



# **2021 Regional Business Plans and Property Tax Supported Budget Guideline**

Presentation to Finance and Administration Committee  
September 15, 2020



# Agenda

## 2021 Regional Business Plans and Property Tax Supported Budget Guideline

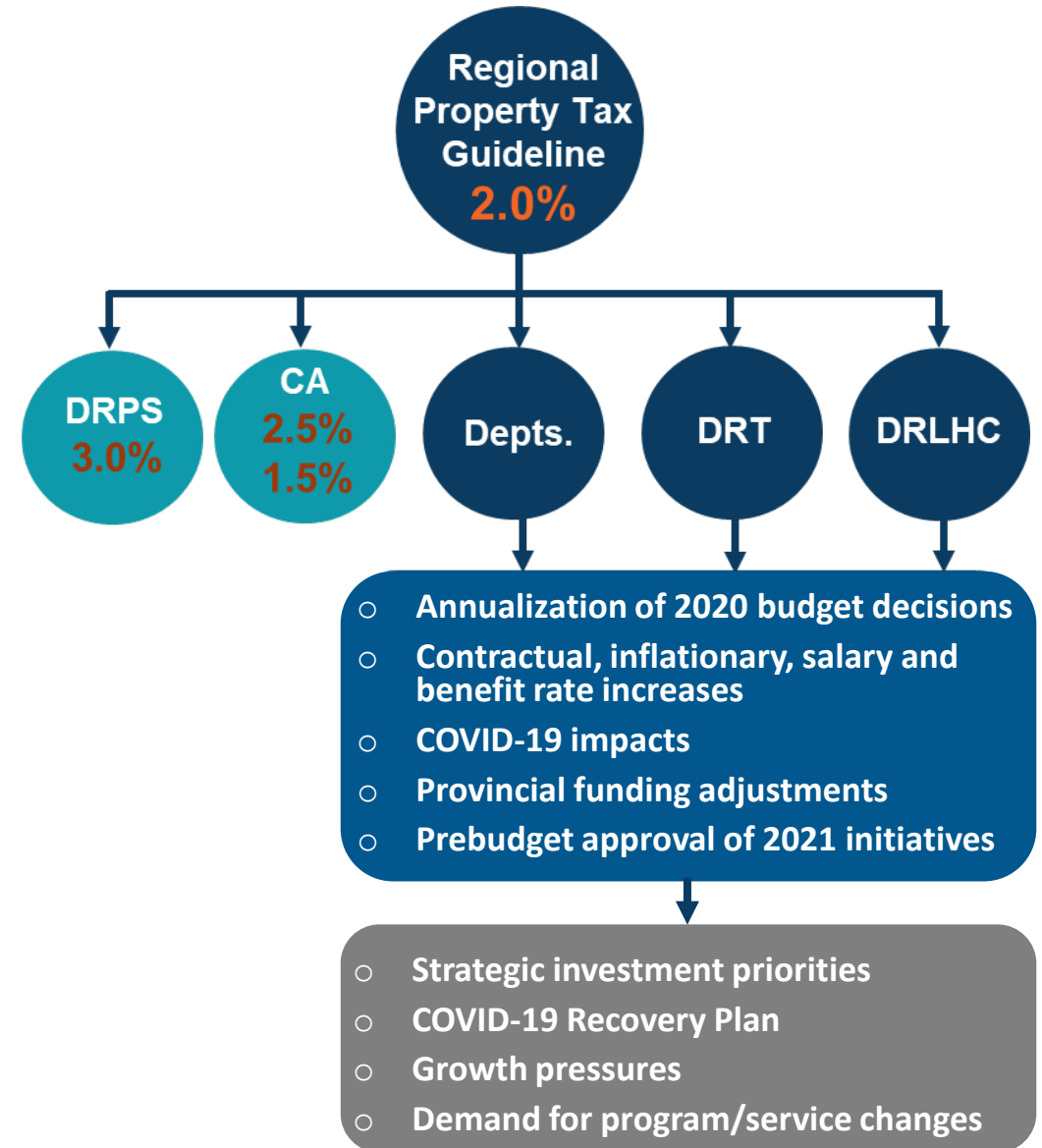
- Purpose and Use of Guideline
- Economic Overview
- 2021 Budget Priorities
- 2021 Projected Base Budget Pressures
- 2021 Preliminary Provincial Funding Impacts
- 2021 Estimated COVID-19 Impacts
- Potential 2021 Strategic Investments
- Proposed 2021 Property Tax Guideline and Next Steps

