2017 Business Plans and Budgets

Presentation to Committee of the Whole
February 1, 2017
Overview

- Economic Overview
- Risk Analysis
- Long-Term Financial Planning
- 2017 Business Plans & Budgets
Economic Overview
Broader Economic Conditions

Inflation within Target

Exchange Rate Low

Interest Rates Remain Low

Canada’s Trade Deficit
Total of all Merchandise ($m)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Deficit</td>
<td>$(5,000)</td>
<td>$(4,000)</td>
<td>$(3,000)</td>
<td>$(2,000)</td>
<td>$(1,000)</td>
<td>$-</td>
<td>$1,000</td>
<td>$2,000</td>
<td>$3,000</td>
<td>$4,000</td>
<td>$5,000</td>
<td>$6,000</td>
<td>$7,000</td>
</tr>
</tbody>
</table>
Local Economic Snapshot

Unemployment Rates

GDP Growth

Youth Unemployment Rate

Source: Conference Board of Canada

Source: Statistics Canada

Committee of the Whole

February 1, 2017
Volatile Energy Prices

Ontario Natural Gas Commodity Price (CAD/mmBtu)

Ontario Wholesale Electricity Cost ($/kWh)

Source: Sproule Associates Ltd.

Source: IESO
Risk Analysis
Risks

Annual Average Monthly Caseload (Durham Region)

Development Charge Receipts

Average Annual Consumer Debt to Disposable Income Levels

Annual Non-Residential Building Permit Value Durham Region ($m)
Other External Risks

Donna J. Trump @realDonaldTrump 6h
Will be meeting at 9:00 with top automobile executives concerning jobs in America. I want new plants to be built here for cars sold here!

Financial Post @financialpost 31m
Donald Trump's policies could cost Canada 1.5% drop in GDP growth, National Bank warns ow.ly/V81o308vj1u #business

Report on Business @globebusiness 1h
At midday: Energy stocks lead broad TSX decline trib.al/UUTxgBw @GlobeInvestor

Canadian Business @cdnbiz 27m
"One is left with the impression that Trump is dictating Canada's trade policy at the moment."

Financial Post @financialpost 12m
Donald Trump just signed order to exit Trans-Pacific Partnership, promises to renegotiate Nafta business.financialpost.com/news/economy/d... #business

Bank of Canada @bankofcanada 19
ICYMI: We held our policy rate unchanged yesterday. Gov. Poloz said uncertainty remains undiminished cdnecon

Conference Board Cda @ConfBoardofCda 20
Trump's election has greatly increased the risks to forecast. @CraigA_Eco explains: ow.ly/csw2308bQGg

The Globe and Mail @globemedia 6h
Oil falls as signs of U.S. output rise overshadows OPEC-led cuts trib.al/nbq8YMx from @GlobeBusiness

The Economist @TheEconomist 3h
Trump has called NAFTA "the worst trade deal maybe ever signed anywhere, but certainly ever signed in this country"
“The region utilizes multi-year operating and capital planning, including 10-year capital plans which are updated annually. Management adheres to conservative investment and debt policies, limiting the regional municipality’s exposure to market-related risks and ensuring relatively smooth and predictable debt service costs.”

Moody’s Investors Service, January 10, 2017

- Long-Term Financial Planning
- Risk and Asset Management
- Financial Flexibility
- Business Case Approach
Long-Term Financial Planning
Regional Assets

2015 Replacement Value by Asset Class ($ Billion)

- Water Supply: $3.8
- Sanitary Sewerage: $4.3
- Fleet & Equipment: $0.3
- Transportation: $3.3
- Facilities: $0.9

Total: $12.5

Regional Asset Condition Rating

- 42% Very Good
- 28% Good
- 21% Fair
- 6% Poor
- 3% Critical

- 91% of Regional assets are rated Fair to Very Good
- Poor/Critical addressed in Business Plans as needed
## Property Tax Supported Capital (2017-2026)

