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The Regional Municipality of Durham
Finance & Administration Committee Minutes

Tuesday, February 10, 2026

A regular meeting of the Finance & Administration Committee was held on Tuesday, February 10, 2026 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:30 AM

Councillor Ashe assumed the Chair.

1. Roll Call

Electronic participation was offered for this meeting.
* indicates individuals who participated electronically.

Members

Present: Councillor Ashe, Chair
Councillor Garrod, Vice-Chair
Councillor Crawford*
Councillor Leahy
Councillor McDougall
Councillor Pettingill attended the meeting at 9:37 am
Councillor Yamada*
Regional Chair Henry

Also

Present: Councillor Neal*
Councillor Woo*

Staff Present: G. Asselin, E. Baxter-Trahair, A. Burgess, S. Dessureault, L. Fleury, B. Goodwin, A. Harras, A. Hector-Alexander, B. Holmes, R. Inacio, R. Jagannathan, J. Kilgour*, K. McDermott, L. O'Dell, N. Pincombe, J. Singh, K. Smith

2. Declarations of Pecuniary Interest

There were no declarations of pecuniary interest.

3. Adoption of Minutes

Motion #1

Moved by Councillor McDougall, Seconded by Councillor Garrod,
That the minutes of the regular Finance and Administration Committee meeting held on Tuesday, November 12, 2025, be adopted.

Carried

4. **Statutory Public Meetings**

There were no statutory public meetings.

5. **Presentations**

There were no presentations.

Motion #2

Moved by Councillor McDougall, Seconded by Councillor Garrod,
That the Rules of Procedure be suspended to allow Kathy Cumming to
appear as a delegate.

Carried on a 2/3rds Vote

6. **Delegations**

- 6.1 Jessica Street, Durham Resident (In-Person Attendance)
re: Overview of an Auditor General Model and Audit Functions within the
Municipal Sector in Ontario and at the Region of Durham (2026-F-1) [Item #8.2
a)]
-

The delegation from J. Street was heard later in the meeting. [See Item 6.1 on
Page 6]

- 6.2 Melissa Heckbert, Durham Resident (In-Person Attendance)
re: Overview of an Auditor General Model and Audit Functions within the
Municipal Sector in Ontario and at the Region of Durham (2026-F-1) [Item #8.2
a)]
-

M. Heckbert appeared before the Committee with respect to the overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham.

M. Heckbert stated that the proposed Auditor General's office is not about adding another layer of bureaucracy, but about deciding whether the current level of oversight is sufficient. An Auditor General would act as an independent public watchdog with a retrospective, investigative, and transparent mandate, reporting directly to Council and residents. Recent spending controversies and examples from major projects underscore the need for this level of statutory independence to ensure early detection of red flags and thorough investigation of value-for-money concerns. The public deserves formal, independent audits that ask hard questions about whether funds were well spent and whether opportunities for correction were missed.

M. Heckbert further stated that drawing on benchmarks such as Toronto, the Auditor General's office would function as a risk-reduction and value-recovery mechanism, with annual savings expected to exceed its operating costs, while institutionalizing transparency, accountability, and responsible custodianship of public funds.

M. Heckbert responded to questions from the Committee members.

- 6.3 Stephanie Toscano, Durham Resident (In-Person Attendance)
re: Overview of an Auditor General Model and Audit Functions within the
Municipal Sector in Ontario and at the Region of Durham (2026-F-1) [Item #8.2
a)]
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S. Toscano appeared before the Committee with respect to the overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham.

S. Toscana stated that as a lifelong Whitby resident, parent, business owner, and active community builder, they strongly support the establishment of an Auditor General's office to ensure public funds are spent responsibly and efficiently. From a resident's perspective, recent projects such as the front door replacement and park restorations raise concerns about why infrastructure of comparable scale costs significantly more in some municipalities than others, raising questions about benchmarking, procurement practices, and project delivery. Despite raising these concerns with local members of Council and seeking clarity on whether non-essential projects could be paused or scaled back, many questions remain unanswered.

