



Durham Budget

2026

2026 Business Plans and Budget

Special Committee of the Whole Meeting

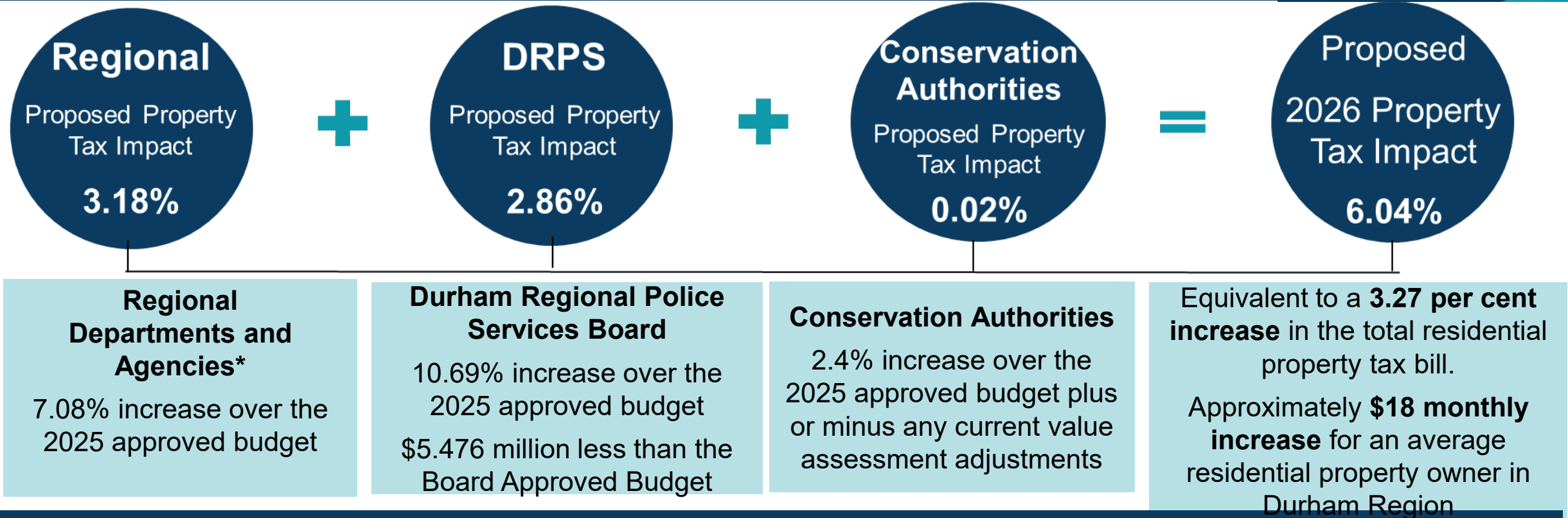
December 11, 2025

Overview of the 2026 Budget



Durham
Budget

2026



Addresses significant investment needs in core service areas including housing and homelessness programs, transit, paramedic services, and police services