### $ millions

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>Budget 2017</th>
<th>Budget 2018</th>
<th>Budget 2019</th>
<th>Budget 2020</th>
<th>Budget 2021</th>
<th>Forecast 2017-2021</th>
<th>Forecast 2022-2026</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Services</td>
<td>0.4</td>
<td>55.5</td>
<td>2.6</td>
<td>24.0</td>
<td>3.2</td>
<td>85.7</td>
<td>84.7</td>
<td>170.4</td>
</tr>
<tr>
<td>Paramedic Services</td>
<td>2.2</td>
<td>5.2</td>
<td>6.5</td>
<td>6.1</td>
<td>7.3</td>
<td>27.3</td>
<td>15.9</td>
<td>43.3</td>
</tr>
<tr>
<td>Solid Waste</td>
<td>2.8</td>
<td>82.3</td>
<td>-</td>
<td>9.3</td>
<td>0.8</td>
<td>95.1</td>
<td>2.1</td>
<td>97.1</td>
</tr>
<tr>
<td>Transit</td>
<td>29.9</td>
<td>19.9</td>
<td>61.8</td>
<td>11.8</td>
<td>15.8</td>
<td>139.2</td>
<td>85.7</td>
<td>224.9</td>
</tr>
<tr>
<td>Social Services</td>
<td>-</td>
<td>1.2</td>
<td>8.3</td>
<td>-</td>
<td>-</td>
<td>9.5</td>
<td>-</td>
<td>9.5</td>
</tr>
<tr>
<td>Headquarters</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>120.0</td>
<td>120.0</td>
<td>-</td>
<td>120.0</td>
</tr>
<tr>
<td>Regional Roads Program</td>
<td>81.2</td>
<td>96.7</td>
<td>99.4</td>
<td>106.6</td>
<td>108.7</td>
<td>492.6</td>
<td>585.9</td>
<td>1,078.4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>116.4</strong></td>
<td><strong>260.7</strong></td>
<td><strong>178.6</strong></td>
<td><strong>157.8</strong></td>
<td><strong>255.8</strong></td>
<td><strong>969.3</strong></td>
<td><strong>774.2</strong></td>
<td><strong>1,743.6</strong></td>
</tr>
</tbody>
</table>
Regional Debt ($m)

ACTUAL

FORECAST

2015 199
2016 165
2017 101
2018 91
2019 196
2020 227
2021 218
2022 304
2023 288
2024 265
2025 270
2026 223

New Property Tax Debt
Existing Property Tax Debt
Total Debt Including Water & Sewer
Regional Debt Charges ($m)

ACTUAL

FORECAST

New Property Tax Debt Charges
Existing Property Tax Debt Charges

2015  36
2016  38
2017  63
2018  26
2019  34
2020  32
2021  40
2022  41
2023  55
2024  55
2025  59
2026  58

February 1, 2017
Committee of the Whole
Federal Gas Tax

$209 million Federal Gas Tax used for DYEC
- Interest savings $132m
- Final year applied to DYEC 2019

Options for Use of Future Gas Tax:

- Recommendations for use beyond 2019 to be brought forward in 2018 Mult-Year Economic & Financial Forecast

- Options identified by staff to date (subject to business case) include:
  - Road rehabilitation (2014-2017 Transpiration S&Fs)
  - Anaerobic Digestion (2017 Waste S&F)
Business Planning Process

“...completes a number of annual studies on user rates and services, which we consider well-documented and based on realistic assumptions that feed into long-term economic and business plans and budgets.” —S&P Global Ratings, 2016

May - July
Department Forecast Submissions
Asset Management Study

September - October
Multi Year Economic & Financial Forecast and Guideline

November- January
Business Planning Servicing & Financing Studies

January-February Approval
Business Plans & Budgets
Tax Strategy
Multi-Year Forecast
2017 Budget Guideline

Taxpayer Affordability & Competitiveness
- Reassessment
- Business Retention

Annualization of 2016 Items
- Staffing
- Transit Contract
- Transit Service Plan

Maintain & Increase Service Levels
- Regulatory
- Legislative
- Operating & Capital

Prioritized Affordable Budget
2017 Budget Starting Point

- Economic Increases
- One-Time Items
- Annualization
- Contract Pricing
- Revenues & Subsidies
2017 Recommended
Regional Gross Property Tax Supported Budgets $1.14B

All Expenditures

- Social Services: 32%
- Police: 18%
- Transit: 10%
- Works (incl. Roads): 11%
- Solid Waste: 6%
- Transit: 10%
- Other: 15%
- Health: 4%
- Paramedic Services: 4%

All Revenues

- Property Tax: 55%
- Provincial Subsidy: 17%
- Provincial Upload: 8%
- Other: 12%
- Reserves & Reserve Funds: 7%
- Development Charges: 1%