An independent Auditor General would help identify efficiencies, strengthen accountability and transparency, and rebuild public trust by ensuring value for money for taxpayers, and urged Council to support the appointment of an Auditor General.

S. Toscano responded to questions from the Committee members.

- 6.4 Clint Cole, Durham Resident (In-Person Attendance)
re: Overview of an Auditor General Model and Audit Functions within the
Municipal Sector in Ontario and at the Region of Durham (2026-F-1) [Item #8.2
a)]
-

C. Cole appeared before the Committee with respect to the overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham.

C. Cole stated that as a regional taxpayer, they are concerned about the objectivity of the analysis presented in the report, noting that while the stated benefits are framed objectively, the drawbacks appear more subjective and perception-based. They questioned whether the choice is truly binary, particularly in relation to claims of diminished Council involvement, and emphasize that internal audit functions require independent oversight to ensure accountability to Council. C. Cole advised that they have experience with budgets and projects where implementation and deliverables have deviated from intent and highlighted the risk of compromises going unchecked.

C. Cole stated that an Auditor General could provide arms-length, objective review of internal audit processes and overall financial stewardship, and suggested alternatives such as peer review if an AG model is not adopted. C. Cole stated that the proposed 2026 budget is not appropriate or cost-effective and given fiscal pressures, the Region must tighten its belt and subject spending decisions to greater scrutiny.

C. Cole responded to questions from Committee members.

6.5 Melissa Whitefield, Durham Resident (Virtual Attendance)
re: Overview of an Auditor General Model and Audit Functions within the
Municipal Sector in Ontario and at the Region of Durham (2026-F-1) [Item #8.2
a)]

M. Whitefield appeared before the Committee with respect to the overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham. Highlights of the delegation included:

M. Whitefield stated that they are an advocate for transparency and accountability and added that residents are facing rising living costs and job losses, leaving little capacity to absorb further tax increases. M. Whitefield stated that government has a fundamental responsibility to manage public funds prudently, efficiently, and transparently before committing to new spending. Ongoing public concern over expenditures—such as the front door project, fridge purchases, 1635 Dundas Street, international travel, and ceremonial events has eroded public confidence. Establishing an independent Auditor General is supported as a means to address these concerns through rigorous value-for-money analysis, independent oversight, and public reporting that rebuilds trust.

M. Whitefield stated that with evidence from other jurisdictions, including Toronto, showing significant net savings for taxpayers, the decision to support an Auditor General is a defining element of Council's public legacy, reinforcing that residents deserve assurance their money is being managed properly.

M. Whitefield responded to questions from Committee members.

6.6 Anastasia Brown, Durham Resident (In-Person Attendance)
re: Overview of an Auditor General Model and Audit Functions within the
Municipal Sector in Ontario and at the Region of Durham (2026-F-1) [Item #8.2
a)]

A. Brown appeared before the Committee with respect to the overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham.

A. Brown stated that they are a homeowner and taxpayer in Durham Region, and expressed concern about the rising cost of living and pointed out the growing attention residents are paying to headlines about public spending. A. Brown stated that ongoing questions about high-profile expenditures, including the

revolving door system at Regional headquarters and the purchase of 1635 Dundas Street, have left many residents uncertain about whether sufficient oversight and value-for-money checks were in place.

A. Brown stated that caring for people and exercising financial discipline should go hand in hand, and residents are being asked to simply trust that current systems are working, which has weakened public confidence. A. Brown advised that they support the creation of a fully independent Auditor General to act as a public watchdog, assess whether controls are effective, and determine whether taxpayers received good value for their money. A. Brown noted that the report emphasizes the cost of an Auditor General but not the potential return on investment and cited Toronto's experience in identifying millions in savings and waste reduction.

A. Brown stated that an Auditor General would help slow tax increases, improve services, and demonstrate Council's commitment to stewardship, accountability, and respectful management of the money families work hard to earn.

A. Brown responded to questions from Committee members.

6.7 Kathy Cumming, Durham Resident (In-Person Attendance)
re: Overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham (2026-F-1) [Item #8.2 a)]

K. Cumming appeared before the Committee with respect to the overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham.