## 2021 Business Plans and Budget – Key Dates



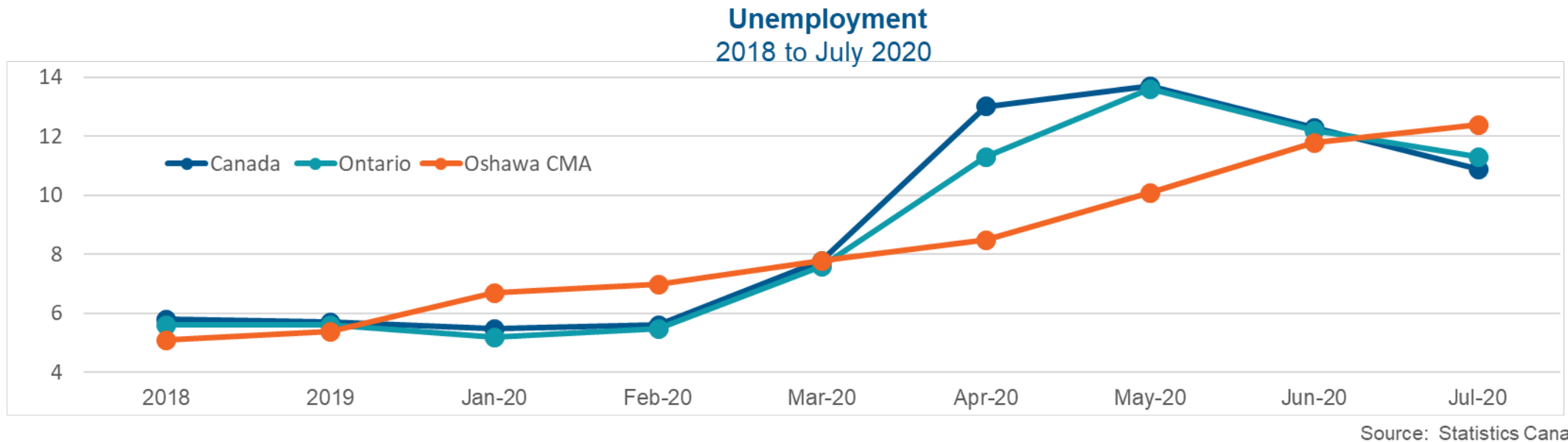
