicopter reserve and increased contribution for general facility repairs and renovations.
 - Increases in revenues and recoveries (0.5 per cent decrease) – this includes an increase in the Community Safety and Policing Grant, a projected decrease in the Court Security and Prisoner Transport Grant, and various other revenue increases for pay duty, Youth in Policing and records searches.
- 10.4 In addition, Durham Regional Police Service staff identified the following requests for increased investments in various strategic initiatives totaling \$7.94 million (3.21 per cent) which include a total of 76 new positions:
- 20 new front line officers to address growth in the Region, changes in front line workload, call response models and processes;
 - 34 uniform members in Serious and Organized Crimes, Patrol Support and Operational Support; and
 - 22 civilian positions in Serious and Organized Crimes, Operational Support and Administrative Support.
- 10.5 Durham Regional Police Service also presented a 10 year capital forecast totalling \$333.04 million for 2024-2033. The capital forecast for Durham Regional Police Service facilities will be considered as part of the Region's capital budget and forecast process.
- 10.6 Staff are recommending a 2024 guideline for the Durham Regional Police Services Board not to exceed \$267.966 million, an increase of 8.26 per cent (\$20.434 million) compared to the approved 2023 Durham Regional Police Services Board Budget or a 2.50 per cent overall increase to the Regional property tax levy. As noted above, increased investment in police services is needed to address service requirements and needs to be balanced with the service delivery and critical priority needs of Region of Durham Paramedic Services, Durham Region Transit, Regional housing and homelessness supports and Provincial Bill 23 impacts.
- 10.7 Durham Region staff will continue to work with the staff of the Durham Regional Police Service to finalize their 2024 Business Plans and Budget submission in accordance with Council's guideline.

11. Provincial/Federal Funding Impacts

11.1 In 2023, the Region budgeted to receive approximately 25.8 per cent of its annual property tax supported service revenue from provincial subsidies and grants.

11.2 While the Province has provided 2023 funding letters for a number of Regional program areas, there is still significant uncertainty and associated risk related to provincial funding levels for 2024. The following is a summary of the known and estimated impacts to the 2024 budget resulting from adjustments in provincial funding and changes in provincial funding formulas:

- Paramedic Services – The 2023 Regional Business Plans and Budget assumed 2023 provincial funding of paramedic services would be 2.5 per cent higher than the provincial funding provided in 2022. On August 31, 2023, the Province confirmed 2023 funding of \$30,768,370, \$760,709 higher than the 2023 budgeted funding. While the 2024 funding has not yet been confirmed, for purposes of guideline, staff are projecting the 2024 provincial funding to be higher than the actual 2023 provincial funding, reflecting the increased expenditures contemplated in the 2023 -2032 Region of Durham Paramedic Services Service and Financing Strategy.

In addition, Paramedic Services has received confirmation from the Ministry of Long-term Care on continued provincial funding to March 31, 2026 for the Region's Community Paramedicine Program. The Region is awaiting confirmation on the specific amount of funding for 2024 from the Ministry of Long-term Care as well as confirmation from the Ministry of Health on whether they will continue to provide funding in 2024 to the Region for Community Paramedicine.

- Public Health – The Province previously announced changes to the cost sharing arrangement with municipalities for mandatory programs. For 2020, the provincial funding of mandatory programs decreased from 75 per cent to 70 per cent while the funding of 100 per cent provincial funded programs dropped to 70 per cent provincial funding (with the exception of the Ontario Seniors Dental Care program, which the Province has committed to continue to fund at 100 per cent). The impact of this funding change was a reduction of approximately \$45,600 for Durham Region. In 2020, 2021 and 2022 the Province provided one-time funding so municipalities were not negatively impacted by this change. In August 2023, the Province announced that they will permanently restore annual base funding for public health to the level previously provided under the 75 per cent provincial funding model. In addition, the Province committed to provide a one per cent funding increase for public health each year for the next three years.

On August 29, 2023, the Province confirmed the 2023 provincial funding for mandatory programs of \$30,845,450 (including \$45,600 in one-time cost mitigation funding), \$183,607 lower than the 2023 budgeted funding. The Province also confirmed the 2023 provincial funding for the Ontario Seniors Dental Care program of \$2,058,975, \$155,100 lower than the 2023 budgeted funding. While the 2024 funding for both mandatory programs and the Ontario Seniors Dental Care program have yet to be confirmed,

the Region will need to adjust for this lower base funding. To date, the Province has not confirmed whether 2024 funding for public health costs for COVID response will be provided beyond December 2023. Should funding not be provided this will place additional financial pressure on public health departments as they continue to incur costs associated with delivering COVID vaccines and increased COVID related inspections.

