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The Regional Municipality of Durham

MINUTES

FINANCE & ADMINISTRATION COMMITTEE

Tuesday, January 17, 2023

A regular meeting of the Finance & Administration Committee was held on Tuesday, January 17, 2023 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:30 AM

1. Roll Call

Present: Councillor Ashe, Chair
Councillor Leahy, Vice-Chair, attended the meeting at 9:40 AM
Councillor Garrod
Councillor Lee*
Councillor McDougall, left the meeting at 12:30 PM
Councillor Schummer*
Councillor Woo
Regional Chair Henry

Also

Present: Councillor Dies*
Councillor Foster*, attended for part of the meeting
Councillor Neal*, attended for part of the meeting
***denotes Councillors participating electronically**

Staff

Present: E. Baxter-Trahair, Chief Administrative Officer
B. Goodwin, Commissioner of Corporate Services
N. Taylor, Commissioner of Finance
S. Austin, Director, Strategic Initiatives
B. Bridgeman, Commissioner of Planning & Economic Development
A. Harras, Regional Clerk/Director of Legislative Services
A. Hector-Alexander, Director, Diversity, Equity, and Inclusion
J. Cermak, Director, Financial Services
J. Demanuele, Director, Corporate Infrastructure and Strategic Business Services
S. Danos- Papaconstantinou, Commissioner of Social Services
J. Dixon, Director, Business Affairs and Financial Management
T. Fetter, Director, Business Services, DRPS
J. Hunt, Regional Solicitor/Director of Legal Services, Corporate Services – Legal
W. Holmes, General Manager, Durham Region Transit
R. Inacio, Systems Support Specialist, Corporate Services – IT
J. Kilgour, Director, DEMO

Dr. R.J. Kyle, Commissioner and Medical Officer of Health
L. McIntosh, Director, Children's Services and Income and Employment Support
N. Pincombe, Director, Business Planning & Budgets
N. Prasad, Assistant Secretary to Council, Corporate Services – Legislative Services
J. Presta, Commissioner of Works
A. Robins, Director, Housing Services
T. Rollauer, Chief, DRPS
J. Sarwar, Director, Service Durham
M. Simpson, Director, Risk Management, Economic Studies, & Procurement
J. Singh, Director, Internal Audit
L. Fleury, Legislative Officer and Deputy Clerk Pro Tem, Corporate Services – Legislative Services

2. Declarations of Interest

There were no declarations of interest.

3. Adoption of Minutes

Moved by Regional Chair Henry, Seconded by Councillor McDougall,
(1) That the minutes of the regular Finance & Administration Committee meeting held on Tuesday, December 13, 2023, be adopted.
CARRIED

4. Statutory Public Meetings

There were no statutory public meetings.

5. Presentations

5.1 Elaine Baxter-Trahair, Chief Administrative Officer, re: CAO's Office Orientation

Elaine Baxter-Trahair, Chief Administrative Officer provided a presentation with respect to the CAO's office. Highlights of the presentation included:

- Strategic Initiatives Division
- Diversity, Equity and Inclusion Division
- Emergency Management
- Corporate Communications Office
- Legal Services Division

5.2 Barb Goodwin, Commissioner of Corporate Services, re: The Corporate Services Department

Barb Goodwin, Commissioner of Corporate Services provided a presentation with respect to the Corporate Services Department. Highlights of the presentation included:

- Overview of Corporate Services Department
 - Human Resources
 - Information Technology
 - Legislative Services
 - Service Durham
- 2023 Priorities and Challenges

B. Goodwin responded to questions from the Committee regarding multigenerational workforces.

5.3 Nancy Taylor, Commissioner of Finance & Treasurer, Nicole Pincombe, Director - Business Planning & Budgets, and Mary Simpson, Director - Risk Management, Economic Studies & Procurement, re: Finance Department Orientation

Nancy Taylor, Commissioner of Finance & Treasurer, Nicole Pincombe, Director - Business Planning & Budgets, and Mary Simpson, Director - Risk Management, Economic Studies & Procurement provided a presentation with respect to the Finance Department. Highlights of the presentation included:

- Overview of the Finance Department
- Strategic Priorities
- Key Responsibilities

Staff responded to questions from the Committee regarding the municipal insurance pool.

The Committee recessed at 10:50 AM and reconvened at 11:00 AM due to a technical issue. All members were present following the recess.