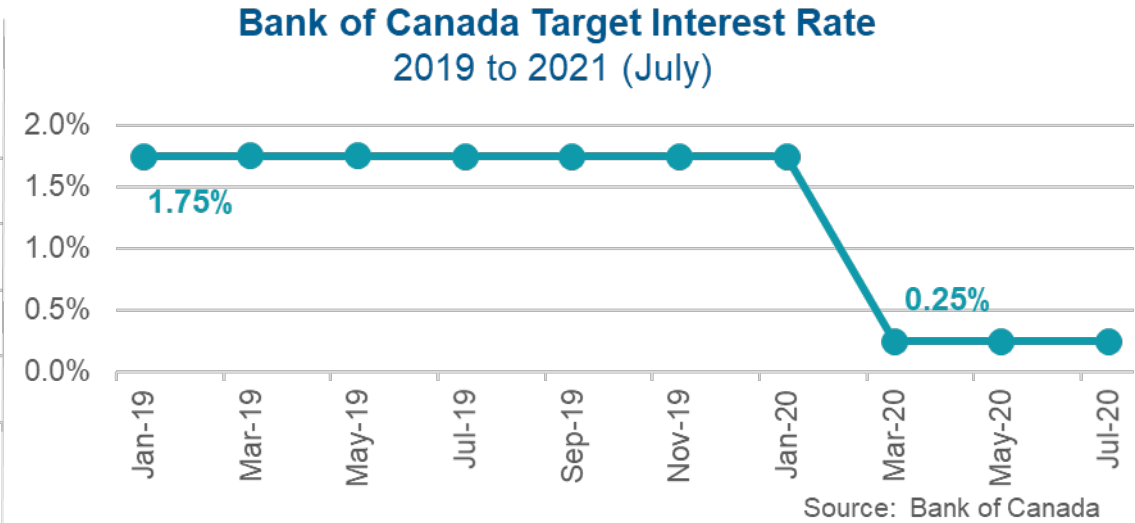
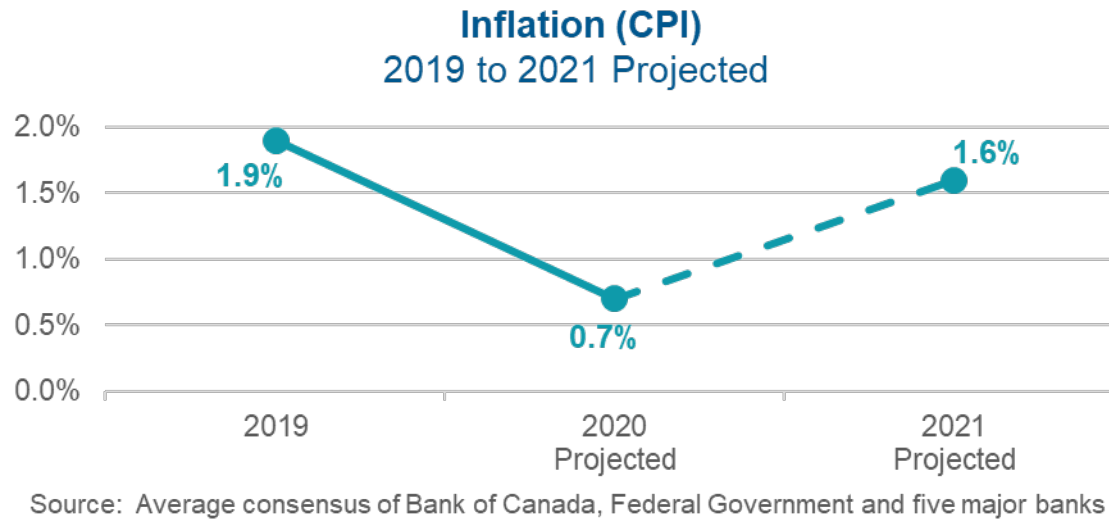
# Purpose and Use of Guideline