- Childcare – In December 2022, the Province provided information on the increases in funding under the Canada-Wide Early Learning and Child Care program. Staff continue with the phased implementation of the CWELCC program.
- Social Assistance – The Province has announced further modernization efforts significantly impacting the Region's Social Assistance program in 2023 and beyond that were reported to Council through confidential report 2022-COW-29. The Province announced on March 9, 2023 that the Region of Durham, in conjunction with the Durham Workforce Authority and Durham College have now been appointed as system managers for the new employment services system. This program is anticipated to be net neutral to the 2024 budget, but the former system, no longer funded by the Province (subsidy reduction of \$4.54 million), will need to be reconfigured.
- Homelessness Supports – In 2023 the Region received \$5.0 million in federal funding under the Reaching Home Program and \$16.9 million in provincial funding under the Homelessness Prevention Program to support residents experiencing or at risk of homelessness. This is \$6.8 million higher than what was included in the 2023 budget. The Region is projected in 2024 to receive \$5.0 million in federal funding under the Reaching Home program and \$18.7 million in provincial funding under the Homelessness Prevention Program.
- Long-Term Care – On August 27, 2021, the Ministry of Long-Term Care announced a multi-year plan to increase level of care base funding starting April 1, 2021. Staff continue to incorporate this funding in the annual budgets to address resident care.
- Police – On August 10, 2020, the Province announced a review of their Court Security and Prisoner Transportation Program. The Region's current funding agreement, which expires on December 31, 2023, provided \$3,914,797 in 2023 funding, \$569,253 lower than the amount budgeted for in 2023. It is unclear at this time what impact this review may have on 2024 and future funding.

Durham Regional Police Service has received confirmation of an increase of approximately \$43,321 in 2024 under the Community Safety and Policing grant program.

- Ukrainian and Asylum Seekers Humanitarian Response in Durham – Regional staff, in collaboration with GTHA regions, agreed to a collective and coordinated response to provide supports to Ukrainian newcomers. This has been extended to address current significant issues to support asylum seekers homeless and without independent financial means. Staff have worked with partners to secure temporary accommodations for newcomers and explore other potential housing benefits as well as working with the Community Development Council of Durham (CDCD) to deliver supports. To date the Region has allocated approximately \$3.9 million to support newcomers. The Region continues to advocate for funding from the provincial and federal governments for the Region's costs in supporting newcomers.
- 11.3 Regional staff continue to advocate for sustained provincial funding and will work with the Province to understand any further financial impacts on the 2024 Business Plans and Budget and beyond. It has been emphasized recently at AMO and is noted in the concurrent report to Finance and Administration Committee (Report 2023-F-21) that the funding model and/or service delivery model between the Province, Federal Government and local governments needs to be reconsidered as the current model is unsustainable from a local taxpayer perspective.

12. Impacts of Legislative and Regulatory Changes

- 12.1 The Region delivers several programs and services that are legislated or regulated by the provincial government and, to a lesser extent, the federal government. Legislative and regulatory changes often have a direct financial impact to the Region in delivering these valued and critical programs and services. The following is a list of current or potential legislative and regulatory changes that may have fiscal impacts for the Region.
- On June 14, 2021, the Ministry of the Solicitor General released five draft Regulations under the *Community Safety and Policing Act, 2019* for comment. It is expected that there will be upwards of 80 Regulations in support of this legislation. The initial five draft Regulations cover investigations, active attacker incidents, alternative provision of policing functions, the Ontario Police Arbitration and Adjudication Commission and codes of conduct for police officers, municipal police services board members and members of the Ontario Provincial Police Governance Advisory Council. The Durham Regional Police Service and the Durham Regional Police Services Board have provided comments on these draft regulations and are reviewing potential fiscal impacts to Durham Regional Police Service. Durham Regional Police Service will be providing a summary of legislative areas of concern and opportunity, to the Police Services Board and to Regional Council to consider advocacy measures.
 - In October 2021 and April 2022 the Province released Phase 1 and Phase 2 regulations and policy under the *Conservation Authorities Act*. These new regulations outline:
 - mandatory programs and services to be delivered by conservation authorities,

- the need for agreements between participating municipalities and conservation authorities to fund non-mandatory programs and services through a municipal levy,
- the requirement of conservation authorities to establish a community advisory board,
- the budget process for conservation authorities,
- the municipal apportionment methods for levying participating municipalities,
- various user fee requirements, and
- information requirements for conservation authorities.

Negotiations between the Region and the five conservation authorities on the Memorandum of Understanding are ongoing and will be subject to a separate report later in 2023. In the interim, staff are proposing that the 2024 budget guidelines for conservation authorities remain consistent with past trends for increases in the short term.