Advances the goals of the Region's Strategic Plan

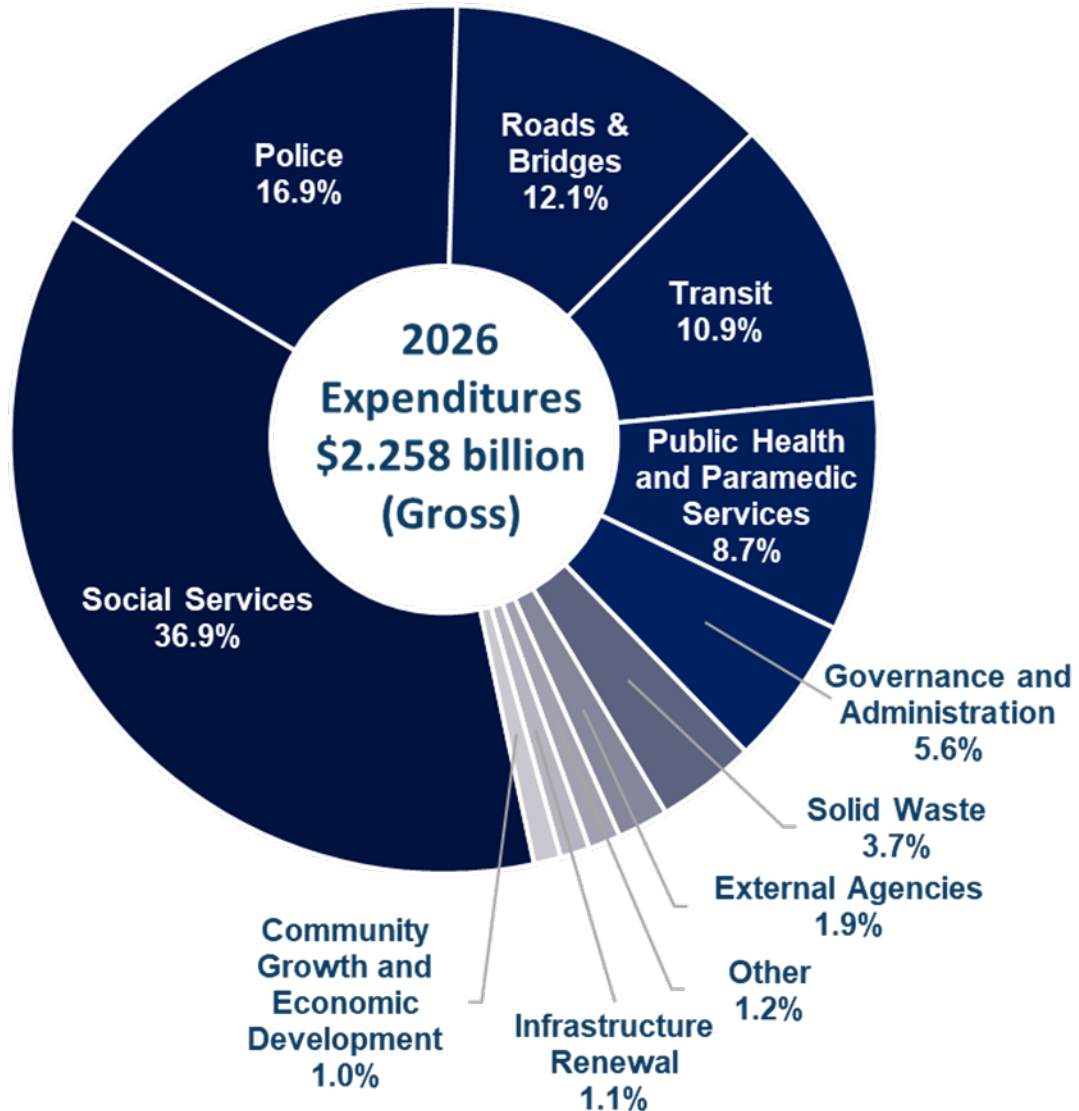
Provides for base budget pressures and non-discretionary items

Below Council approved guideline of 6.50% (3.52% increase on overall tax bill) resulting from final assessment growth