Staff continued to respond to questions regarding Municipal Property Assessment Corporation (MPAC) assessments; Regional investment policies; debt issued by the Region; risk mitigation; MyDurhamWater; and the issuance of government funds for Ukrainian assistance.

5.4 Mary Simpson, Director - Risk Management, Economic Studies, & Procurement, re: Public Process for the Passage of a New Regional Development Charge By-law (2023-F-2)

Mary Simpson, Director - Risk Management, Economic Studies, & Procurement provided a presentation with respect to the Public Process for the Passage of a New Regional Development Charge By-law. Highlights of the presentation included:

- Overview of Development Charges
- How a DC By-law is developed and the procedure for establishing
- How DC Rates are determined and calculated
- Residential DC Services and Current Rates
- Non-residential DC Services and Current Rates
- Reporting and Auditing DCs

- DC Policies, Other Policies and Exemptions
- Bill 23 Changes and Implications
- New By-law Update – Spring 2023

Staff responded to questions from the Committee regarding developing policies on attainable and affordable housing; Transit related development charges; the allocation of development charge reserves; the definition of affordable housing; the financial impacts of Bill 23 and potential reimbursement from the Province; and Development Charge by-law appeals.

5.5 Elaine Baxter-Trahair, Chief Administrative Officer, Nancy Taylor, Commissioner of Finance & Treasurer, and Nicole Pincombe, Director - Business Planning & Budgets, re: 2023 Regional Business Plans and Property Tax Supported Budget Guideline (2023-F-1)

Elaine Baxter-Trahair, Chief Administrative Officer, Nancy Taylor, Commissioner of Finance & Treasurer, and Nicole Pincombe, Director - Business Planning & Budgets provided a presentation with respect to the 2023 Regional Business Plans and Property Tax Supported Budget Guideline. Highlights of the presentation included:

- Purpose and Use of the Guideline
- 2023 Budget Pressures
- Strategic Investment
- Durham Regional Police Service
- Future Pressures
- Embedding Enhanced Public Engagement
- Conclusion

Staff responded to questions from the Committee regarding areas where the Region invests less than comparator municipalities; strategies for relocating families during housing renewal; Provincial interest in municipal reserve funds; and investments in Transit.

Moved by Councillor Leahy, Seconded by Councillor Woo,
(2) That the Committee recess for 15 minutes.

CARRIED

The Committee recessed at 12:30 PM and reconvened at 12:49 PM. All members were present with the exception of Councillor McDougall.

6. Delegations

6.1 Mehmet Yazan, re: Durham Water Billing Dispute

Mehmet Yazan, Ajax resident, did not appear.

6.2 KebaTamara Thomas, re: the Composition of Council under the Municipal Ont Reg 293/16

Due to audio issues, the delegation from Keba Tamara Thomas was considered later in the meeting.

6.3 Ievgeniia Mangones, Communications and Government Liaison Lead, Durham Ukrainian Relief Project and Anna Kobilaski, Chair, Durham Ukrainian Relief Project

Ievgeniia Mangones, Communications and Government Liaison Lead, Durham Ukrainian Relief Project and Anna Kobilaski, Chair, Durham Ukrainian Relief Project appeared before the Committee with respect to the Durham Ukrainian Relief Project. A copy of the presentation was attached to the Agenda for the meeting.

A. Kobilaski outlined the following:

- Durham Ukrainian Relief Project is a cross-denominational/cultural group of volunteers
- Focus is to assist the newcomers in integrating and becoming self-sufficient quickly and safely
- Priority is shelter and food
- 100% of the funds donated to the Project go to newcomers in Durham and there is no overhead on the Project
- Numbers of visa applications submitted and approved; 140,000 already arrived in Canada, with Durham Region to receive 4,000 to 8,000 people
- Overview of team members

Moved by Councillor Leahy, Seconded by Councillor Woo,

- (3) That the rules of procedure be suspended in order to grant Ievgeniia Mangones and Anna Kobilaski an additional two minutes to finish their delegation.

CARRIED on a 2/3rds VOTE

A. Kobilaski outlined ways to help, including various community partnerships.

A. Kobilaski thanked Durham Region for their support.

A. Kobilaski responded questions from the Committee members.

6.2 KebaTamara Thomas, re: the Composition of Council under the Municipal Ont
Reg 293/16

KebaTamara Thomas appeared before the Committee with respect to the Composition of Council under the *Municipal Act, 2001*, Ontario Regulation 293/16. A copy of the presentation was attached to the Agenda for the meeting.