13. Funding Requests under the Durham Region Community Investment Grant Policy

- 13.1 In October 2019, Regional Council approved the Durham Region Community Investment Grant Policy. Under this policy, local healthcare and post secondary education institutions can apply for funding to assist with the community fundraising requirements for capital infrastructure projects in the Region.
- 13.2 There are two funding requests currently referred to staff under this program, namely:
- Oak Valley Health - Uxbridge Hospital redevelopment project; and
 - Lakeridge Health - Bowmanville Hospital redevelopment project.
- 13.3 To support the funding requests received under the Community Investment Grant Policy, the Region's annual business plans and budget includes an annual contribution to this program. As part of the approved 2023 Business Plans and Budget, Region Council has maintained annual property tax funding of \$6.22 million for this program.
- 13.4 In order to address the two outstanding delegation requests, it is recommended that:
- The requested funding by Oak Valley Hospital, under the Region's Community Investment Grant Policy, for the Uxbridge Hospital redevelopment project be approved at a maximum of \$10.0 million subject to the execution of a funding agreement with terms satisfactory to the Commissioner of Finance that include milestone payments and performance deliverables; and

- The requested funding by Lakeridge Health, under the Region's Community Investment Grant Policy, for the Bowmanville Hospital redevelopment project be approved at a maximum of \$37.5 million subject to the execution of a funding agreement with terms satisfactory to the Commissioner of Finance that include milestone payments and performance deliverables.
- 13.5 There are two additional factors currently impacting the Region's Community Investment Grant Program that require additional consideration. First, similar to the Region's experience with large facility builds and redevelopment projects, a number of organizations qualifying under the Region's Community Investment Grant Program have experienced significant cost increases from the initial estimates provided to the Region and tender pricing received for these projects. Second, the Region is facing significant cost pressures and is challenged to meet its own essential service delivery obligations as evidenced by this report. It is therefore recommended that a moratorium be placed on the acceptance of any funding submissions/requests under the Region's Community Investment Grant program until the current Council approved funding commitments have been fully funded from within the current annual funding envelop which is anticipated to be 2026 at the earliest.
- 13.6 This proposed moratorium is not intended in any way to minimize the importance of the healthcare and post-secondary institutions and their crucial impact on the Region. However, the Region's commitment to address services pressures in critical core services areas including Durham Regional Police Service, Region of Durham Paramedic Services, Durham Region Transit, and housing and homelessness supports require the Region's primary focus in the coming few years. The ongoing tax levy support to the program of \$6.22 million is not proposed to change at this time.
- 13.7 Staff will be working on an update to the Community Investment Grant policy that reflects the service delivery challenges facing the Region and the alignment of provincial and municipal funding for Council's consideration in advance of when the program resumes.

14. Summary of 2024 Property Tax Guideline

- 14.1 The following tables provides a summary of the estimated impact of the various pressures comprising the 2024 Regional Property Tax Guideline as outlined in Sections 4 through 13 of this report.

- 14.2 The amounts reflected below are subject to change based on the results of the review of the Works Department, modelling of Bill 23 impacts, outcome of Greenbelt discussions, and updates from refinement and finalization of budget submissions.

Item	Estimated 2024 Levy Impact	
	\$ (millions)	%
Durham Region Transit	16.347	2.00
Region of Durham Paramedic Services	4.332	0.53
Conservation Authorities	0.186	0.02
<i>Bill 23 – More Homes, Built Faster Act, 2022 provision</i>	4.087	0.50
Department Increases (Base Pressures)	34.559	4.23
Department Increases (Strategic Priorities)	17.728	2.17
Assessment Growth		(2.20)
Net 2024 Property Tax Levy Impact for Regional Departments, Conservation Authorities, and other Outside Agencies (excluding Durham Regional Police Services Board)	77.239	7.25

Item	Estimated 2024 Levy Impact	
	\$ (millions)	%
Net 2024 Property Tax Levy Impact for Durham Regional Police Services Board	20.434	2.5

Total Net 2024 Property Levy Impact	97.673	9.75
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15. 2025 – 2028 Forecast Highlights

- 15.1 Many of the 2024 strategic investment pressures are multi-year initiatives and will continue throughout the 2025 to 2028 forecast period. These forecasted priorities will be reviewed and realigned throughout 2024 to reflect the updated Regional Strategic Plan currently under development.
- 15.2 Based on current modeling, the Region anticipates annual property tax increases for 2025 to 2028 to be consistent with the 2023 and 2024 property tax guideline ranges. This is driven in part by ongoing funding increases for Region of Durham Paramedic Services and Durham Region Transit to meet service level needs, operating costs for the new Seaton Long-Term Care Home, costs to address needed housing and homelessness supports, increased debt repayment obligations for new facilities as well as costs to accommodate growth. Staff continue to explore alternative funding strategies including advocating for and leveraging provincial and federal funding, use of reserves, reserves funds and debenture financing as well as identifying efficiencies to reduce future property tax impacts.