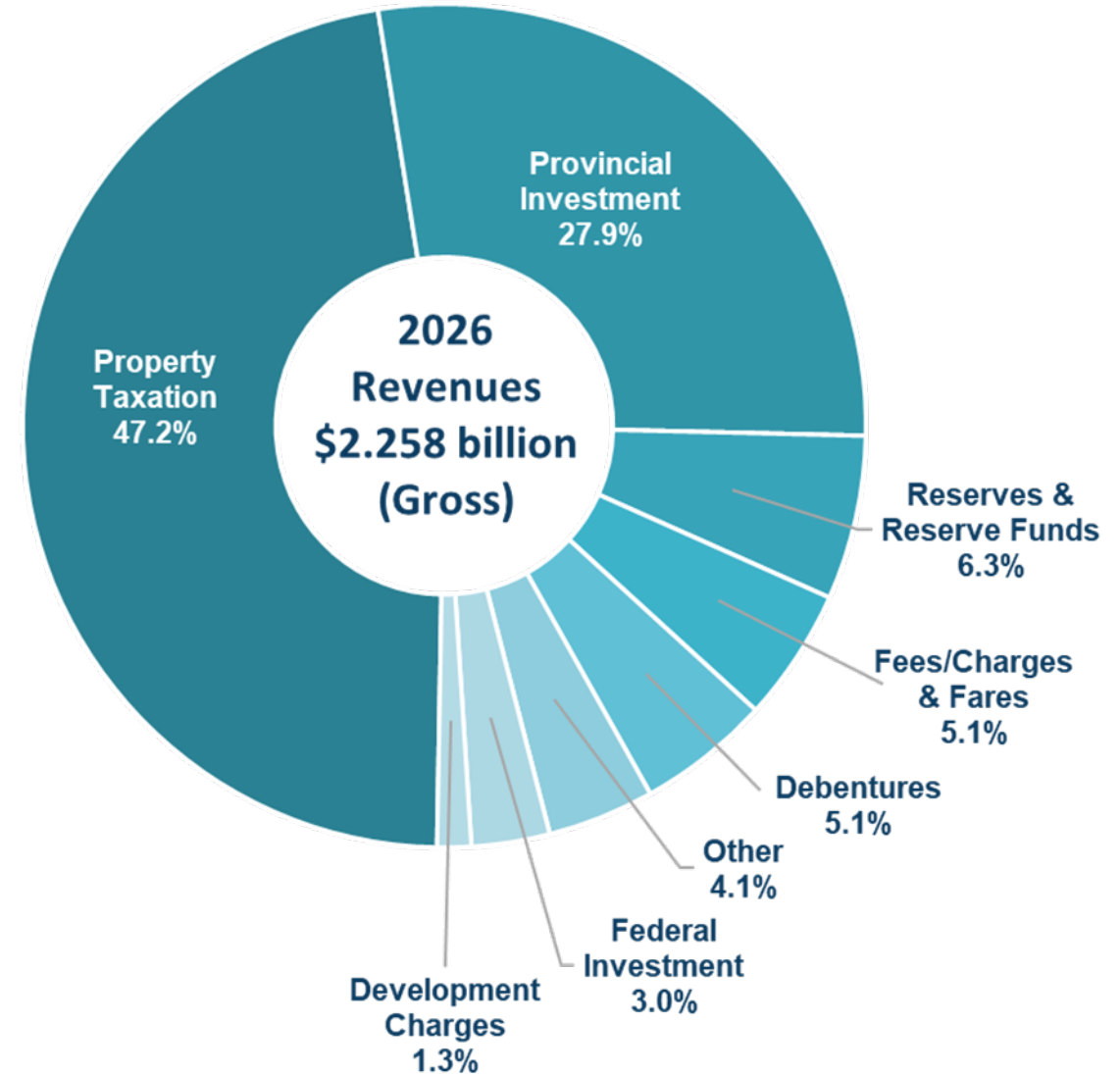
* Includes Durham Region Transit, 9-1-1 Emergency Service System, Housing Durham and Durham OneNet Inc.

