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The Regional Municipality of Durham

MINUTES

FINANCE & ADMINISTRATION COMMITTEE

Tuesday, March 19, 2019

A regular meeting of the Finance & Administration Committee was held on Tuesday, March 19, 2019 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:32 AM

Present: Councillor Foster, Chair
Councillor Collier, Vice-Chair, left the meeting at 1:00 PM
Councillor Ashe
Councillor Drew
Councillor Leahy, attended the meeting at 9:36 AM
Councillor Mulcahy
Councillor Nicholson
Regional Chair Henry

Also

Present: Councillor Kerr, left the meeting at 11:22 AM
Councillor Mitchell, left the meeting at 12:57 PM
Councillor Joe Neal, left the meeting at 2:40 PM
Councillor Pickles, left the meeting at 2:48 PM
Councillor Ryan, left the meeting at 11:35 AM
Councillor Wotten

Staff

Present: E. Baxter-Trahair, Chief Administrative Officer
S. Austin, Director, Corporate Policy and Strategic Initiatives, Office of the CAO
C. Bandel, Deputy Clerk, Corporate Services – Legislative Services
D. Beaton, Commissioner of Corporate Services
B. Bridgeman, Commissioner of Planning and Economic Development
T. Chesboro, Director and Chief of RDPS, Emergency Medical Services, attended for part of the meeting
J. Demanuele, Director of Business Services, Works Department, attended for part of the meeting
J. Dixon, Supervisor, Budgets and Finance, Social Services Department, attended for part of the meeting
S. Gill, Director, Economic Development and Tourism, attended for part of the meeting
D. Holmes, Director, Business Affairs and Financial Management
J. Hunt, Director, Legal Services, Corporate Services – Legal
R. Jagannathan, Director of Transportation and Field Services, Works Department, attended for part of the meeting

M. Januszkiewicz, Director of Waste Management, Works Department, attended for part of the meeting
R.J. Kyle, Commissioner and Medical Officer of Health
J. Lanegger, Manager, Administration & Customer Services, Corporate Services - LS
T. Lavery, Manager, Corporate Communications
W. Leonard, Director, DEMO, attended for part of the meeting
G. le Riche, Director, Business Solutions, DRPS, attended for part of the meeting
L. MacDermaid, Director, Long Term Care and Services for Seniors, attended for part of the meeting
J. Moir, Deputy Chief, RDPS, attended for part of the meeting
K. O'Brien, Director, Income and Employment Support, attended for part of the meeting
V. Patterson, General Manager, DRT, attended the meeting at 9:37 AM
N. Pincombe, Director, Business Planning, Budgets and Risk Management, Finance Department
J. Presta, Director of Environmental Services, Works Department
S. Rashad, Systems Support Specialist, Corporate Services – IT
A. Robins, Director, Housing Services, attended for part of the meeting
T. Rollauer, Deputy Chief, DRPS, attended for part of the meeting
N. Taylor, Commissioner of Finance
R. Walton, Regional Clerk/Director of Legislative Services, Corporate Services – Legislative Services
L. Fleury, Legislative Officer, Corporate Services – Legislative Services

1. **Declarations of Interest**

Councillor Drew made a declaration of interest under the Municipal Conflict of Interest Act with respect to the following items:

- i) Item 10.1 A) Report #2019-A-9: Confidential Report of the Commissioner of Corporate Services re. Labour Relations/Employee Negotiations with respect to the Canadian Union of Public Employees 1764-04; and
- ii) Item 8.4 A): Report #2019-F-11 of the Commissioner of Finance re: The 2019 Regional Business Plans and Budgets for Property Tax Purposes, including General Purpose, Solid Waste Management and Durham Region Transit, as it relates to Regional operations.

She indicated that her son is an employee of the Works Department.

Councillor Collier made a declaration of interest under the Municipal Conflict of Interest Act with respect to Item 8.4 A): Report #2019-F-11 of the Commissioner of Finance re: The 2019 Regional Business Plans and Budgets for Property Tax Purposes, including General Purpose, Solid Waste Management and Durham Region Transit, as it relates to the Durham Region Transit U-Pass. He indicated that he has a family member that attends UOIT and utilizes the U-Pass.

Councillor Nicholson made a declaration of interest under the Municipal Conflict of Interest Act with respect to 8.4 A): Report #2019-F-11 of the Commissioner of Finance re: The 2019 Regional Business Plans and Budgets for Property Tax Purposes, including General Purpose, Solid Waste Management and Durham Region Transit, as it relates to the Durham Region Transit U-Pass. He indicated that he has a family member that attends Trent University Durham and is a recipient of the U-Pass.

2. Adoption of Minutes

Moved by Regional Chair Henry, Seconded by Councillor Collier,
(37) That the minutes of the regular Finance & Administration Committee meeting held on Tuesday, February 12, 2019, be adopted.

CARRIED

3. Statutory Public Meetings

There were no statutory public meetings.

4. Delegations

4.1 Mr. Chris Darling, CAO, CLOCA, re: Report #2019-F-11: The 2019 Regional Business Plans and Budgets for Property Tax Purposes, including General Purpose, Solid Waste Management and Durham Region Transit

Mr. Chris Darling appeared before the Committee with respect to the Central Lake Ontario Conservation Authority's (CLOCA's) budget submission for funding for a special project to establish a restoration program.

Mr. Darling stated that the need for an enhanced restoration program was identified sometime ago by CLOCA and would help them to meet their Strategic Plan goal of a healthier and more resilient watershed. He added that CLOCA has developed meaningful management plans but has had a gap in implementing these plans and require a staff position to take the lead.

Mr. Darling advised that CLOCA made a funding submission to the Region for a five-year contract position (\$150,000/year) to address the gap.