K. Thomas offered a traditional territory acknowledgment.

K. Thomas provided background information noting that Durham is growing, immigration rates are soaring, ethnicity and visible minorities shift the demographic and socioeconomical landscape in Durham Region, and indigenous communities have increased from approximately 8,000 in 2011 to approximately 12, 500 in 2016.

K. Thomas outlined the following:

- Statistical challenges
- Statistical calculations

Moved by Councillor Leahy, Seconded by Councillor Woo,

(4) That the rules of procedure be suspended in order to grant KebaTamara Thomas an additional two minutes to finish their delegation.

CARRIED on a 2/3rds VOTE

K. Thomas additionally outlined the following:

- Next steps – Calls to Action
- Regional Council Proposal
 - Elect two seats for representatives that are visibly and disproportionately represented at council. Secondly, two seats at executive levels for BIPOC eligible nominees

K. Thomas responded to questions from Committee members.

7. Administration

7.1 Correspondence

There were no communications to consider.

7.2 Reports

A) Durham Region Anti-Racism Taskforce Membership Appointments and Revised Terms of Reference (2023-A-1)

Report #2023-A-1 from Elaine Baxter-Trahair, Chief Administrative Officer, was received.

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

- A) That the following individuals be appointed as community members to the Durham Region Anti-Racism Taskforce:
 - i) Akuah Frempong;
 - ii) Channon Oyeniran;
 - iii) Gail Wilson-Beier;
 - iv) Jackie Williamson;
 - v) Jeany Munawa;
 - vi) Kevin Vieneer;
 - vii) Robert Orlando Pule;
 - viii) Ruvette Coelho;
 - ix) Shauna Bookal; and
 - x) Trynee Hancock.
- B) That the following individuals be appointed as representatives from industry, association and public institutions to the Durham Region Anti-Racism Taskforce:
 - i) Brianna Nelson;
 - ii) Nikki Samuel;
 - iii) Pita-Garth (PG) Case; and
 - iv) Susan Byrne
- C) That the revisions to the Terms of Reference for the Durham Region Anti-Racism Taskforce previously approved on May 11, 2021, be approved.
CARRIED

B) Amendments to the Delegation of Authority By-law (the "Delegation By-law") (2023-A-2)

Report #2023-A-2 from Barb Goodwin, Commissioner of Corporate Services, was received.

B. Goodwin responded to a question with respect to the number of new delegated authorities.

Moved by Councillor Leahy, Seconded by Councillor Woo,
(6) That we recommend to Council:

- A) That the Amended Delegation By-law, in the form included as Attachment #1 to Report #2023-A-2 of the Commissioner of Corporate Services, be passed; and
- B) That Regional staff be authorized to execute such documents and carry out such tasks as may be required to give effect to the Delegation By-law as indicated in the form included as Attachment #1 to Report #2023-A-2.

CARRIED

8. Finance

a. Correspondence

There were no communications to consider.

b. Reports

A) 2023 Regional Business Plans and Property Tax Supported Budget Guideline (2023-F-1)

Report #2023-F-1 from Nancy Taylor, Commissioner of Finance, was received.

T. Rollauer and T. Fetter responded to questions with respect to the need for new positions in the Durham Regional Police Service; historical increases in staffing; the prevalence of mental health related calls; the use of technology to predict where crimes may occur; and looking at ways to be more proactive with policing.

Chief Rollauer advised that he could share elements of the data used to determine the need for new staff with members of Council.

Staff responded to additional questions with respect to the budget approval process; the surplus amount for 2022; reserve fund balances; the impact of inflation; whether the recommended guideline could be lowered; and if the Consumer Price Index should have any impact on the Region.

N. Taylor advised that she will provide the reserve fund balances to members prior to the February 1st Council meeting.

Moved by Councillor Woo, Seconded by Councillor Garrod,
(7) That we recommend to Council:

- A) That the following detailed direction and guidelines for the 2023 Business Plans and Budget for the Durham Regional Police Services Board, Conservative Authorities, Regional Departments and other Outside Agencies be approved:
 - i. The 2023 Property Tax Guideline not exceed an overall tax impact of 5.0 per cent compared to the 2022 approved budget including 0.25 per cent dedicated to fund anticipated property tax impacts resulting from Provincial Bill 23, *More Homes Built Faster Act, 2022*, and the guidelines for the Durham Regional Police Services Board (1.65 per cent) and Conservation Authorities as detailed in recommendation A (ii) and A (iii);
 - ii. The 2023 Business Plans and Budget for the Durham Regional Police Services Board not to exceed \$245.84 million, an increase of 5.37 per cent compared to the 2022 approved budget for Durham Regional Police Services to fund base pressures (\$10.17 million), the incremental costs for year three of the body worn camera implementation (\$0.37 million) and funding equivalent to 20 front line officers for other strategic priorities of the Durham Regional Police Services Board (\$1.98 million); and
 - iii. 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 2023 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 2022 approved budget;
- B) That the preliminary timetable for the 2023 Regional Business Plans and Budget be approved, as outlined in Attachment #1 to Report #2023-F-1 of the Commissioner of Finance, which includes the following key date:
 - i. March 29, 2023 – final Regional Council approval of all 2023 Property Tax Supported Business Plans and Budget; and,
- C) That copies of this report be forwarded to the Durham Regional Police Services Board, Durham Region Transit Commission, Conservative Authorities, Durham Regional Local Housing Corporation, and other Outside Agencies to guide the development of detailed 2023 Business Plans and Budget.

CARRIED ON THE FOLLOWING RECORDED
VOTE:

Yes

No

Councillor Ashe, Chair
Councillor Garrod
Regional Chair Henry
Councillor Leahy
Councillor Lee
Councillor Woo

Councillor Schummer

Members Absent: Councillor McDougall

Declarations of Interest: None

- B) Public process for the passage of a new Regional Development Charge By-law, along with the proposed amendments to both the Regional Transit and GO Transit Development Charge By-laws (2023-F-2)
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Report #2023-F-2 from Nancy Taylor, Commissioner of Finance, was received.

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

- A) That Statutory Public Meetings of Regional Council, as required by the Development Charges Act, 1997 (DCA), be held at the beginning of the regular Regional Council meeting on March 29, 2023 to consider the passage of a new Regional Development Charge (DC) By-law, along with proposed amendments to both the Regional Transit and GO Transit DC By-laws;
- B) That the proposed Regional, Regional Transit, and GO Transit DC By-laws and Background Studies, as required by the DCA, be released to the public at no charge upon request to the Regional Clerk's Department and posted on the Region's website, commencing March 14, 2023; and
- C) That staff be authorized to place appropriate notification in newspapers of sufficient general circulation in Durham Region and the Regional website setting forth the date, time, location and purpose of the Statutory Public Meetings and the date and contact for the release of the proposed by-laws and background studies.

CARRIED

- C) Regional Broadband Network: entering into indefeasible Right of Use Agreement for Durham OneNet Inc.'s use of Regional assets (2023-F-3)
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Report #2023-F-3 from Nancy Taylor, Commissioner of Finance and Jason Hunt, Regional Solicitor was received.

Moved by Councillor Leahy, Seconded by Councillor Garrod,
(9) That we recommend to Council:

- A) That Regional staff be directed to enter into an Indefeasible Right of Use Agreement with Durham OneNet Inc. (DONi) for the use of Regional assets on substantially the same terms as provided in Attachment #1 of Report #2023-F-3 of the Commissioner of Finance; and
- B) That the Commissioner of Finance is authorized to execute an Indefeasible Right of Use Agreement on behalf of the Region of Durham, subject to the approval of the final terms and conditions by the Regional Solicitor.

CARRIED

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

A) Funding for Municipal Infrastructure Investments

Moved by Councillor Leahy, Seconded by Councillor Woo,

- (10) That the rules of procedure be suspended to introduce a new motion without notice with respect to funding for municipal infrastructure investments.

CARRIED on a 2/3RDS VOTE

Moved by Regional Chair Henry, Seconded by Councillor Ashe,

- (11) 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;

That this is intended to assist with Municipal infrastructure investments to accommodate the infrastructure deficit as well as significant new growth related capital funding shortfalls;

And that funds be provided for a study at the discretion of the Commissioner of Finance.

CARRIED

12. Date of Next Meeting

The next regularly scheduled Finance & Administration Committee meeting will be held on Tuesday, February 14, 2023 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

13. Adjournment

Moved by Councillor Leahy, Seconded by Councillor Woo,
(12) That the meeting be adjourned.

CARRIED

The meeting adjourned at 2:00 PM

Respectfully submitted,

K. Ashe, Chair

L. Fleury, Legislative Officer