Regional Property Tax Supported Budget

2026 Recommended Gross Expenses



2026 Recommended Gross Funding

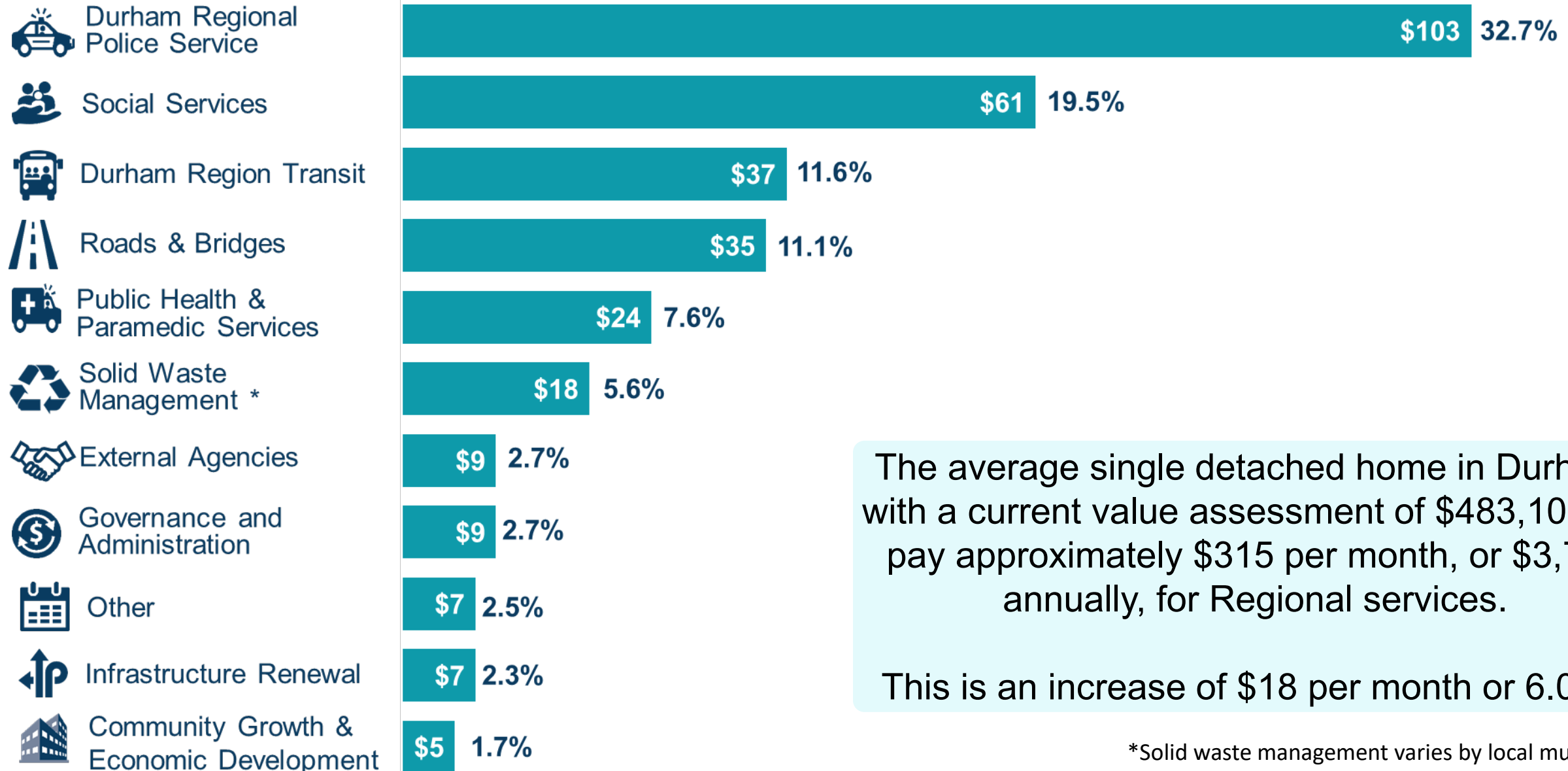


2026 Regional Property Taxes: Average Home



Durham
Budget

2026



*Solid waste management varies by local municipality

2026 Property Tax Impacts: Regional



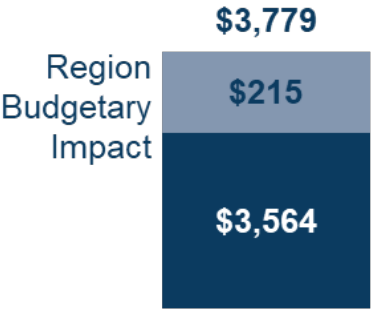
Residential Regional Budgetary Increase



Average Region-
Wide Residential
Home 2026 CVA =
\$483,100



2025



2026

Awaiting confirmation on
Education Property Taxes

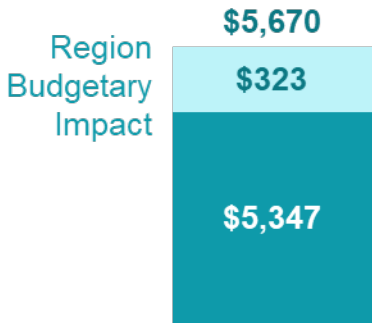
Commercial Regional Budgetary Increase



Based on Occupied
2026 CVA =
\$500,000



2025



2026

Awaiting confirmation on
Education Property Taxes

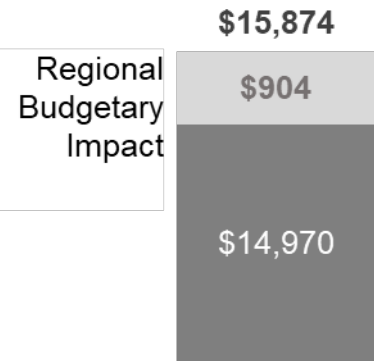