Mr. Darling noted that Regional staff are recommending that this budget submission be deferred pending a comprehensive review of conservation authority baseline funding. He recommended that the Region fund CLOCA's request for a restoration program in addition to undertaking a comprehensive review.

Mr. Darling suggested that the Region could fund the restoration project from this year's contribution to the Land Acquisition Reserve Fund.

Mr. Darling responded to questions from the Committee.

5. Presentations

There were no presentations to be heard.

6. Administration

6.1 Correspondence

There were no communications to consider.

6.2 Reports

A) Web streaming Adhoc/Non-Standing Committee meetings that are held in the Lower Level Boardroom at Regional Headquarters (2019-A-10)

Report #2019-A-10 from D. Beaton, Commissioner of Corporate Services, was received.

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

That Report #2019-A-10 of the Commissioner of Corporate Services be received for information.

CARRIED

B) The Regional Municipality of Durham's Accessibility Advisory Committee's 2018 Annual Report and 2019 Workplan (2019-A-12)

Report #2019-A-12 from E. Baxter-Trahair, Chief Administrative Officer, was received.

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

A) That Report #2019-A-12 of the Chief Administrative Officer be received for information as The Regional Municipality of Durham's Accessibility Advisory Committee's 2018 Annual Report; and

B) That the Regional Municipality of Durham's Accessibility Advisory Committee's 2019 Workplan be approved.

CARRIED

C) Code of Conduct By-law Amendment – Definition of Confidential Information (2019-A-13)

Report #2019-A-13 from D. Beaton, Commissioner of Corporate Services, was received.

Staff responded to questions with respect to the current wording in the Code of Conduct By-law in the definition for 'Confidential Information' and how, and by whom, is it determined what information is 'confidential'.

Moved by Councillor Ashe, Seconded by Councillor Leahy,
(40) That we recommend to Council:

- A) That Part D) (5) of Section 3 of the Code of Conduct By-law with respect to the definition for 'Confidential Information' be enacted; and
- B) That staff be authorized to prepare a by-law to amend By-law #09-2019 to enact this provision.

CARRIED

7. Finance

7.1 Correspondence

A) Information Report #2019-INFO-16: Contract Amendments Funded Within Approved Capital Project Budgets and Emergency Expenditures for Period from November 1, 2018 to January 31, 2019

Staff responded to questions with respect to the reasons for the increased costs for two projects.

Moved by Councillor Leahy, Seconded by Councillor Drew,
(41) That Information Report #2019-INFO-16 of the Commissioner of Finance be received for information.

CARRIED

- B) Linda Gasser, Whitby Resident, writing to Regional Councillors requesting to expand on a delegation given at the March 6, 2019 Works Committee meeting regarding Report #2019-W-25: 2019 Works Department Business Plans and Budgets. The following topics are included: the mixed waste presort pilot study – pages 5 and 37 of the Solid Waste Business Plans and Budgets booklet; the additional (also called voluntary) incinerator stack test (page 34); environmental assessment costs for incinerator expansions (page 66); and DYEC legal costs (page 8). She also provided an Interoffice Memorandum from C. R. Curtis, Commissioner of Works, dated November 20, 2009 re: Durham/York Residual Waste Study
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Moved by Councillor Ashe, Seconded by Councillor Collier,
(42) That the correspondence from Linda Gasser, Whitby resident, regarding Report #2019-W-25: 2019 Works Department Business Plans and Budgets, be referred to the March 27, 2019 Regional Council meeting.
CARRIED

7.2 Reports

- A) The Remuneration and Expenses in 2018 of Members of Regional Council and Regional Council Appointees to Local Boards, as Required by Section 284(1) of the Municipal Act, 2011, S.O. 2011, c. 25 (2019-F-12)

Report #2019-F-12 from N. Taylor, Commissioner of Finance, was received.

Moved by Councillor Collier, Seconded by Councillor Drew,
(43) That we recommend to Council:

That Report #2019-F-12 of the Commissioner of Finance be received for information.

CARRIED

- B) 2019 Strategic Property Tax Study (2019-F-13)

Report #2019-F-13 from N. Taylor, Commissioner of Finance, was received.

Moved by Councillor Leahy, Seconded by Councillor Nicholson,
(44) That we recommend to Council:

- A) That for the 2019 property taxation year, the municipal property tax ratios for the following property classes for the Regional Municipality of Durham be set as follows:

Multi-Residential	1.8665
New Multi-Residential	1.1000
Landfill	1.1000
Pipelines	1.2294
Farmland	0.2000
Managed Forests	0.2500

Commercial Broad Class

(including Residual, Shopping Centres, Office Buildings and Parking Lots)

Occupied	1.4500
Vacant Land	1.3050
Excess Land	1.3050

Industrial Broad Class

(including Residual and Large Industrial)	
Occupied	2.1040
Vacant Land	1.8585
Excess Land	1.8585

and the requisite by-law be prepared and approval be granted.

CARRIED

C) Confirmation of the Region's Triple "A" Credit Rating by S&P Global Ratings (2019-F-14)

Report #2019-F-14 from N. Taylor, Commissioner of Finance, was received.

Staff responded to questions with respect to what the benefits of a Triple "A" Credit Rating are, and leveraging the ability to have more debt.

Moved by Regional Chair Henry, Seconded by Councillor Drew,
(45) That Report #2019-F-14 of the Commissioner of Finance be received for information.

