



2023 Regional Business Plans and Property Tax Supported Budget Guideline

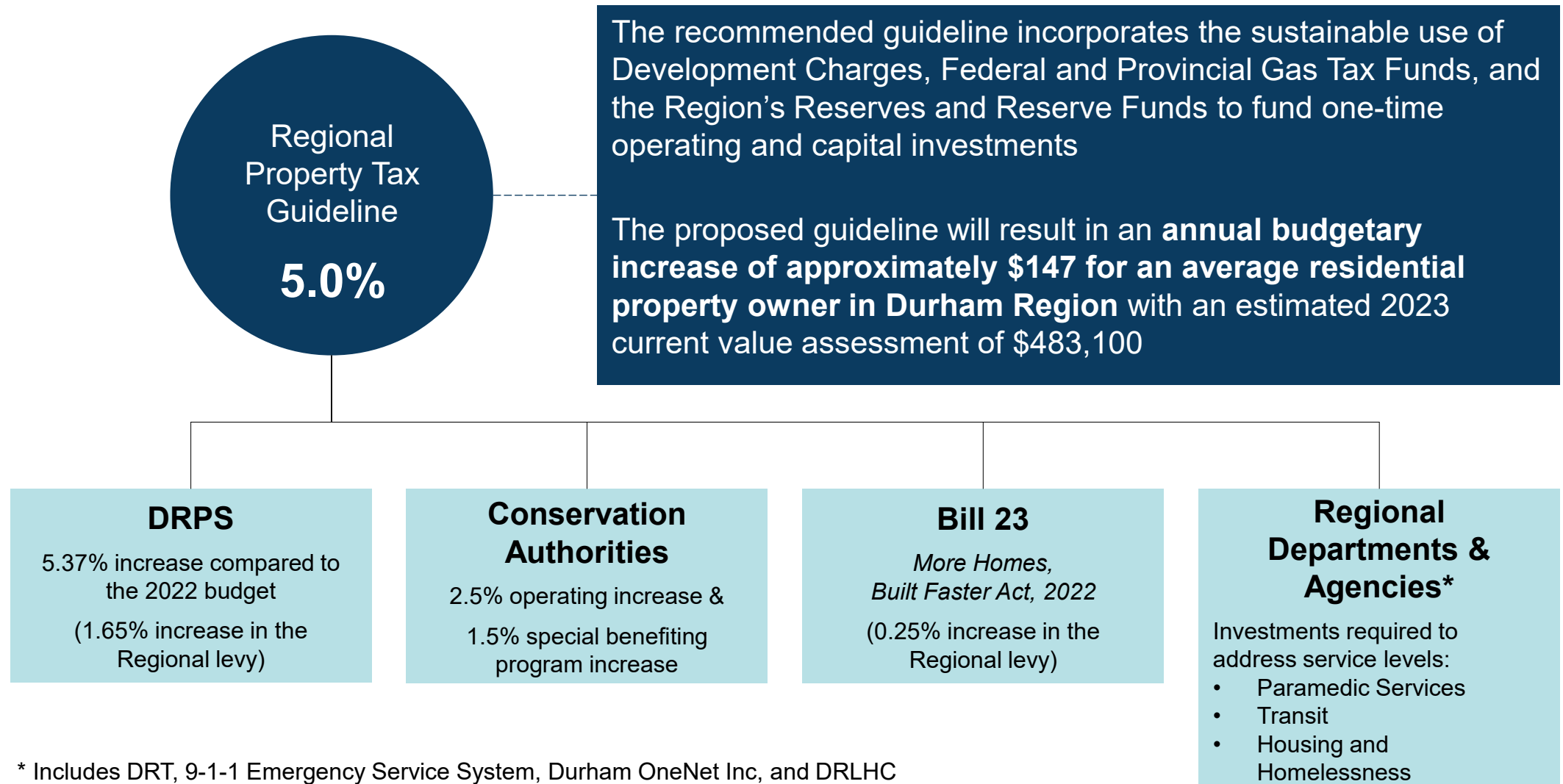
*Finance and Administration
Committee, January 17, 2023*



Purpose and Use of the Guideline

Establishes an **overall property tax cap** for the 2023 property tax supported business plans and budgets

Ensures **alignment** with Council's tax levy expectations and service level implications



2023 Budget Pressures



Base Pressures

- Significant inflationary pressures in 2022 and projected for 2023 (estimate \$8.1 million increase in fuel costs)
- Capital cost escalations
- Staff and service contract cost increases
- Annualization of 2022 budget decisions and decisions approved in-year