Industrial Regional Budgetary Increase



Based on Occupied
2026 CVA =
\$1,000,000



2025



2026

Awaiting confirmation on Education
Property Taxes

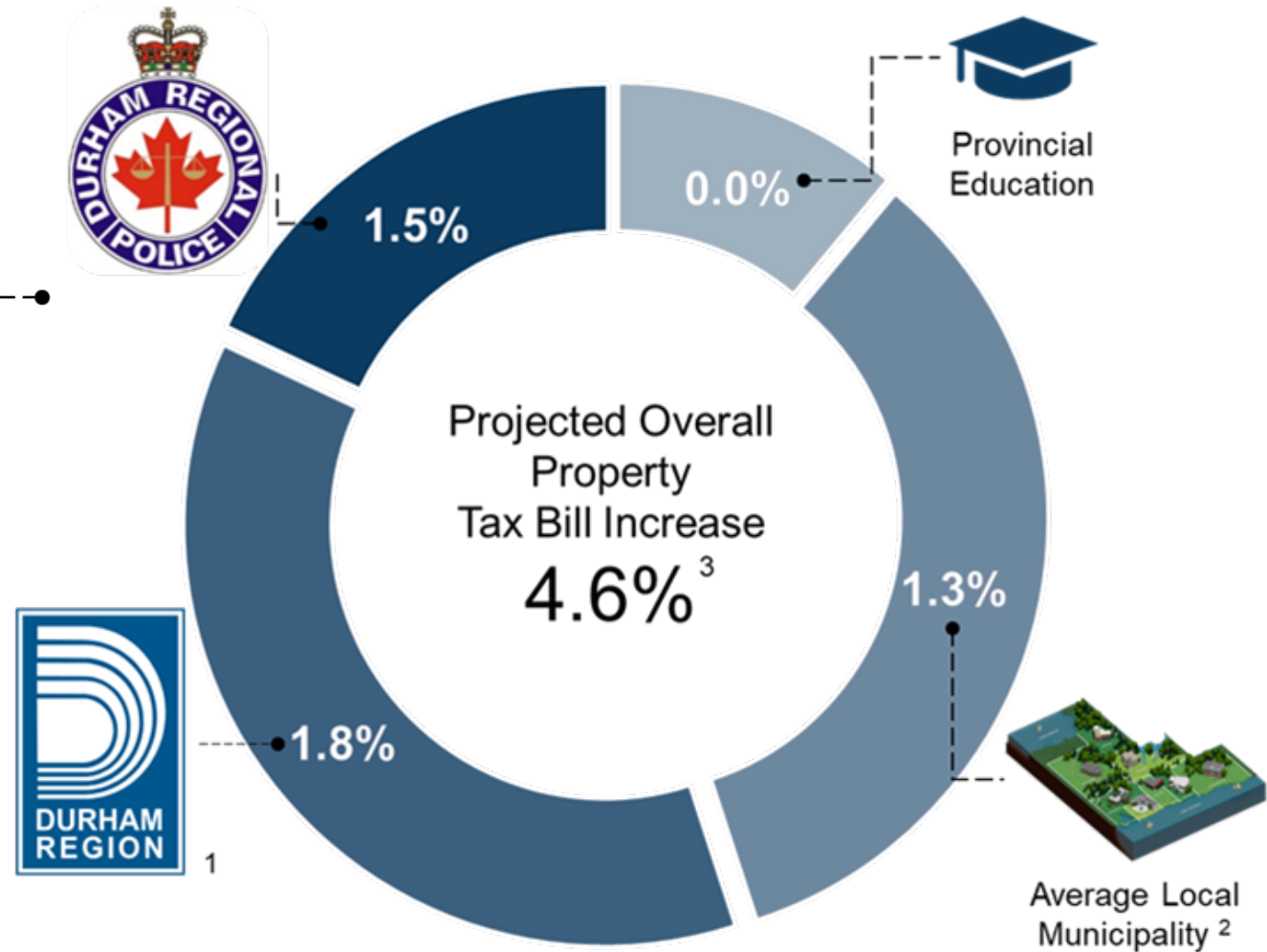
2026 Property Tax Impacts: Overall



Durham
Budget

2026

A monthly impact of approximately **\$18**
for an average residential property owner in Durham Region with a 2026
current value assessment of \$483,100



² The Municipal proposed budget is an estimate based on currently available information regarding the projected 2026 budget increases for the local municipalities and is subject to amendment

³ The overall property tax bill increase will vary subject to the local municipality in which the property is located