CARRIED

8. Business Plan and Budget Review

8.1 Presentations

A) Elaine Baxter-Trahair, Chief Administrative Officer, Nancy Taylor, Commissioner of Finance, and Nicole Pincombe, Director, Business Planning, Budgets and Risk Management, re: 2019 Regional Business Plans and Budgets for Property Tax Purposes (Report #2019-F-11) and 2019 Strategic Property Tax Study (Report #2019-F-13)

E. Baxter-Trahair, N. Taylor and N. Pincombe provided a detailed PowerPoint presentation on the 2019 Regional Business Plans and Budgets and Strategic Property Tax Study. A copy of their presentation was provided as a handout. Highlights from the presentation included:

- Overview
 - 2019 Corporate Priorities
 - Guideline and Budget Priorities
 - Public Engagement
- Financial Overview
 - Business Planning Process
 - Assessment Growth
 - Declining Non-Residential Sector
 - Assessment at Risk
 - 2019 Regional Reassessment Impacts

- Provincial Policy Changes
- 2019 Proposed Gross Budget
- 2019 Regional Property Taxes – Average Home
- Regional Assets
- Major Capital Budget and Forecast
- 2019 Base Pressures
- Budget Overview
 - Police Services Budget Highlights
 - Transit Budget Highlights
 - Roads and Bridges Highlights
 - Solid Waste Management Highlights
 - Social Services Highlights
 - Public Health Highlights
 - Paramedic Services Highlights
 - Planning, Economic Development and Administration Highlights
 - External Agencies Highlights
- Summary
 - Future Budget Pressures
 - Risks and Uncertainties
 - 2019 Regional Property Tax Impacts
 - 2019 Initiatives to Modernize and Find Service Efficiencies
 - 2019 Budget – Increasing Front Line Services in our Community

N. Taylor noted that the average Regional property tax increase is 1.89% for an average residential tax increase of \$51. She added that the Regional residential property tax impact varies by municipality.

Staff responded to questions with respect to:

- The overall increase in expenditures from last year
- The amount funded from reserves
- Using reserves to fund operations and keep taxes down
- Provincial uploads
- New staff positions; and
- Vacant positions.

E. Baxter-Trahair responded to questions regarding the number of positions that have been vacant for six months or more, and when a policy around vacant positions will be developed. She advised that policies around staffing and recruitment are being reviewed and will be available during the next budget process. She further advised that a policy regarding vacant positions could be available by September.

The Committee recessed at 11:20 AM and reconvened at 11:35 AM.

8.2 Correspondence

- B) Memorandum from the Transit Executive Committee, re: 2019 Durham Region Transit Business Plan and Budget (2019-DRT-6)
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Moved by Councillor Leahy, Seconded by Regional Chair Henry,
(46) That Report #2019-DRT-6 from the General Manager of Durham Region Transit be referred to Report #2019-F-11 of the Commissioner of Finance.

CARRIED

- C) Memorandum from the Health & Social Services Committee, re: 2019 Health Department Business Plans and Budgets (2019-MOH-1)
-

Moved by Councillor Leahy, Seconded by Regional Chair Henry,
(47) That Report #2019-MOH-1 from the Commissioner & Medical Officer of Health be referred to Report #2019-F-11 of the Commissioner of Finance.

CARRIED

- D) Memorandum from the Health & Social Services Committee, re: 2019 Social Services Department Business Plans and Budgets (2019-SS-3)
-

Moved by Councillor Leahy, Seconded by Regional Chair Henry,
(48) That Report #2019-SS-3 from the Commissioner of Social Services be referred to Report #2019-F-11 of the Commissioner of Finance.

CARRIED

- E) Memorandum from the Planning & Economic Development Committee, re: 2019 Planning & Economic Development Department Business Plans and Budget (2019-P-7)
-

Moved by Councillor Leahy, Seconded by Regional Chair Henry,
(49) That Report #2019-P-7 from the Commissioner of Planning and Economic Development be referred to Report #2019-F-11 of the Commissioner of Finance.

CARRIED

- F) Memorandum from the Works Committee, re: 2019 Works Department General Tax and Solid Waste Management Business Plans and Budgets (2019-W-25)
-

Moved by Councillor Leahy, Seconded by Regional Chair Henry,
(50) That Report #2019-W-25 from the Commissioner of Works be referred to Report #2019-F-11 of the Commissioner of Finance.

CARRIED

- G) Memorandum from the 9-1-1 Management Board, re: Staffing Increase Request

Moved by Councillor Leahy, Seconded by Regional Chair Henry,

- (51) That the Memorandum from the 9-1-1 Management Board regarding Staffing Increase Request be referred to Report #2019-F-11 of the Commissioner of Finance.

CARRIED

- H) Memorandum from the 9-1-1 Management Board, re: Komutel Computer Telephony Integration (CTI) Solution
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Moved by Councillor Leahy, Seconded by Regional Chair Henry,

- (52) That the Memorandum from the 9-1-1 Management Board regarding Komutel Computer Telephony Integration (CTI) Solution be referred to Report #2019-F-11 of the Commissioner of Finance.

CARRIED

8.3 Business Plans and Budgets

- A) Conservation Authorities 2019 Business Plans and Budgets

The Committee reviewed the Conservation Authorities 2019 Business Plans and Budgets, including:

- Central Lake Ontario
- Kawartha Region
- Ganaraska Region
- Toronto and Region
- Lake Simcoe Region

C. Darling, CAO, CLOCA responded to questions with respect to the environmental restoration project. Councillor Joe Neal asked for a list of projects in Clarington. N. Taylor responded to questions with respect to the reserve fund for land acquisitions and special projects.

Moved by Councillor Collier, Seconded by Councillor Ashe,

- (53) That the one-time budget request from Central Lake Ontario Conservation Authority (CLOCA) for Ontoro Blvd/Range Road be funded from reserves.

CARRIED

Moved by Councillor Leahy, Seconded by Councillor Nicholson,

- (54) That the Region fund \$150,000 per year for 5 years in accordance with the budget request from CLOCA for an environmental restoration project, to be funded from the Land Conservation and Protection Reserve Fund annual contribution.

CARRIED AS AMENDED
(See Following Motion)

Moved by Councillor Leahy, Seconded by Councillor Nicholson,
(55) That the main motion (54) of Councillors Leahy and Nicholson be amended by deleting the words “annual contribution”.