K. Cumming advocated for the appointment of a fully independent Auditor General to ensure government operations are unbiased, unfettered, and objectively scrutinized, particularly in an environment of growing economic strain. K. Cumming cited Ontario's weak economic performance relative to comparable provinces and U.S. states, rising housing costs across Durham Region, high interest rates, low private-sector job growth, and increasing public concern about the country's direction.

K. Cumming stated that confidence in public institutions is eroding and that government is playing a disproportionate role in employment growth and long-term sustainability is at risk.

K. Cumming added that stronger financial discipline and oversight are required. An independent, region-wide Auditor General with authority to review all contracts and tender agreements is proposed as a necessary safeguard to assess value for money, improve accountability, and provide a comprehensive, transparent evaluation of Durham Region's financial stewardship.

K. Cumming responded to questions from Committee members.

At this time, J. Street attended the meeting and proceeded with her delegation.

6.1 Jessica Street, Durham Resident (In-Person Attendance)
re: Overview of an Auditor General Model and Audit Functions within the
Municipal Sector in Ontario and at the Region of Durham (2026-F-1) [Item #8.2
a)]

J. Street appeared before the Committee with respect to an overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham.

J. Street stated that Council has a fundamental responsibility to recognize that every dollar it spends belongs to taxpayers and must be stewarded with care to ensure genuine value and public benefit. J. Street stated that given recent questionable spending decisions, a lack of demonstrated benefits, risk mitigation, and long-term value-for-money analysis, and a 6.4% increase in the 2026 budget, there is clear evidence of a systemic oversight failure.

J. Street further stated that establishing an independent Auditor General (AG) is necessary to protect public funds, restore confidence, and strengthen governance through enhanced accountability, transparency, and rigorous value-for-money audits. An AG's mandate could include procurement and contracting oversight, lifecycle and value-for-money audits, identification of inefficiencies, waste, and financial risks, and review of areas such as police funding. Based on staff estimates of approximately \$2 million annually to operate the AG's office, potential savings of up to \$9 million per year could be realized.

J. Street stated that ultimately, an AG would strengthen the organization, protect both taxpayers and staff, and ensure public funds are managed responsibly, and asked that those who previously opposed this as a referendum matter will now support its implementation.

J. Street responded to questions from Committee members.

Motion #3

Moved by Councillor McDougall, Seconded by Councillor Leahy,
That the Committee recess for 5 minutes.

Carried

The Committee recessed at 10:50 AM and reconvened at 10:57 AM.

A roll call was conducted following the recess and all members of Committee were present.

7. Administration

7.1 Correspondence

There were no communications to consider.

7.2 Reports

A) Policy on the Use of Corporate Resources for Election Purposes
(2026-A-1)

Report #2026-A-1 from Barb Goodwin, Commissioner of Corporate Services, was received.

Staff responded to a question with respect to whether allowing links to candidate's social media sites on the Region's elections webpage is a new addition to the policy; and provided clarity on candidates producing videos in Regional facilities for election related content.

Motion #4

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

- A) That the Policy on the Use of Corporate Resources for Election Purposes included as Attachment #1 to Report #2026-A-1 of the Commissioner of Corporate Services be approved and that the previous policy be rescinded; and
- B) That the Regional Clerk, in consultation with the Regional Solicitor, be granted the authority to make future changes to the policy.

Carried

B) Durham Region's Diversity, Equity, and Inclusion Strategy Implementation Plan
(2026-A-2)

Report #2026-A-2 from Elaine Baxter-Trahair, Chief Administrative Officer, was received.

Motion #5

Moved by Regional Chair Henry, Seconded by Councillor McDougall,
That Report #2026-A-2 of the Chief Administrative Officer, be received for information.

Carried

C) The Regional Municipality of Durham's Accessibility Advisory Committee's 2025 Annual Report, 2026 Workplan
(2026-A-3)

Report #2026-A-3 from Elaine Baxter-Trahair, Chief Administrative Officer, was received.

Councillor McDougall acknowledged the hard work of the committee and the importance of accessibility.