Investment in Critical Front Line Core Service Areas

- Paramedic Services Masterplan Review and Implementation Strategy
- Durham Region Transit's Long-Term Investment Plan



2023 Strategic Investment Pressures

- Targeted investments in Durham Regional Police Service
- Investments to advance the implementation of the Region's Strategic Plan



COVID-19 Recovery

- Ongoing vaccine rollout and addressing backlog in critical Public Health program areas
- Transit ridership recovery and ongoing enhanced cleaning
- Screening, additional infection control products, and cleaning supplies at the Region's LTC Homes



Provincial / Federal Funding Impacts

- | | |
|-------------------------|---|
| • Homelessness Supports | • Ukrainian Humanitarian Response in Durham |
| • Paramedic Services | • Long-term Care |
| • Public Health | • Police |
| • Social Assistance | |
| • Childcare | |



Impacts from Legislative and Regulatory Changes

- Current or potential changes that may have fiscal impacts for the Region include:
- Bill 23 – *More Homes Built Faster Act, 2022*
 - Transfer responsibility for prosecution of Part III and Part IX POA charges



Strategic Investment: Region of Durham Paramedic Services



Key Milestone

The Paramedic Services Masterplan Review and Implementation Strategy report will be presented to Committee and Council in February with a 10-year financial forecast that includes a:

- Staff resourcing plan
- Capital plan including new stations and increased state of good repair investments



Objective

Building on the information contained in the Comprehensive Master Plan for Paramedic Services provided by ORH develop a forward looking 10-year (2023 – 2032) implementation strategy to address response time service levels which continue to be impacted by:

- Population growth and demographic changes
- Offload delay challenges at hospitals
- Employee wellness and sustained resiliency



Financing

- Projected 2023 gross spending increase of approximately \$11 million, including projected increase in provincial funding
- 2023 proposed guideline includes a 0.43% increase dedicated for Paramedic Services
- Increased investment will be required over forecast to increase service performance



Strategic Investment: Durham Region Transit



Key Milestone

Durham Region Transit's Long-Term Investment Plan report will be presented to the Transit Executive Committee, Finance and Administration Committee and Council in February



Key Priorities

The 10-year implementation strategy looks to advance the following key priorities:

- Service enhancements and growth
 - Fleet transition to zero greenhouse gas emission vehicles
 - Passenger amenities and infrastructure
 - Fare modernization
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Financing

- 2023 proposed guideline includes 1.48% increase dedicated for Durham Region Transit
- Significant increases in senior government funding for transit will be required to fund the 10-year investment plan



Durham Regional Police Service

Overview

Durham Regional Police Services have identified a total 2023 budget pressures of \$14.21 million (6.09 per cent)

- Base Pressures - \$10.17 million
 - Contractual increase (\$6.2 million), annualization of new positions (\$2.2 million), operational areas (\$0.74 million), revenue increases (\$1.1 million) and various other items (\$2.13 million)
- Body Worn Camera (Phase 3 of 3) – \$0.37 million
- Strategic Investments - \$3.67 million
 - 39 new positions – including 20 front line officers

Recommendation

- A 2023 guideline of a 5.37 per cent increase on the Durham Regional Police Service Budget (1.65 per cent overall increase to the Regional property tax levy)
- This includes an increase of \$10.17 million to fund base pressures and an increase of \$2.35 million to fund the incremental costs for year three of the body worn camera implementation (\$0.37 million) and other strategic priorities of the Durham Regional Police Services Board (\$1.98 million)



Future Pressures

Based on current modeling, the Region anticipates annual property tax increases for 2024 to 2027 to be consistent with the 2023 property tax guideline.

Staff continue to pursue all opportunities for provincial and federal partnerships to offset as much capital and operating impacts as possible

Environmental Sustainability

- Investments to implement Corporate Climate Action Plan
- Implement the Region's Long-term Waste Management Strategy

Community Vitality

- Paramedic Services Masterplan Review and Implementation Strategy
- Durham Region Transit's Long-Term Investment Plan
- New Regional long-term care home in North Pickering (Seaton)
- Increased investment in Durham Regional Police Services

Economic Prosperity

- Advance transit-oriented development opportunities

Social Investment

- Implement the Region's Master Housing Strategy
- Two new Regional operated childcare centres

Service Excellence

- Implement the findings from the Works Depot Rationalization study



Embedding Enhanced Public Engagement



Hosting a Budget Town Hall where **more than 14,000 Durham Region residents** participated over the phone or on the Region's website. Residents were encouraged - over a variety of platforms - to provide their questions, feedback and suggestions.