CARRIED

The main motion (54) of Councillors Leahy and Nicholson was then put to a vote and CARRIED AS AMENDED.

L. Benson, Ganaraska Region Conservation Authority, responded to questions with respect to the Enterprise Data Management Platform.

J. McKenzie and G. Bowen, Toronto and Region Conservation Authority responded to questions with respect to land acquisition goals; the National Disaster Mitigation Program and partnerships with the Federal Government; and the Carruthers Creek mapping project.

Councillor Joe Neal asked for details regarding YPDT Ground Water Management. N. Taylor and J. McKenzie responded to questions in this regard and J. McKenzie advised that he can provide further details to Councillor Neal directly.

With respect to Special Contributions, N. Taylor responded to a question about whether the Trent University Durham funding request was included in the budget. B. Bridgeman and N. Taylor responded to questions with respect to the Spark Centre funding request. Discussion ensued on the Region’s No Grants Policy. E. Baxter-Trahair spoke to the review of the Region’s policy around special funding and advised that a report will be brought back in the 3rd quarter of this year.

Moved by Regional Chair Henry, Seconded by Councillor Collier,
(56) That the agenda be altered in order to consider Item F) Planning & Economic Development Business Plans and Budgets and Item G) Works 2019 Business Plans and Budgets next.

CARRIED

F) Planning & Economic Development 2019 Business Plans and Budgets

The Committee reviewed the Planning & Economic Development 2019 Business Plans and Budgets, including:

- Planning
- Economic Development

N. Taylor responded to a question with respect to why funds for the victim services partnership pilot are in the Planning and Economic Development budget. N. Taylor and J. Demanuele responded to questions with respect to the optimization of Regional Headquarters.

N. Taylor responded to a question about including funding for the broadband study when it is uncertain what the Federal government will do.

S. Gill responded to questions with respect to Toronto Global and in response to a request from Councillor Collier advised that reporting can be conducted quarterly, starting in June and will include the number of leads.

S. Gill responded to further questions with respect to the Region's box at the Tribute Communities Centre and advised that a report will come forward in May or June with the list of users.

G) Works 2019 Business Plans and Budgets

The Committee reviewed the Works 2019 Business Plans and Budgets, including:

- Works – General Tax
- Solid Waste Management

N. Taylor and E. Baxter-Trahair responded to questions with respect to the business plan for the anaerobic digester.

N. Taylor and J. Presta responded to questions with respect to the new permanent resources to support the delivery of capital projects.

R. Jagannathan responded to a question about Vision Zero and Councillor Ashe provided further details about potential additional resources from DRPS.

M. Januszkiewicz responded to a question about the Material Recovery Facility and the need for additional funds.

The Committee recessed at 1:00 PM and reconvened at 1:45 PM.

B) Durham Regional Police Service 2019 Business Plans and Budgets

Deputy Chief, T. Rollauer responded to questions with respect to staffing for Seaton. Councillor Ashe provided details with respect to the Human Trafficking Division.

Moved by Regional Chair Henry, Seconded by Councillor Leahy,
(57) That the agenda be altered in order to consider Item C) Durham Region Transit 2019 Business Plans and Budgets after Item H) Finance and Administration Business Plans and Budgets.

CARRIED

D) Health 2019 Business Plans and Budgets

The Committee reviewed the Health 2019 Business Plans and Budgets, including:

- Public Health
- Paramedic Services

Dr. Kyle responded to questions with respect to expanding the outreach campaign in support of vaccinations; paramedic positions for Seaton; and whether any positions that were provincially funded are no longer funded by the Province.

E) Social Services 2019 Business Plans and Budgets

The Committee reviewed the Social Services 2019 Business Plans and Budgets, including:

- Emergency Management and Program Support Services
- Social Assistance
- Children's Services
- Family Services
- Housing Services
- Long Term Care and Services for Seniors

D. Holmes responded to questions with respect to whether any positions that were provincially funded are no longer funded by the Province; how the new positions are being funded; whether there has been an increase in funding for child care subsidy; and whether there are any positions in the Social Services Department to deal with human trafficking.

H) Finance & Administration 2019 Business Plans and Budgets

The Committee reviewed the Finance & Administration 2019 Business Plans and Budgets, including:

- Regional Council
- Regional Chair's Office
- Chief Administrative Officer
- Corporate Services
- Durham Emergency Management Office
- Emergency 9-1-1 Telephone System
- Finance
- Non Departmental
- Special Contributions
- Durham Region Local Housing Corporation
- Provincial Download Service Costs

E. Baxter-Trahair responded to questions with respect to the two new positions in the CAO's office; and how many positions there are currently in the Corporate Communications Office.

E. Baxter-Trahair and W. Leonard responded to questions with respect to the new positions in DEMO.

C) Durham Region Transit 2019 Business Plans and Budgets

V. Patterson responded to questions with respect to the amount of revenue generated by children's fares; how many children travel alone; and whether there were any safety concerns with children travelling unaccompanied.

N. Taylor responded to a question with respect to how the lost revenue from children's fares would be covered.

Moved by Councillor Nicholson, Seconded by Councillor Ashe,
(58) That effective May 1, 2019, children 12 years and under shall ride free of charge on Durham Region Transit; and that Durham Region Transit staff report back on the impacts of this change prior to the 2020 budget.

CARRIED AS AMENDED
(See Following Motions)

Moved by Regional Chair Henry, Seconded by Councillor Drew,
(59) That the main motion (58) of Councillors Nicholson and Ashe be amended by adding the words, "when accompanied by an adult" after the words, "shall ride free of charge on Durham Region Transit".

CARRIED AS AMENDED
(See Following Motion)

Moved by Councillor Drew, Seconded by Regional Chair Henry,
(60) That the amending motion (59) of Regional Chair Henry and Councillor Drew be amended by deleting the words, "an adult" and replacing them with, "a fare paying customer".