16. 2024 Regional Business Plans and Budget Timetable

- 16.1 The Region's business planning and budget process includes strategic planning, risk assessment, economic and financial forecasting, property tax guidelines, detailed business plans and budgets, and performance measurement. Fiscal accountability is strengthened by the multi-year planning of expenditures, financing and risk mitigation that are imbedded in the Region's Business Planning and Budget process and highlighted each year by the Region's bond raters.
- 16.2 The key dates for the 2024 Regional Business Plans and Budget timetable are outlined below and are further detailed in Attachment #1:
- Water and Sanitary Sewer User Rates
 - Finance and Administration Committee – December 12, 2023
 - Regional Council – December 20, 2023
 - Water Supply and Sanitary Sewerage Business Plans and Budgets
 - Works Committee – December 6, 2023
 - Finance and Administration Committee – December 12, 2023
 - Regional Council – December 20, 2023
 - Property Tax Supported Business Plans and Budget
 - Standing Committees – week of February 5, 2024
 - Finance and Administration Committee – February 21, 2024
 - Regional Council – February 28, 2024
 - Property Tax Strategy
 - Finance and Administration Committee – February 21, 2024
 - Regional Council – February 28, 2024
- 16.3 The 2024 proposed timetable establishes February 28, 2024 as the target date for Regional Council approval of all 2024 Property Tax Supported Business Plans and Budget.

17. Public Engagement Strategy for the 2024 Business Plans and Budget

- 17.1 Transparency and education are key components of building successful public engagement on the Region's business plans and budgets with residents, businesses and stakeholders.
- 17.2 The Region remains focused on modernizing our public engagement initiatives by evaluating different standards, compiling best practices, measuring outcomes and incorporating expertise from experts.

- 17.3 The public engagement approaches for the 2024 Business Plans and Budget will continue to engage with more residents and businesses in new and different ways to encourage their feedback and will include:
- Exploring additional opportunities to engage with residents throughout the annual Business Planning and Budget process (including sharing information on engagement opportunities through various community and stakeholder events);
 - Updating the Region's Business Plans and Budget online presence, informed by data and lessons learned, to allow residents to ask questions and provide comments online in a convenient and intuitive manner;
 - Hosting a Virtual Town Hall on Thursday October 12, 2024 where residents can join over the phone, online and in-person to provide input and feedback on key priorities, ask questions about the Region's Business Plans and Budget, and learn more about the Region's programs and services;
 - Updating the award-winning Value Stories videos which highlight the details of the Region's Budget and the value these investments have on residents and businesses;
 - Updating the Budget Infographic to provide a visual summary of the service metrics and investments included in the approved budget;
 - Providing ongoing social media engagement throughout the annual business planning and budget process to support a wider understanding of the process and seek engagement throughout the process to inform budget development; and
 - Providing traditional engagement initiatives consistent with prior year activities including the utilization of print media.

18. Next Steps

- 18.1 In the next phase of the business planning and budget process, all program areas will review their operating and capital plans to achieve the recommended property tax guideline including:
- Refining budget estimates and priorities;
 - Exploring alternative funding strategies including the sustainable use of reserves and reserve funds, development charges, provincial and federal gas tax and debenture financing;
 - Working with the provincial and federal government to understand 2024 funding impacts;
 - Reviewing the Region's weighted 2023 net assessment growth; and
 - Carefully reviewing and prioritizing 2024 staffing requests, budget pressures and priorities and looking for efficiencies and opportunities to minimize the 2024 budget impact.

- 18.2 Staff will also closely monitor any Provincial activity relating to an update to the reassessment cycle and report accordingly.