- Provides an overall property tax cap for the 2021 property tax supported business plans and budgets
- Provides direction and assists staff in finalizing budget submissions
- Ensures alignment with Council's tax levy expectations and service level implications
- Increased demands and pressures on many Regional programs and services from COVID-19 as well as the financial pressures the pandemic has placed on Regional property taxpayers was considered in establishing the 2021 proposed guideline





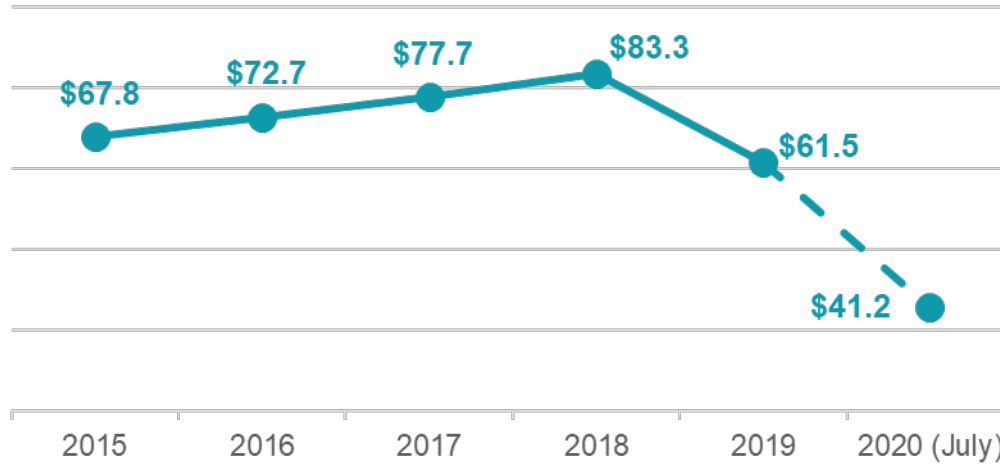
# Economic Overview - Indicators



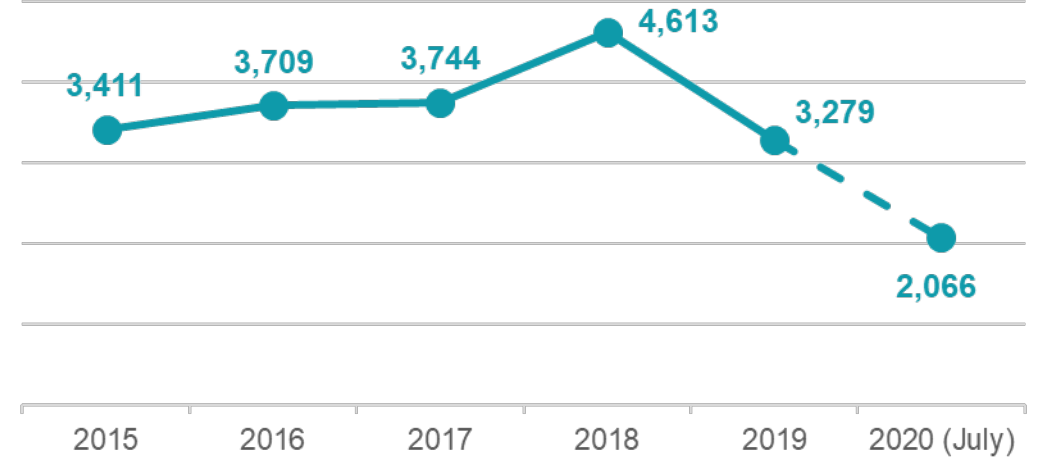


# Development Charges and Assessment Growth

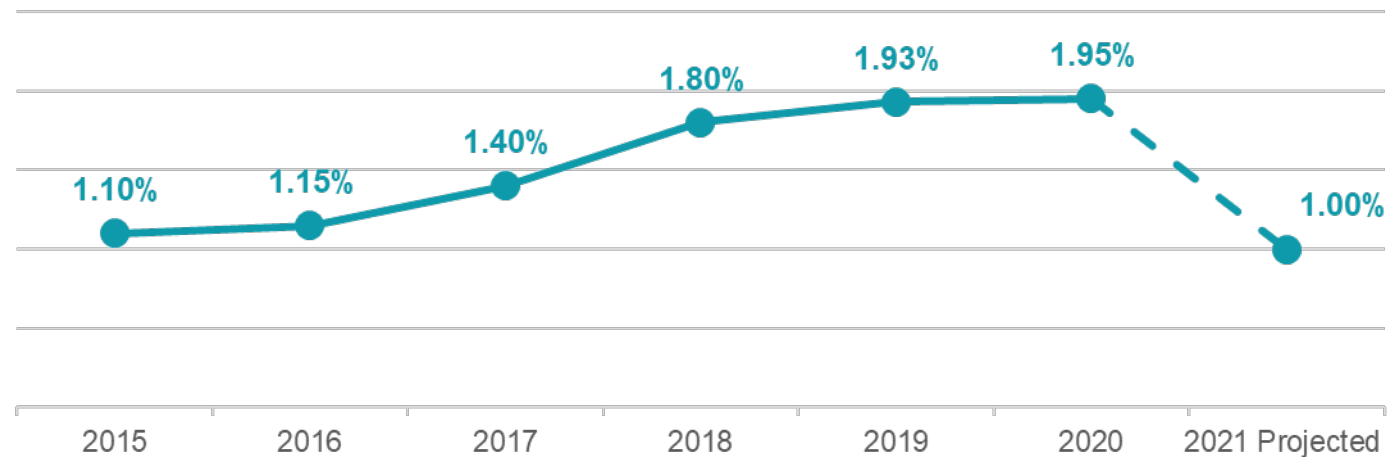
### Residential Development Charge Revenue (\$M) 2015 to 2020 (July)