CARRIED

The main motion (58) of Councillors Nicholson and Ashe was then put to a vote and CARRIED AS AMENDED.

8.4 Reports

A) The 2019 Regional Business Plans and Budgets for Property Tax Purposes, including General Purpose, Solid Waste Management and Durham Region Transit (2019-F-11)

Report #2019-F-11 from N. Taylor, Commissioner of Finance, was received.

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

2019 General Purpose Property Tax Business Plans and Budgets

- A) That the 2019 Business Plans and Property Tax Budgets for General Purposes (excluding Durham Region Transit and Solid Waste Management) be approved, at a total net property tax requirement of \$562,451,000 as detailed within the 2019 Regional Business Plans and Budgets, which are highlighted in Report #2019-F-11 and summarized as follows:

	2019 Tax Requirements (\$000s)
i) Regional Operations	
Departmental Operations	243,309
Regional Roads Reserve – Growth	12,549
Regional Roads – Rehabilitation Reserve Fund	26,050
Regional Bridges – Rehabilitation Reserve Fund	5,525
Total Regional Operations	287,433
ii) Police Service	206,613
iii) Provincial Download Services	51,732
iv) Conservation Authorities	8,202
v) Special Contributions	
Land Conservation and Protection Reserve Fund	565
Special Contribution - Hospitals/Post-Secondary Institutions	4,110
Special Contribution - Durham College	300
Total Special Contributions	4,975
SUBTOTAL	558,955
Deferral for Seaton Assessment Growth	2,039
Adjustment to Assessment Base (re: Assessment under appeal)	1,457
TOTAL GENERAL PROPERTY TAX PURPOSES	562,451

- B) That the 2019 Net Major Tangible Capital Asset Program for General Property Tax Purposes (excluding Solid Waste, Durham Region Transit and Conservation Authorities' requirements) in the amount of \$101,106,000 be approved, and the 2020 to 2028 Capital Forecast in the amount of \$800,975,000 as detailed in the following table be received for information purposes only and subject to future approvals:

GENERAL PURPOSES

TANGIBLE CAPITAL ASSET REQUIREMENTS (\$000's)

	<u>Recommended</u>	<u>Forecast</u>					<u>2024-2028</u>	<u>Total 2020-2028</u>
		<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>		
Police Service								
Operations Training Centre - Phase 2	-	-	-	-	-	25,000	25,000	
Facility Repairs & Renovations	515	1,000	1,000	1,000	1,000	5,000	9,000	
Clarington Police Complex Phase 2 - Regional Support Centre and Centre for Investigative Excellence	-	55,000	-	-	-	-	55,000	
Durham North West Seaton	-	-	-	2,500	27,500	-	30,000	
North Division Expansion	-	-	-	-	400	3,000	3,400	
Central East Division	-	-	-	-	400	50,000	50,400	
Police Service sub-total	515	56,000	1,000	3,500	29,300	83,000	172,800	
Paramedic Service								
Ambulance Stations - Seaton	3,500	-	-	-	-	-	-	
- Clarington	-	3,800	-	-	-	-	3,800	
- Uxbridge	-	-	-	-	-	5,700	5,700	
Ambulances & Equipment - Growth Related	458	521	292	-	292	1,064	2,169	
Ambulances & Equipment - Replacement	1,678	2,395	2,767	2,052	4,607	15,993	27,814	
Paramedic Service sub-total	5,636	6,716	3,059	2,052	4,899	22,757	39,483	
Health & Social Services								
New Ontario Works Delivery Location	-	-	-	20,000	-	-	20,000	
Sunderland Relocation and Expansion - Child Care	-	1,250	-	-	-	-	1,250	
Seaton Facility	-	8,300	-	-	-	-	8,300	
Health and Social Services sub-total	-	9,550	-	20,000	-	-	29,550	
Headquarters - Space Optimization	450	5,950	4,000	4,000	3,500	-	17,450	
Works Operations								
Regional Roads Program	94,505	114,095	129,538	127,194	135,631	695,218	1,201,676	
Works Operations sub-total	94,505	114,095	129,538	127,194	135,631	695,218	1,201,676	
TOTAL TCA REQUIREMENTS	101,106	192,311	137,597	156,746	173,330	800,975	1,460,959	

C) That financing for the 2019 Major Tangible Capital Asset Program for General Property Tax Purposes in the net amount of \$101,106,000 be approved as follows:

**GENERAL PURPOSES
 2019 CAPITAL FINANCING (\$000's)**

	<u>Headquarters -</u>				<u>Total</u>
	<u>Police</u>	<u>Paramedic</u>	<u>Space Optimization</u>	<u>Roads</u>	
Property Taxes	515	2,987	237	6,200	9,939
Development Charges	-	2,649		35,080	37,729
Rehabilitation / Special Road Reserve Funds	-	-	-	44,175	44,175
Federal Gas Tax	-	-	-	7,500	7,500
Other ⁽¹⁾⁽²⁾	-	-	213	1,550	1,763
Total Financing	515	5,636	450	94,505	101,106

Notes:

1. Contribution from Reserves for Headquarters Space Optimization
2. Contribution from Simcoe County for Roads

Contributions for Regional Roads and Bridges

- D) That a 2019 contribution of \$12,549,000 to the Regional Roads Reserve – Growth be authorized to allow for financing of Road Capital Construction Projects;
- E) That a 2019 contribution of \$26,050,000 to the Regional Roads Rehabilitation Reserve Fund be authorized to assist with roads rehabilitation requirements;
- F) That a 2019 contribution of \$5,525,000 to the Regional Bridges Rehabilitation Reserve Fund be authorized to assist with bridge rehabilitation requirements;

Durham Regional Local Housing Corporation

- G) That the 2019 Budget for the Durham Regional Local Housing Corporation be approved in the amount \$6,879,000;