Total Regional Gross Budget Including Water & Sewer: $1.47B
## 2017 Guideline Achieved

<table>
<thead>
<tr>
<th>Service</th>
<th>2017 Increase ($ millions)</th>
<th>Tax Impact (per cent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Services</td>
<td>5.63</td>
<td>0.94</td>
</tr>
<tr>
<td>Durham Region Transit</td>
<td>3.40</td>
<td>0.57</td>
</tr>
<tr>
<td>Conservation Authorities</td>
<td>0.13</td>
<td>0.02</td>
</tr>
<tr>
<td>Solid Waste Management</td>
<td>(0.89)</td>
<td>(0.15)</td>
</tr>
<tr>
<td>Regional Operations and Other</td>
<td>12.65</td>
<td>2.11</td>
</tr>
<tr>
<td>Special Contributions</td>
<td>0.08</td>
<td>0.01</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21.00</strong></td>
<td><strong>3.50</strong></td>
</tr>
<tr>
<td>Assessment Growth—Budgetary</td>
<td></td>
<td>(1.40)</td>
</tr>
<tr>
<td>Assessment Growth—Reassessment Mitigation</td>
<td></td>
<td>(0.30)</td>
</tr>
<tr>
<td><strong>2017 Net Property Taxpayer Impact</strong></td>
<td></td>
<td><strong>1.80</strong></td>
</tr>
</tbody>
</table>
Budget Highlights: Police

Staffing
  • Reduced uniform vacancy rate by 7.2 FTE ($0.6 m)
  • Technical contract resource NextGen ($36k net of recoveries)

Funding
  • Court Security upload (-$0.4m)
  • Fees and Revenues ($0.3m)

Risk
  • PAVIS, Community Policing Partnership (CPP), Safe Communities—
    1,000 Officers Partnership ($3.04m)

Capital
  • Vehicle, equipment purchases and facility maintenance and renewal
    ($3.2m)
Budget Highlights: Police

Police: 2000-2017 Staffing & Taxation

- Property Taxes ($m)
- Number of Staff

Court Security Upload ($m)

Cost of Police Service per Capita

2013: DUR $273.85, IKAL $263.82, IHAM $290.89, ION $282.43, MTL $418.76, NIAG $362.64, OTT $298.26, REG $326.32, TBay $360.20, TOR $386.86, WAT $266.64, WIND $459.54, WINN $357.12, YORK $268.48, MED $312.29

2014: DUR $277.59, IKAL $259.47, IHAM $292.25, ION $296.60, MTL $420.33, NIAG $363.01, OTT $303.07, REG $336.08, TBay $372.20, TOR $394.86, WAT $289.75, WIND $450.19, WINN $365.35, YORK $272.37, MED $319.58

2015: DUR $292.71, IKAL $252.94, IHAM $306.53, ION $292.05, MTL $388.75, NIAG $357.03, OTT $314.66, REG $347.42, TBay $371.59, TOR $403.72, WAT $291.42, WIND $471.33, WINN $365.25, YORK $283.05, MED $331.04

Source: MBNCANada
## Police Capital Program ($m)

### Capital Expenditures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations Training Centre - Phase 2</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Facility Repairs &amp; Renovations</td>
<td>0.4</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>5.0</td>
<td>9.4</td>
</tr>
<tr>
<td>Clarington Complex Phase 2</td>
<td></td>
<td>54.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Durham Northwest Seaton</td>
<td></td>
<td></td>
<td></td>
<td>2.0</td>
<td></td>
<td>26.7</td>
<td>28.7</td>
</tr>
<tr>
<td>North Division Expansion</td>
<td></td>
<td></td>
<td></td>
<td>0.2</td>
<td></td>
<td>3.0</td>
<td>3.2</td>
</tr>
<tr>
<td>Central East Facility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>50.0</td>
<td>50.0</td>
</tr>
</tbody>
</table>

### Financing

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>0.4</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
<td>5.0</td>
<td>9.4</td>
</tr>
<tr>
<td>Debentures</td>
<td></td>
<td>54.5</td>
<td>1.6</td>
<td>23.0</td>
<td>2.2</td>
<td>79.7</td>
<td>161.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2017-2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>0.4</td>
<td>55.5</td>
<td>2.6</td>
<td>24.0</td>
<td>3.2</td>
<td>84.7</td>
</tr>
<tr>
<td>Debentures</td>
<td></td>
<td>55.5</td>
<td>2.6</td>
<td>24.0</td>
<td>3.2</td>
<td>84.7</td>
</tr>
</tbody>
</table>
Police Debt Charges Forecast ($m)