Motion #6

Moved by Councillor McDougall, Seconded by Councillor Leahy,

That we recommend to Council:

- A) That Report #2026-A-3 of the Chief Administrative Officer be received for information as The Regional Municipality of Durham's Accessibility Advisory Committee's 2025 Annual Report; and
- B) That the Regional Municipality of Durham's Accessibility Advisory Committee's 2026 Workplan be approved.

Carried

- D) 2026 Municipal Elections Compliance Audit Committee (2026-A-4)
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Report #2026-A-4 from Barb Goodwin, Commissioner of Corporate Services, was received.

Staff responded to questions from the Committee with respect to why some municipalities do not participate in the Joint Compliance Audit Committee.

Motion #7

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

- A) That the draft Terms of Reference for the 2026 Municipal Election Joint Compliance Audit Committee included as Attachment #1 to Report #2026-A-4 of the Commissioner of Corporate Services, be approved;
- B) That the Regional Clerk be directed to recruit a roster of members for the Joint Compliance Audit Committee and subsequently present an appointing by-law to a future meeting of Regional Council; and
- C) That at such time as the appointing by-law is enacted by Regional Council, that the 2026 Municipal Election Compliance Audit Committee be deemed to be established in accordance with the Municipal Elections Act.

Carried

8. Finance

8.1 Correspondence

- A) Correspondence from Doug Glass, Durham resident re: Report #2026-F-1: Overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham
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Motion #8

Moved by Councillor Leahy, Seconded by Councillor McDougall,
That the correspondence received from Doug Glass regarding Report #2026-F-1: Overview of an Auditor General Model and Audit Functions within the Municipal Sector in Ontario and at the Region of Durham be referred to the consideration of Report #2026-F-1.

Carried

- B) Correspondence from Linda Gasser, Whitby resident
re: Report #2026-F-1 - Overview of an Auditor General Model and Audit
Functions within the Municipal Sector in Ontario and at the Region of Durham
-

Motion #9

Moved by Councillor Leahy, Seconded by Councillor McDougall,
That the correspondence received from Linda Gasser regarding Report
#2026-F-1: Overview of an Auditor General Model and Audit Functions
within the Municipal Sector in Ontario and at the Region of Durham be
referred to the consideration of Report #2026-F-1.

Carried

8.2 Reports

- A) Overview of an Auditor General Model and Audit Functions within the Municipal
Sector in Ontario and at the Region of Durham
(2026-F-1)
-

Report #2026-F-1 from Nicole Pincombe, Commissioner of Finance, was
received.

Staff responded to questions from the Committee with respect to:

- the potential savings that could be realized with having an Auditor General's (AG) office;
- the possibility of implementing an anonymous fraud reporting line and have there been any instances of fraud identified at the Region;
- the reporting structure and scope of an AG office, the staffing model for the AGs office and if under-staffing would limit the function and therefore the value, and whether the AGs office would look at auditing processes as well as finances;
- the comparisons with the City of Ottawa and the City of Toronto with respect to staffing models, and contemplating a smaller staffing model, or starting out with an external search;
- the model that the City of Windsor and the City of Markham use, and whether the type of audit process (outsourced) that is used in Markham would give the Region the savings it is hoping to achieve;
- whether each project at the Region has a dedicated project manager and whether the project managers are Regional staff or under contract, if each of the project's costs are reviewed throughout the project, and whether all of the projects for 2026 were accounted for in the budget process;

- how much was identified in savings during the previous line-by-line reviews of the budget, and what dollar value was made in cuts in the 2026 budget to reduce the property tax increase;
- whether the Region's finances are reviewed by the Province and made publicly available;
- how many AG recommendations are normally implemented by municipalities; and
- if most municipalities with an AG also have an internal audit function, whether there are opportunities to make the internal audit process at the Region more robust, and if the Region were to proceed with an AG's office would the internal audit function be discontinued.

Councillor Pettingill requested reports from the internal audit office for 2023, 2024 and 2025 (with required redactions) to see the potential need for an AG's office at the Region. E. Baxter-Trahair advised that as previously committed, the internal audit team would provide a summary report twice a year, and that the first report would be presented before the summer recess to the Finance & Administration Committee.