Highlights of some of the areas of focus included:

- Roads and Planning for Growth
- Regional Transit
- Housing and Homelessness
- Affordability



Utilizing a **year-round engagement plan** in an approach aligned with the cadence of the annual Budget process and enabling input to help inform budgetary decisions assisted by an internal process review

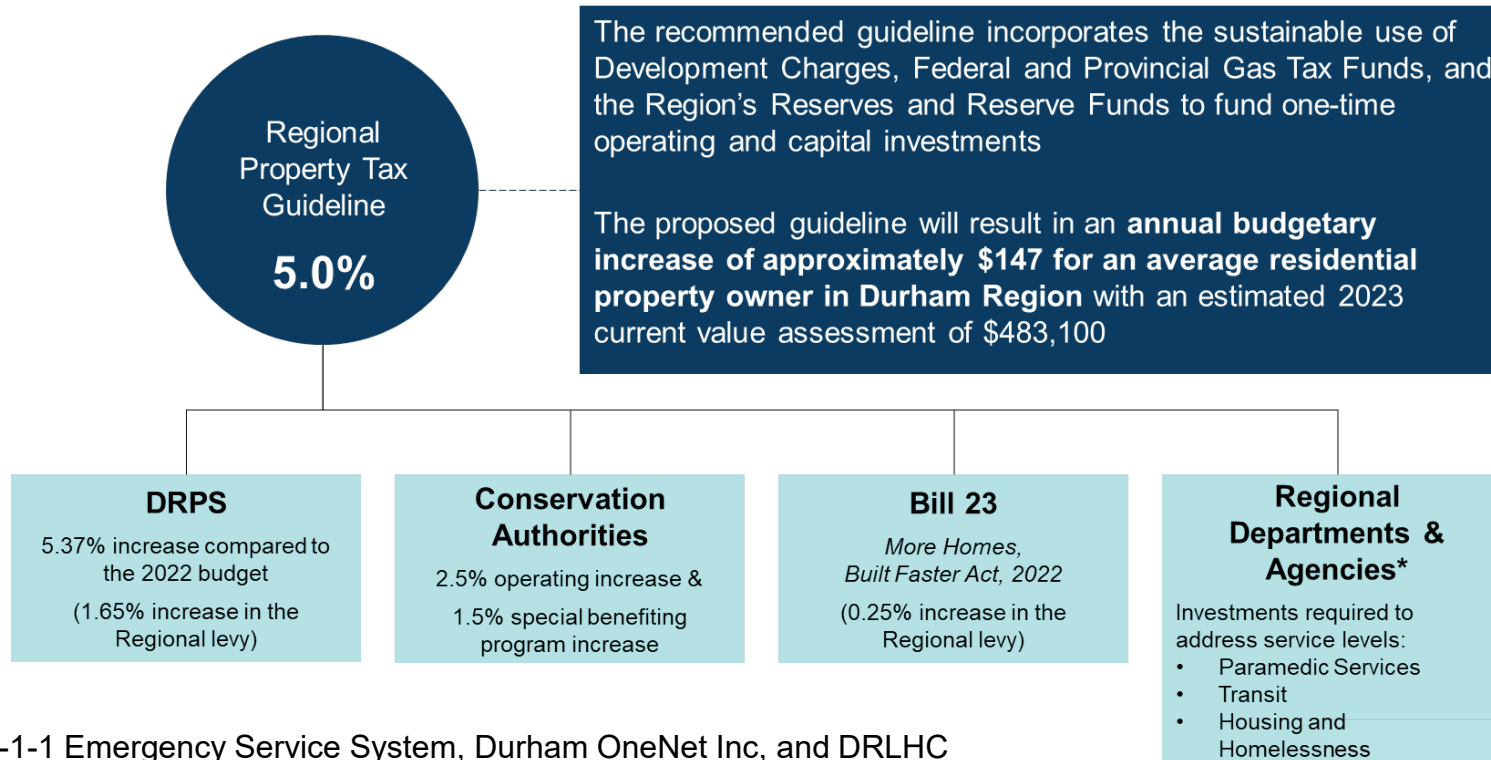
Residents are encouraged to ask questions and share their ideas and priorities for the 2023 Budget online by using the [Have Your Say! Tool](#) or by emailing budgets@durham.ca



Conclusion

The recommended guideline supports:

- Investments in **Critical Front Line Service Areas** including paramedic services, transit and homelessness and housing supports;
- Meeting the challenges of **inflation** and accounting for **future growth**;
- Strategic Plan** priorities; and
- Senior government **funding and legislative / regulatory landscape**



* Includes DRT, 9-1-1 Emergency Service System, Durham OneNet Inc, and DRLHC

Questions?



Thank you!

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