New Debt Charges
Existing Debt Charges

ACTUAL
FORECAST

2011 1.2
2012 8.3
2013 12.9
2014 11.1
2015 12.0
2016 10.3
2017 1.2
2018 7.5
2019 12.2
2020 11.6
2021 12.7
2022 12.7
2023 4.1
2024 14.4
2025 6.5
2026 20.9

Police Debt Charges Forecast ($m)

February 1, 2017
Committee of the Whole
Budget Highlights: Transit

Staffing and Expenses
- 4 new positions
- Transit Contract ($1.4m)
- New Raleigh Maintenance Facility ($0.4m)

Service Plan
- 2016 – annualization ($0.8m)
- 2017 – net cost of $170k ($1.36m annual) – 11,827 service hours

Revenues
- Modest Fare Increase

Risk
- Ridership

Capital $29.9m
Transit

Historical Property Tax Support ($m)

Expenditures  Fare Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditures</th>
<th>Fare Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>54.5</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>58.6</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>63.6</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>71.5</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>72.3</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>74.6</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>76.9</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>81.3</td>
<td></td>
</tr>
</tbody>
</table>

Annual Ridership (m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Ridership</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>9.1</td>
</tr>
<tr>
<td>2011</td>
<td>9.8</td>
</tr>
<tr>
<td>2012</td>
<td>10.3</td>
</tr>
<tr>
<td>2013</td>
<td>10.6</td>
</tr>
<tr>
<td>2014</td>
<td>10.8</td>
</tr>
<tr>
<td>2015</td>
<td>10.3</td>
</tr>
<tr>
<td>2016</td>
<td>10.3</td>
</tr>
<tr>
<td>2017</td>
<td>10.5</td>
</tr>
</tbody>
</table>
Budget Highlights: Works

Staffing and Expenses
- 4 new FTE ($0.4m annual)
- Increase in Maintenance Operations
  - Winter Control $(0.2m)
  - Roadside Maintenance ($0.1m)

Capital Program ($81.2m)
- Three lane extension of Consumers Drive
- Widening of Brock Street between Rossland & Taunton
- Construction of eastbound turn lane at Bayly & Westney Rd & rehabilitation of John Mills bridge
- Road Rehabilitation ($23.5m)
- Bridge & Structure Replacement ($6.1m)
- Highway 407 extension accommodation ($5.7m)
- Traffic control & other transportation projects ($6.9m)
- Fleet & Equipment Replacement ($3.9m)
Budget Highlights: Solid Waste

Staffing
- 1.1 FTE ($0.1m annual)

Operating
- Clarington Municipal Hazardous and Special Waste Facility partial year (expenses $80k; subsidy $64k; net $16k)

Capital
- Material recovery equipment enhancements ($2.0m less $0.9m CIF grant)
- Stage 3 Organics Plan/Aerobic Digestion ($0.8m) subject to Council approval of business case (Stage 1 & 2)
## Solid Waste Capital Program

### Capital Expenditures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Landfill Remediation / Reclamation</td>
<td>$- $</td>
<td>$3.3 $</td>
<td>$- $</td>
<td>$0.8 $</td>
<td>$0.8 $</td>
<td>$2.1 $</td>
<td>$6.8 $</td>
</tr>
<tr>
<td>Waste Transfer Facility</td>
<td>$-</td>
<td>7.0</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>7.0</td>
</tr>
<tr>
<td>Mixed Waste Pre-sort</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Organics Processing / Anaerobics Digestion</td>
<td>0.8 $</td>
<td>72.0 $</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>72.8</td>
</tr>
<tr>
<td>Enhancement of Optical Sorting Equipment at MRF</td>
<td>2.0 $</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>2.0</td>
</tr>
<tr>
<td>Seaton Waste Management Facility</td>
<td>$-</td>
<td>$-</td>
<td>8.5</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>8.5</td>
</tr>
<tr>
<td></td>
<td><strong>$ 2.8</strong></td>
<td><strong>$82.3</strong></td>
<td><strong>$-</strong></td>
<td><strong>$9.3</strong></td>
<td><strong>$0.8</strong></td>
<td><strong>$2.1</strong></td>
<td><strong>$97.1</strong></td>
</tr>
</tbody>
</table>