### Development Charge Residential Units 2015 to 2020 (July)



### Annual Budgetary Property Assessment Growth 2015 to 2021 Projected



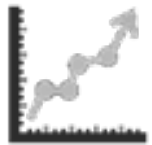
# 2021 Budget Priorities



Environmental Sustainability – to protect the environment for the future by demonstrating leadership in sustainability and addressing climate change



Community Vitality – to foster an exceptional quality of life with services that contribute to strong neighbourhoods, vibrant and diverse communities, and influence our safety and well-being



Economic Prosperity – to build a strong and resilient economy that maximizes opportunities for business and employment growth, innovation and partnership



Social Investment – to ensure a range of programs, services and supports are available and accessible to those in need, so that no individual is left behind



Service Excellence – to provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery



COVID 19 Response – continue to respond to COVID-19 impacts and advance the Region's Recovery Plan



# 2021 Projected Base Budget Pressures



Economic Increases (Salary and Benefits)



Annualizations



One Time Adjustments



Utilities



Inflation/Contractual Increases

**Current projection of 2021 base budget pressures is 3.5%**  
**Staff continue to review and look for efficiencies/savings to mitigate this impact**

# 2021 Preliminary Provincial Funding Impacts

- Uncertainty of 2021 provincial funding provisions
- Province is proceeding with some of the previously announced funding reductions and changes in funding methodology



Paramedic - \$1.0 million unanticipated 2020 increase in funding; 2021 unknown



Public Health - previously announced reductions in provincial funding are on hold



Long-Term Care - unknown



Social Assistance - \$0.6 million anticipated provincial funding decrease in 2021



Housing - \$0.2 million Reaching Home Federal Subsidy increase; \$0.3 million CHPI increase projected



Childcare - \$0.8 million provincial funding decrease projected



Police - unknown – Province recently announced review of Court Security and Prisoner Transportation Program



COVID - unknown allocation under Phase 2 of Safe Restart Fund (SRF)



# 2021 Estimated COVID-19 Impacts



Transit – additional cleaning supplies \$0.8 million; staffing costs to meet additional cleaning requirements of the fleet \$1.2 million; reduced transit and program revenues



Public Health – additional public health nurses for Region's schools (provincially funded); temporary case and contact management resources \$0.3 million; temporary public health inspectors \$0.6 million; and PPE \$0.2 million



Long-Term Care – temporary screeners \$0.6 million; additional infection control practitioners \$0.1 million; infection control products \$0.3 million; and cleaning supplies \$0.2 million



Social Assistance – potential impact on discretionary benefits



Economic Development – recovery-based programs to support local businesses \$0.2 million

# 2021 Estimated COVID - 19 Impacts (continued)



Durham Regional Police Service – PPE \$0.1 million; reduced recovery for Pay Duty (cruiser/admin) \$0.1 million



Information Technology – technology and security investments to facilitate teleworking and protection of Regional data



Corporate Communications – communications and advertising \$0.1 million



All Departments – increased cleaning materials, janitorial services , PPE and security costs

**Current estimated projection of 2021 COVID impact \$4.7 million**



*Advance transit-oriented development opportunities on key transit corridors*



*Leverage ICIP funding for eligible bus rapid transit expansion projects*



*Advance the servicing of employment lands*



*Necessary human resources to manage/deliver large special infrastructure projects*



*Replace PRESTO devices with more reliable and up-to date technology*

# Economic Prosperity



*Continue to advance the development of the Region's Official Plan - Envision Durham*