Comments were made with respect to AG offices in other municipalities and the possibility of incorporating items that the internal audit does not look at such as investigating police and paramedic spending; the City of Toronto being legislated to create an AG office; existing project oversight mechanisms at the Region; concerns regarding priorities and timing since a core services review is going to be conducted; concerns regarding the cost of an AG office; whether it may be beneficial to delay creating an AG office until the next term of office in order to see what happens at the Region of Peel first (proof of concept); the difficulty in estimating what potential savings could result from AG recommendations; concerns regarding proceeding with this now when the structure of council may change significantly during the next election; and support for moving forward with the establishment of AGs office as soon as possible.

Motion #10

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

That Report #2026-F-1 of the Commissioner of Finance be received for information.

Carried on the following Recorded Vote:

Yes: Councillor Ashe, Chair
 Councillor Crawford
 Councillor Garrod
 Councillor McDougall
 Councillor Yamada
 Regional Chair Henry

No: Councillor Leahy
Councillor Pettingill

Members
Absent: None

Declarations
of Interest: None

B) Industrial Development Charge Deferral Program Extension
(2026-F-2)

Report #2026-F-2 from Nicole Pincombe, Commissioner of Finance, was received.

Staff responded to questions from the Committee regarding whether the Region would forgo any funds if the deferral program extension was approved; whether the report captures all pending agreements or if additional agreements may arise; whether development charge deferrals are voluntary as an economic development incentive or are legislated; whether the Region could adopt a policy to defer development charge collection until occupancy to make the Region a more attractive place to invest; whether the Region is financially impacted by deferring development charges (by incurring costs in advance of receipt); whether extending the deferral period from one year to two years would create any financial harm or result in lost revenue; whether interest rates would remain unchanged if the term is extended; what the implications would be of extending the deferral for an additional year; and whether the deferral would support business investment decisions in Durham.

Motion #11

Moved by Councillor McDougall, Seconded by Councillor Garrod,
That we recommend to Council:

- A) That the Deferral Program for Regional Industrial Development Charges be extended by one year, to March 31, 2027, under the original terms and conditions approved in Report #2025-COW-16 of the Commissioner of Finance, Commissioner of Community Growth and Economic Development, Commissioner of Works, and Regional Solicitor and Director of Legal Services;
- B) That staff be directed to update program materials and communicate the extension to the industrial development community; and
- C) That staff report back on program outcomes and market conditions prior to March 31, 2027.

**Carried Later in the Meeting
(See Following Motion)**

Motion #12

Moved by Councillor Leahy, Seconded by Councillor McDougall,

That the Main Motion #11 of Councillors McDougall and Garrod be amended to extend the Deferral Program for Regional Industrial Development Charges by **two** years.

Defeated on the following Recorded Vote (Tie Vote Deemed in the Negative):

Yes: Councillor Crawford
Councillor Leahy
Councillor McDougall
Councillor Yamada

No: Councillor Ashe, Chair
Councillor Garrod
Councillor Pettingill
Regional Chair Henry

Members

Absent: None

Declarations

of Interest: None

The Main Motion #11 of Councillors McDougall and Garrod was then put to a vote and **Carried**.

9. **Advisory Committee Resolutions**

There were no advisory committee resolutions to be considered.

10. **Confidential Matters**

10.1 Reports

- A) Confidential Report of the Commissioner of Corporate Services – Labour Relations/Employee Negotiations with respect to Canadian Union of Public Employees ("CUPE"), Local 132 (2026-A-5)
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Confidential Report #2026-A-5 from Barb Goodwin, Commissioner of Corporate Services, was received.

Motion #13

Moved by Regional Chair Henry, Seconded by Councillor Garrod,
That we recommend to Council:

That the recommendations contained in Confidential Report #2026-A-5 of the Commissioner of Corporate Services be adopted.

Carried

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, March 10, 2026 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

13. Adjournment

Motion #14

Moved by Councillor Leahy, Seconded by Councillor McDougall,
That the meeting be adjourned.

Carried

The meeting adjourned at 12:30 PM

Respectfully submitted,

K. Ashe
Chair

L. Fleury
Deputy Clerk