### Financing

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>1.9</td>
<td>3.3</td>
<td>$-</td>
<td>0.8</td>
<td>0.8</td>
<td>2.1</td>
<td>7.2</td>
</tr>
<tr>
<td>Solid Waste Reserve</td>
<td>$-</td>
<td>7.0</td>
<td>$-</td>
<td>3.5</td>
<td>$-</td>
<td>$-</td>
<td>12.0</td>
</tr>
<tr>
<td>Grant Funding</td>
<td>0.9</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>0.9</td>
</tr>
<tr>
<td>Other</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>5.0</td>
<td>$-</td>
<td>$-</td>
<td>5.0</td>
</tr>
<tr>
<td>Debentures</td>
<td>$-</td>
<td>72.0</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>72.0</td>
</tr>
<tr>
<td></td>
<td><strong>$ 2.8</strong></td>
<td><strong>$82.3</strong></td>
<td><strong>$-</strong></td>
<td><strong>$9.3</strong></td>
<td><strong>$0.8</strong></td>
<td><strong>$2.1</strong></td>
<td><strong>$97.1</strong></td>
</tr>
</tbody>
</table>
• Increased CHPI funding ($0.8m)
• Replacement of housing property management system
• Capital Program ($239k)

Social Assistance

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount ('000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$19,742</td>
</tr>
<tr>
<td>2016</td>
<td>$21,681</td>
</tr>
</tbody>
</table>

8.9% decrease from 2016 to 2017.

Housing Services

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount ('000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$2,422</td>
</tr>
<tr>
<td>2016</td>
<td>$2,044</td>
</tr>
</tbody>
</table>

18.5% increase from 2016 to 2017.

- Upload from 94.2% to 97.2% ($2.6m)
- 1 new position ($87k annual)
- Child support payments exempt as income ($1.21m; subsidy $1.18m; net $34k)
- Increase investment in poverty reduction & hardship related costs ($0.1m)
- Capital Program furniture, equipment & security improvements ($431k)

Regional Total
2017 Average Home Tax Bill: $2,587

- Housing Services: $2,422 ($10, 0.4%)
- Social Assistance: $19,742 ($82, 3%)

Committee of the Whole February 1, 2017
Budget Highlights: Children’s Services

Staffing
• 2 new positions ($198k annual)

Programs
• Anticipated childcare subsidy increase to fund 45 additional subsidized spaces ($0.5m)
• Continuation of Province’s Wage Enhancement Program ($9.9m)
• One-time funding to transition Ontario Early Years Child and Family Centres to the Region ($132k)

Risk
• Adequate provincial funding for Early Years Centres

Capital Program Furniture & Equipment ($121k)
Budget Highlights: Long-Term Care

2017

Regional Total
2017 Average
Home Tax Bill:
$2,587

5.2%

Long-Term
Care
$178
(7%)

2016

Staffing
• 6 new positions (5 Estates, 1 Terrace; $418k annual)

Programs
• Increase for Music Therapy & Art Therapy Recreation Programs ($34k)
• 3 new provincially funded positions required to support the Behavioural Support Ontario program across 3 homes ($223k annual)

Capital Program ($1.4m)
• Furniture & Equipment, software, facility improvements & resident care

Subsidy/Revenue
• Projected subsidy increase ($727k)
• Projected revenue increase ($656k)
Sunderland Station
- 12 new staff ($1.5m annual)
- Partial-year operating costs ($32k)

Capital ($2.2m)
- Power assist cots ($1.6m)
- New Bariatric Special Purpose Vehicle ($217k)
- Other Vehicles & equipment ($407k)
Programs

- Respond to following Provincial regulations:
  - Integration of provincial dental programs into Healthy Smiles Ontario
  - Changes to *Immunization of School Pupils Act*
  - Maintain compliance with *Ontario Public Health Standards*, other applicable provincial legislation, standards & protocols.