*Support the development of a Regional Nuclear Sector Strategy*



*Continue implementation of the Region's Broadband Strategy*



*Respond to applications under the Regional Revitalization Program*



*Invest in new facilities and equipment to respond to growth pressures*



*Continue to development and implement a Corporate Climate Change Master Plan*



*Develop “Durham Building Standards” for construction, renovation and operation of facilities*



*Develop and implement the Region’s low carbon fleet strategy*



*Develop the Durham Home Energy Savings Program*

# Environmental Sustainability



*Develop tree planting program for rural landowners*



*Complete climate adaptation vulnerability and risk assessments*



*Increase waste diversion through the advancement of the Region’s pre-sort and AD facility*



*Respond to provincial legislative changes on extended producer responsibility*



*Develop 50 modular affordable supportive housing rental units*



*Construction of temporary supportive housing units under the Region's Microhome Pilot Project*



*Review the development of a Regional Community Improvement Plan*

## Social Investments



*Increase the number of Childcare Fee Subsidy Spaces*



*Pilot a flexible childcare program at one of the Region's directly operated centres*



*Advance and expand the Region's diversity, equity and inclusion program*



*Orient public health programs and services to address the needs of priority populations*



*Enhance the Region's Primary Care Outreach Program to respond to evolving needs*



*Continue to implement the actions under the Age-Friendly Durham Strategy*



*Enhance the level of care and supports for residents of the Region's LTCHs*

# Community Vitality



*Work with DRPS and community partners to investigate a 24/7 mobile crisis response program and mental health support unit*



*Continue to implement the Ontario Seniors Dental Care Program*



*Continue to implement Vision Zero counter measures outlined in Region's Road Safety Action Plan*



*Ongoing system enhancements for Emergency 9-1-1*



*Implement the multi-year enterprise myDurham 311 project*



*Increase investment in technology infrastructure and applications including the Digital Durham Strategy*

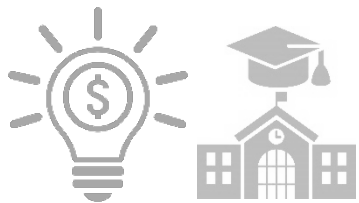


*Increase virtual delivery of Public Health, Social Assistance, Family, POA Courts and DRPS services*

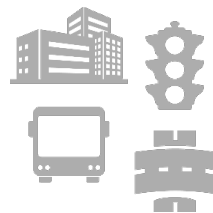


*Continue implementation of the CADLINK software for Paramedic Services*

## Service Excellence



*Advance City Studio Durham program*



*Investment in the ongoing maintenance and renewal of the Region's assets*



*Continue to advance various Regional review and improvement initiatives*



*Continue the optimization and modernization of Regional Headquarters*



# Proposed 2021 Property Tax Guideline and Next Steps

## Proposed 2021 Property Tax Guideline

**2.0%**

**\$56** budgetary increase for average residential property owner (estimated 2021 CVA \$483,100)

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**Police**                      **3.0% guideline**

**Conservation Authorities**                      **2.5% operating guideline**  
**1.5% special benefitting programs guideline**

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## Next Steps

- Line-by-line review
- Refine budget estimates and priorities
- Explore alternative funding strategies including sustainable use of reserves and reserve funds, development charges and provincial and federal gas tax
- Work with Province to understand 2021 funding impacts including any potential Phase 2 provincial and/or federal COVID-19 funding
- Continue to monitor weighted assessment growth
- Review and prioritize staffing requests, budget pressures and priorities, and look for efficiencies





# 2021 Business Plans and Budget – Preliminary Key Dates

- **September 2020:**
  - 2020 Corporate Asset Management Update Report
  - 2021 Property Tax Supported Business Plans and Budget Guideline
- **October 2020:**
  - Virtual Town Hall – October 21, 2020 (tentative)
- **December 2020:**
  - Water and Sanitary Sewerage Business Plans and Budgets
  - Water and Sanitary Sewerage User Rates
- **January 2021:**
  - Property Tax Supported Business Plans and Budgets
  - Property Tax Strategy



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