Conservation Authorities

- H) That funding totalling \$5,958,777 for 2019 operations be approved for the Region's five Conservation Authorities as summarized below:

Central Lake Ontario Conservation Authority	\$3,968,962
Kawartha Region Conservation Authority	622,011
Ganaraska Region Conservation Authority	469,271
Toronto and Region Conservation Authority	642,350
<u>Lake Simcoe Region Conservation Authority</u>	<u>256,183</u>

Total Conservation Authority Special Projects **\$5,958,777**

- I) That funding totalling \$1,673,807 for 2019 special projects be approved for the Region's Conservation Authorities as summarized below:

Kawartha Region Conservation Authority	\$143,000
Ganaraska Region Conservation Authority	231,655
Toronto and Region Conservation Authority	824,671
<u>Lake Simcoe Region Conservation Authority</u>	<u>474,481</u>

Total Conservation Authority Special Projects **\$1,673,807**

- J) That funding totalling \$200,000 for 2019 land management expenditures be approved for properties within Durham Region as outlined below:

Central Lake Ontario Conservation Authority	\$85,000
Kawartha Region Conservation Authority	15,000
Ganaraska Region Conservation Authority	37,000
Toronto and Region Conservation Authority	41,000
<u>Lake Simcoe Region Conservation Authority</u>	<u>22,000</u>

Total Conservation Authority Special Projects **\$200,000**

- K) That the York/Peel/Durham/Toronto/Groundwater Management Initiatives be continued in 2019 at a funding level of \$175,000 for ongoing groundwater protection initiatives jointly funded with the City of Toronto, Region of York and Region of Peel;
- L) That the special funding requests as outlined below be approved subject to the accountability of project costs incurred and project completion with funding to be provided from the Land Conservation and Protection Reserve Fund:
- i) Central Lake Ontario Conservation Authority for phase two of two of the Update to the CLOCA Watershed Plans in the amount of \$100,000;
 - ii) Kawartha Conservation Authority for phase one of two of the Watershed Planning project in the amount of \$40,000;
 - iii) Kawartha Conservation Authority for phase one of two for Website Design and Implementation in the amount of \$8,706;
 - iv) Kawartha Conservation Authority for phase one of five for the Digitization of Corporate Records in the amount of \$10,124;
 - v) Ganaraska Region Conservation Authority for the Enterprise Data Management Platform project in the amount of \$35,376;
- M) That the special funding requests as outlined below be approved subject to securing the remainder of the project funding from the National Disaster Mitigation Program, project completion, and accountability of project costs

incurred, with funding to be provided from the Land Conservation and Protection Reserve Fund:

- i) Central Lake Ontario Conservation Authority for the Flood Forecasting Stream Gauge Improvements/Upgrades in the amount of \$38,275;
 - ii) Toronto and Region Conservation Authority for the Pickering and Ajax Dyke Remediation Environmental Assessment in the amount of \$250,000;
 - iii) Toronto and Region Conservation Authority for the Duffins Creek Floodplain Mapping Update in the amount of \$110,000;
 - iv) Toronto and Region Conservation Authority for the Petticoat Creek Hydrology Update in the amount of \$40,000;
- N) That the special funding request from Central Lake Ontario Conservation Authority in the amount of \$25,000 for the Corbett Creek Floodplain Mapping and Drainage Study be approved with funding to be provided from the Land Conservation and Protection Reserve Fund subject to:
- i) Central Lake Ontario Conservation Authority securing the remainder of the project funding from the Town of Whitby and the National Disaster Mitigation Program;
 - ii) project completion; and;
 - iii) accountability of project costs incurred;
- O) That a contribution of \$564,794 to the Land Conservation and Protection Reserve Fund be authorized to assist in financing requests for funding received from the five Conservation Authorities to acquire environmentally sensitive lands within the Region, based on eligibility criteria per the approved Regional Land Acquisition Reserve Fund Policy;

Special Contributions

- P) That the request for one-time funding from the Spark Centre for up to a maximum of \$325,000 for the Pilot Launch phase of the Innovation Station Project be approved, with the required financing from the Special Contribution for Hospitals/Post-Secondary Education Institutions; and further that funds be released to Spark Centre at the discretion of the Commissioner of Finance subject to the due diligence and review of the Spark's Centre proposal, an executed funding agreement and a final accountability statement;
- Q) That the request for funding from Trent University Durham for up to a maximum of \$1.42 million over three years (\$474,000 per year) for expansion of Trent University Durham Campus be approved, with the required financing provided annually from the Special Contribution for Hospitals/Post-Secondary Education Institutions; and further that funds be released at the discretion of the Commissioner of Finance subject to the due

diligence and review of Trent University Durham's proposal, an executed funding agreement and the accountability of final capital costs reported upon project completion;

Solid Waste Management 2019 Business Plan and Budget

- R) That the 2019 Business Plan and Budget for Solid Waste Management at a net property tax requirement of \$48,477,000 be approved as detailed in the 2019 Solid Waste Management Business Plan and Budget;
- S) That the 2019 Major Tangible Capital Assets Program for Solid Waste Management be approved in the gross amount of \$1,803,000, and the Capital Forecast for the period 2020 to 2028 in the amount of \$207,197,000 as detailed below be received for information purposes only and subject to additional future approvals:

SOLID WASTE MANAGEMENT TANGIBLE CAPITAL ASSET REQUIREMENTS (\$000's)							
	Recommended	Forecast					Total 2020- 2028
	2019	2020	2021	2022	2023	2024- 2028	
Landfill Remediation / Reclamation	253	2,901	1,690	420	1,160	4,350	10,521
Long Term Organics Management Plan	-	165,300	-	-	-	-	165,300
Durham / York Energy Centre	60	10,100	900	-	-	-	11,000
Upgrades of Equipment at Material Recovery Facility (MRF)	1,130	290	260	520	-	-	1,070
New Clarington MHSW	160	-	-	-	-	-	-
Modifications and/or New Waste Management Facilities (WMFs)	-	2,600	3,153	-	500	4,253	10,506
Seaton Waste Management Facility - Pickering	-	-	8,500	-	-	-	8,500
Long Term Waste Management Master Plan	200	-	300	-	-	-	300
TOTAL TCA REQUIREMENTS	1,803	181,191	14,803	940	1,660	8,603	207,197