Capital Program ($316k)
- Furniture, equipment & computer
Other Budget Highlights

- 3 new positions (Corporate Communications, Corporate Services & Family Services) ($306k annual)
- MPAC (increase 3.6%)
- Social Housing Download ($0.4m) and DRLHC operating & capital funding ($0.3m)
- Continued investment in growth and transportation planning & economic development (e.g. Broadband Study $150k)
- Funding to develop & implement Durham Community Climate Adaptation Plan ($100k)
- POA net revenue decrease (Durham share $0.3m)
## Conservation Authorities ($000’s)

### Recommended 2017 Budget

<table>
<thead>
<tr>
<th></th>
<th>Operating</th>
<th>Special Benefiting</th>
<th>Special Requests</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Lake Ontario</td>
<td>3,779</td>
<td>-</td>
<td>150</td>
</tr>
<tr>
<td>Kawartha</td>
<td>578</td>
<td>132</td>
<td>-</td>
</tr>
<tr>
<td>Ganaraska</td>
<td>437</td>
<td>225</td>
<td>-</td>
</tr>
<tr>
<td>Toronto &amp; Region</td>
<td>611</td>
<td>760</td>
<td>42</td>
</tr>
<tr>
<td>Lake Simcoe Region</td>
<td>258</td>
<td>463</td>
<td>24</td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td><strong>5,663</strong></td>
<td><strong>1,580</strong></td>
<td><strong>216</strong></td>
</tr>
</tbody>
</table>
Recommended 2017 Budget

<table>
<thead>
<tr>
<th>Special Contributions</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Land Acquisition Reserve Fund</td>
<td>935</td>
</tr>
<tr>
<td>Hospitals</td>
<td>4,060</td>
</tr>
<tr>
<td>Durham College</td>
<td>350</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,345</strong></td>
</tr>
</tbody>
</table>

“The funding support requested is $1M and can be payable in instalments over 3 years, for the 2017, 2018 and 2019 calendar years.”

-Durham College Centre for Collaborative Education funding request
Risks Going Forward

**LEGISLATIVE**
- Development Charge Act
- Conservation Authorities Act Review
- Healthy Menu Choices
- Ontario First Responders Act
- Waste Free Ontario Act

**POLICY**
- Climate Change
- Cap & Trade
- Long-Term Affordable Housing Strategy
- Intensification
- Provincial Poverty Reduction Initiative
- Patients First

**Cost/Revenue**
- Electricity
- Fuel
- Winter Maintenance
- Tax Appeals
- OW Caseload
- Provincial Subsidies
- Development Charge Receipts
- Debt Charges

February 1, 2017
Committee of the Whole
Estimated 2017 Regional Property Tax Changes

Region-wide Average Home

- 2016: $2,542
- 2016 + Reassessment: $2,569
- 2017 (with budgetary): $2,614

Regional Property Taxes—Commercial

- 2016: $5,021
- 2016 + Reassessment: $4,841
- 2017 (with budgetary): $4,926

2016 CVA = $366,600
2017 CVA = $395,700

2016 CVA = $500,000
2017 CVA = $514,743
Average Monthly Household Regional Tax Impact

- **Automobile**: $505
- **Home Phone, Cable & Internet**: $250
- **Regional Tax Bill**: $216
- **Hydro**: $141
- **Gas**: $93
- **Cell Phone**: $60
- **Water**: $36
- **Sewage**: $39

**Services with Monthly Taxes**:
- **Police**: ($67/month)
- **Waste Services**: ($15/month)
- **Paramedic Services**: ($9/month)
- **Regional Transit**: ($18/month)
- **Public Health**: ($6/month)
- **Long-Term Care**: ($15/month)
- **Works**: ($28/month)
Conclusion
2017 Decision Impacts on 2018

Staffing Annualization:
  • 36 new staff positions adds $1.8 million in 2018

Transit Service Plan Adjustments (adds $1.2m)

Operating Costs for New Facilities
  • Sunderland Paramedic Station, Raleigh Transit Facility & Clarington MHSW Facility
2017 Budget Permits

- Taxpayer affordability & property tax competitiveness
- Increased staffing levels in key program areas
- Conventional & specialized transit service enhancements
- Increased investment in roads and bridges
- Continued investment in police facilities
- New Paramedic Station
- Strategic investment in capital replacement
- Continued investment in Conservation Authorities

Staff will Continue to:

- Monitor economic conditions
- Look for efficiencies & cost savings
- Business Case Approach for major projects
- Phased implementation where appropriate