19. Conclusion

- 19.1 The 2024 property tax guideline impact for Regional departments, Durham Region Transit Commission, DRLHC and funded Outside Agencies (excluding Durham Regional Police Service) is recommended to not exceed 7.25 per cent (after net weighted assessment growth). This includes 0.5 per cent dedicated to fund anticipated property tax impacts resulting from provincial Bill 23, *More Homes, Built Faster Act, 2022*.
- 19.2 In addition, staff are seeking Regional Council approval for a 2024 property tax guideline impact of 2.50 per cent dedicated to the Durham Regional Police Services Board. This represents a 2024 Durham Regional Police Service budget of \$267.966 million, an increase of 8.26 per cent compared to the 2023 approved Durham Region Police Service budget and will accommodate base pressures (estimated at \$15.16 million by Durham Regional Police Service) and other strategic priorities of the Durham Regional Police Services Board (\$5.27 million).
- 19.3 The combined impact of both guidelines is an overall Regional property tax guideline impact of 9.75 per cent. This translates to an annual budgetary increase of approximately \$301 for an average residential home in Durham Region with an estimated 2024 current value assessment of \$483,100.
- 19.4 Regional departments, boards, commissions and outside agencies will continue to review their operating and capital business plans and budgets looking for efficiencies, prioritizing and making the necessary adjustments to balance competing priorities, capital requirements, and operating pressures to achieve Regional Council's approved property tax guideline. Durham Regional Police Services Board will also be requested to review their 2024 budget to align it with the 2024 guideline approved by Regional Council. It is important to note that work is still needed to achieve the recommended property tax guideline and, as such, not all requests identified in this report may be able to be accommodated within the 2024 Business Plans and Budget and may require consideration in future years.
- 19.5 The detailed 2024 Property Tax Supported Business Plans and Budget are scheduled to be presented to the appropriate Standing Committee or Transit Executive Committee during the week of February 5, 2024, Finance and Administration Committee on February 21, 2024, and Regional Council on February 28, 2024.

20. Attachments

20.1 Attachment #1: Preliminary Timetable for the 2024 Regional Business Plans and Budget

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer

PRELIMINARY TIMETABLE FOR THE 2024 REGIONAL BUSINESS PLANS AND BUDGETS

A) 2024 PROPERTY TAX GUIDELINE

Item	Description	Standing Committee	Regional Council
1.	Review and Approval of the: 2024 Regional Business Plans and Property Tax Supported Budget Guideline	Finance and Administration Committee – September 12, 2023	September 27, 2023

B) SUPPORTING BUSINESS PLANNING REPORTS

Item	Description	Standing Committee(s)	Regional Council
1.	Review and Approval of the: 2024 Water and Sanitary Sewer User Rates	Finance and Administration Committee – December 12, 2023	December 20, 2023
2.	Review and Approval of the: 2024 Strategic Property Tax Study	Finance and Administration Committee – February 21, 2024	February 28, 2024
3.	Review and Approval of the: 2024 Property Tax Rates		February 28, 2024

PRELIMINARY TIMETABLE FOR THE 2024 REGIONAL BUSINESS PLANS AND BUDGETS

C) 2024 DETAILED BUSINESS PLANS AND BUDGETS

Item	Description	Standing Committee(s)	Regional Council
1.	Review and Approval of the: 2024 Detailed Water and Sanitary Sewer Business Plans and Budgets	Works Committee – December 6, 2023 Finance and Administration Committee – December 12, 2023	December 20, 2023
2.	Review and Approval of the: 2024 9-1-1 Emergency Service System Business Plans and Budget	9-1-1 Management Board November 28, 2023	
3.	Review and Approval of the: 2024 Durham OneNet Inc. Business Plans and Budget	Durham OneNet Inc. Board – January/February 2024 (tentative)	
4.	Review and Approval of the: 2024 Durham Regional Local Housing Corporation (DRLHC) Business Plans and Budget	DRLHC Board – January 17, 2024 (tentative)	
5.	Review and Approval of the: 2024 Planning and Economic Development Business Plans and Budgets	Planning and Economic Development Committee – February 6, 2024	
6.	Review and Approval of the: 2024 Works General Tax and Solid Waste Management Business Plans and Budgets	Works Committee – February 7, 2024	
7.	Review and Approval of the: 2024 Durham Region Transit Business Plans and Budget	Transit Executive Committee – February 7, 2024	
8.	Review and Approval of the: 2024 Health and Social Services Business Plans and Budgets	Health and Social Services Committee – February 8, 2024	

PRELIMINARY TIMETABLE FOR THE 2024 REGIONAL BUSINESS PLANS AND BUDGETS

Item	Description	Standing Committee(s)	Regional Council
9.	Review and approval of the: • 2024 Departmental Business Plans and Budgets • 2024 Durham Region Transit Business Plans and Budget • 2024 Durham Regional Police Service Business Plans and Budget • 2024 Conservation Authorities Business Plans and Budgets • 2024 9-1-1 Emergency Service System Business Plans and Budget • 2024 Durham OneNet Inc. Business Plans and Budget • 2024 Durham Regional Local Housing Corporation (DRLHC) Business Plans and Budget	Finance and Administration Committee – February 21, 2024	February 28, 2024