- T) That financing for the 2019 Solid Waste Management Major Asset Program in the amount of \$1,803,000 be approved from property taxes;

Durham Region Transit 2019 Business Plan and Budget

- U) That the 2019 Business Plan and Budget for Durham Region Transit be approved at a total net property tax requirement of \$58,150,000, as detailed in the 2019 Durham Region Transit Business Plan and budget;
- V) That the 2019 Major Tangible Capital Assets Program for Durham Region Transit be approved in the gross amount of \$5,659,000 and the Capital Forecast for the period 2020 to 2028, totalling \$335,698,000 as summarized

below be received for information purposes only and subject to future approvals:

**DURHAM REGION TRANIST
 TANGIBLE CAPITAL ASSET REQUIREMENTS (\$000's)**

	Recommended		Forecast											
	#	2019	#	2020	#	2021	#	2022	#	2023	#	2024-2028	#	2020-2028
Growth Related Vehicles	7	2,750	25	13,535	17	9,615	13	7,285	21	12,005	75	42,465	151	84,905
Growth Vehicle Outfitting	39	784	90	1,553	66	1,133	50	852	82	1,413	290	4,962	578	9,913
Replacement Vehicles	4	560	34	17,350	21	11,175	20	9,495	22	10,655	111	54,500	208	103,175
Replacement Vehicle Outfitting		229		704		209		170		196		1,032	-	2,312
Facilities														
Indoor Bus Facility	-			50,500		-		-		-		37,300		87,800
Seaton	-			-		-		-		25,000		-		25,000
Raleigh	-			-		1,030		-		-		-		1,030
Other		203		650		12		-		-		25		687
sub-total - facilities		203		51,150		1,042		-		25,000		37,325		114,517
System Improvements		1,133		7,268		2,069		1,649		1,649		8,243		20,876
TOTAL TCA REQUIREMENTS	50	5,659	149	91,560	104	25,243	83	19,451	125	50,918	476	148,527	937	335,698

W) That financing for the 2019 Major Capital Asset Program for Durham Region Transit in the gross amount of \$5,659,000 be approved as follows:

SOURCE OF FINANCING	2019 \$ (000's)
Property Taxes	1,184
Ontario Gas Tax Revenue	2,071
Development Charges	2,404
Total Financing	5,659

- X) That a capital provision of up to \$5,621,000 for bus purchases be approved subject to the completion of a business case regarding the timing on transition to articulated style buses and approval of the CAO with financing to be determined by the Commissioner of Finance;
- Y) That DRT's transit service level be approved at up to 529,911 revenue hours of service (a 0.6 per cent increase from 526,627 hours in 2018), including annualization of the 2018 service enhancements and based on service enhancements and efficiencies to be implemented in 2019;

- Z) That effective May 1, 2019, the following transit fare increases be implemented, estimated to generate approximately \$128,000 in new fare revenue in 2019 based on DRT's 2019 ridership forecast of 10.7 million riders:
- i) The Adult single-ride PRESTO and Ticket fares increase by \$0.05 from \$3.15 to \$3.20; and
 - ii) The Youth single-ride PRESTO and Ticket fares increase by \$0.05 from \$2.80 to \$2.85;
- AA) That the Treasurer and General Manager of Durham Region Transit be authorized to execute a one-year extension to the existing U-Pass agreement with Durham College, University of Ontario Institute of Technology and Trent University (Durham Campus), including an increase in the fee per eligible student from \$135.00 per semester to \$139.00 per semester for the period of September 1, 2019 to August 31, 2020;

Financial Management and Accountability

- BB) That the Listing of 2019 Regional Fees and Charges, as set forth in the 2019 Regional Business Plans and Budgets be approved and made available to the public and all applicable By-laws be amended accordingly;
- CC) That a By-law, generally in the form included as Attachment #4 to Report #2019-F-11, that amends Regional By-law 18-98 (as amended by By-laws 14-2007 and 01-2016), which establishes a tariff of fees on applications for and issuance of permits under the *Building Code Act*, 1992, effective April 1, 2019 be approved;
- DD) That a By-law, generally in the form included as Attachment #5 to Report #2019-F-11, that amends Regional By-law 19-98 (as amended by By-laws 31-98, 15-2007 and 02-2016), which establishes a tariff of fees and charges for certain services provided by the Health Department, under the *Planning Act*, effective April 1, 2019 be approved;
- EE) That based upon the 2019 Regional Business Plans and Budgets as recommended herein, the Commissioner of Finance be authorized to set 2019 Regional Property Tax Rates for General Purposes, Solid Waste Management and Durham Region Transit and approval be granted for the requisite By-laws;
- FF) That capital project approval be granted for expenditures and financing per the 2019 Capital Project Detail pages within the 2019 Regional Business Plans and Budgets where contract awards are consistent with the Regional Budget Management Policy;

- GG) That for any Regional program change or capital expenditure included within the 2019 Regional Business Plans and Budgets which is proposed to be financed in whole, or in part, from Provincial/Federal subsidies or related revenues, neither staffing, capital nor other related Regional expenditures can be committed until such time as adequate written confirmation is received from the respective provincial/federal ministry to commit to the subsidy or related revenues (Finance and Administration Committee and Regional Council will be advised accordingly, consistent with the Regional Budget Management Policy);
- HH) That all business case applications for subsidy or other related funding from senior levels of government or external organizations with respect to Region-operated programs be coordinated with the Region's Finance Department to ensure corporate financial accountability and requirements in expenditure management and financial reporting are met;
- II) That interim financing of \$14.6 million be approved pending receipt of the Federal Gas Tax revenue in 2019 and 2020 to fulfil the financing obligations for the Durham York Energy Centre;
- JJ) That any cash flow shortfall in Homes for the Aged Development Charges, which are to be used to finance the debt servicing costs for the Hillsdale Terraces debenture, be interim financed from tax levy; and further that any interim financing be repaid with interest to the General Levy Stabilization Reserve Fund as Development Charge receipts permit;
- KK) That funding totalling \$99,795 be approved within the 2019 Risk Management program of the Finance Department's 2019 Business Plan and Budget for COMRA (up to \$47,245) and the Pickering Auxiliary Rescue Association (up to \$52,550) to be administered by the Finance Department in consultation with the Durham Regional Police Service based upon services rendered;
- LL) That the reporting of the Impact of Excluded Expenses for tangible capital asset amortization, post-employment benefits and solid waste landfill closure/post-closure expenses be adopted, per requirements under the Ontario Regulation 284/09 of the *Municipal Act, 2001* and the Public Sector Accounting Board (PSAB):

**ESTIMATED IMPACT OF EXCLUDED EXPENSES
 ON ACCUMULATED SURPLUS
 FOR THE 2019 BUSINESS PLANS AND BUDGETS (000'S)**

	<u>2018</u>		<u>2019</u>		
	<u>Restated</u>				
	<u>Total</u>	<u>Property</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
		<u>Tax</u>			
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>PSAS Additions to Budget</u>					
Tangible Capital Asset Amortization	139,000	88,467	23,400	30,519	142,386
Post-Employment Benefit Expense	9,051	10,102	545	627	11,274
Landfill Closure Costs - Decrease in Liability	(1)	(612)	-	-	(612)
Transfers from Reserves and Reserve Funds	66,518	57,399	6,985	8,369	72,753
Proceeds of Debt issued for Regional Purposes	19,386	-	-	-	-
Total PSAS Additions	<u>233,954</u>	<u>155,356</u>	<u>30,930</u>	<u>39,515</u>	<u>225,801</u>
<u>PSAS Reductions to Budget</u>					
Gross Tangible Capital Assets Acquisitions	(318,588)	(139,229)	(114,138)	(111,352)	(364,719)
Less: Tangible Capital Asset Recoveries	14,515	-	325	24,646	24,971
Net Tangible Capital Asset Acquisitions	(304,073)	(139,229)	(113,813)	(86,706)	(339,748)
Debt Principal Payments	(21,260)	(16,346)	-	(5,730)	(22,076)
Transfers to Reserves and Reserve Funds	(96,763)	(85,882)	(6,692)	(10,678)	(103,252)
Contributed Tangible Capital Assets	(17,896)	(3,432)	(6,628)	(6,209)	(16,269)
Total PSAS Reductions	<u>(439,992)</u>	<u>(244,889)</u>	<u>(127,133)</u>	<u>(109,323)</u>	<u>(481,345)</u>
Net Impact - (Increase) to Accumulated Surplus	<u>(206,038)</u>	<u>(89,533)</u>	<u>(96,203)</u>	<u>(69,808)</u>	<u>(255,544)</u>

MM) That the one-time budget request from Central Lake Ontario Conservation Authority (CLOCA) for Ontoro Blvd/Range Road be funded from reserves;

NN) That the Region fund \$150,000 per year for 5 years in accordance with the budget request from CLOCA for an environmental restoration project, to be funded from the Land Conservation and Protection Reserve Fund; and

OO) That effective May 1, 2019, children 12 years and under shall ride free of charge on Durham Region Transit when accompanied by a fare paying customer; and that Durham Region Transit staff report back on the impacts of this change prior to the 2020 budget.

CARRIED

Moved by Councillor Leahy, Seconded by Regional Chair Henry,

(62) That the foregoing motion (61) of Regional Chair Henry and Councillor Leahy be divided in order to allow voting on Part A) i) Regional Operations as it pertains to Works Department salaries; and Part AA) as it pertains to the U-Pass separately from the remainder.

CARRIED

Part A i) was then put to a vote and CARRIED. Councillor Drew declared a conflict of interest on this item earlier in the meeting and did not vote on this item.

Part AA) was then put to a vote and CARRIED. Councillors Nicholson and Collier declared conflicts of interest on this item earlier in the meeting and did not vote on this item

The main motion (61) of Regional Chair Henry and Councillor Leahy [with the exception of Parts A) i) and AA)] 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) Labour Relations/Employee Negotiations with respect to the Canadian Union of Public Employees 1764-04 (CUPE 1764-04) (2019-A-9)

Confidential Report #2019-A-9 from D. Beaton, Commissioner of Corporate Services, was received.

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

That the recommendations contained in Confidential Report #2019-A-9 of the Commissioner of Corporate Services be adopted.

CARRIED

B) Labour Relations/Employee Negotiations with respect to the Replacement of Sick Leave Accrual and Gratuity Program for Regional Management/Exempt Staff (2019-A-11)

Confidential Report #2019-A-11 from D. Beaton, Commissioner of Corporate Services, was received.

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

That By-law 72-75, as subsequently amended by 36-79 and 26-97 be repealed.

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, April 9, 2019 at 9:30 AM in the Lower Level Boardroom (LL-C), Regional Headquarters Building, 605 Rossland Road East, Whitby.

13. Adjournment

Moved by Councillor Nicholson, Seconded by Councillor Leahy,
(65) That the meeting be adjourned.

CARRIED

The meeting adjourned at 2:55 PM

Respectfully submitted,

A. Foster, Chair

L. Fleury, Legislative Officer