Base Pressures

- Annualization of 2025 budget decisions and adjustments for one-time items included in 2025 budget
- Inflationary pressures and significant capital cost escalations
- Staff and service contract cost increases
- Debt servicing costs for debt approved in 2025



Investment in Critical Front-Line Core Service Areas

- Paramedic Services' 10-Year Service and Financing Strategy
- Durham Region Transit's 10-Year Service and Financing Strategy
- Housing and Homelessness Support Services 10-Year Service and Financing Strategy



2026 Strategic Investment Pressures

- Durham Regional Police Budget priorities
- Investments to advance the implementation of the Region's Strategic Plan
- Implementation of the Region's Corporate Climate Action Plan

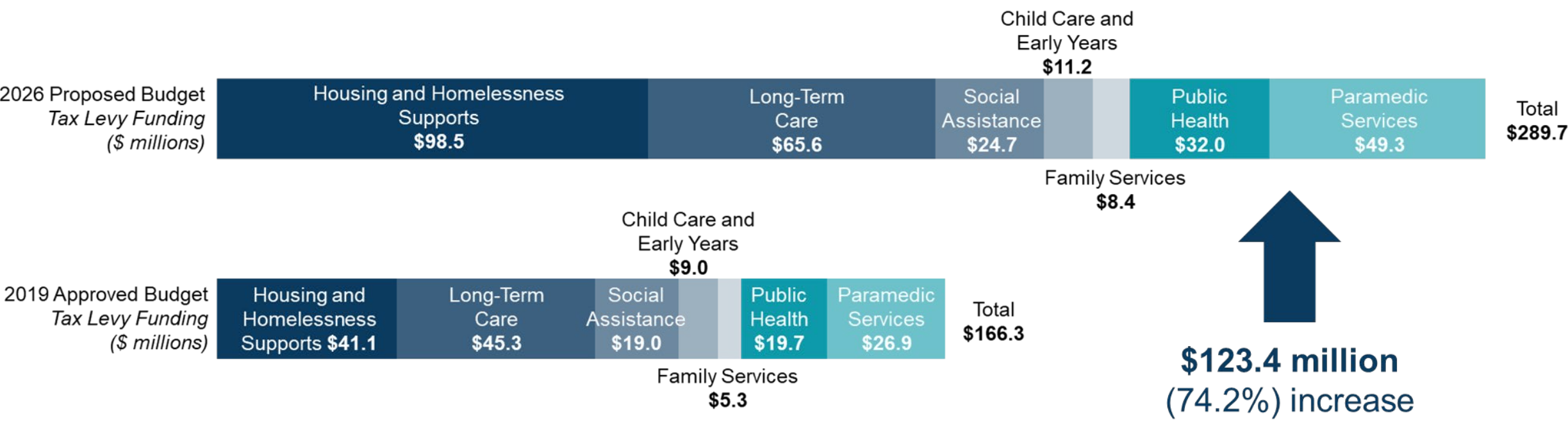


Provincial / Federal Funding Impacts

- | | |
|------------------|-----------------------|
| • Public Health | • Paramedic Services |
| • Long-term Care | • Housing and |
| • Child Care | Homelessness Supports |

Fiscal Sustainability - New Financial Framework

In 2026, proposed regional tax levy funding of social services and public health programs is estimated at approximately **\$289.7 million** or approximately **27.2 per cent of the overall regional property tax levy**



The Region continues to support AMO’s call for a **Social and Economic Prosperity Review**. AMO is calling for a provincial partner that will:

- **Sustainably invest in public infrastructure**
- **Reduce the Province’s continued reliance on municipal revenues**
- **Take action on the root causes of homelessness**

Paramedic
Services

Regional
Transit

Social
Services

Strategic
Investments

Police
Services

Overview

- Informed by the 2023 – 2032 Region of Durham Paramedic Services' (RDPS) Service and Financing Strategy approved by Regional Council in February 2023 ([Report #2023-COW-7](#)).
- 2026 proposed budget of \$49.287 million, a \$3.6 million (8.0%) increase over the 2025 Paramedic Services budget, results in an increase of 0.4% on the Region's overall levy.



Key Priorities

Aligned with the 10-year strategy, the 2026 key investments for Paramedic Services include:

- 36 hours of additional paramedic response daily – 15 new paramedics;
- Debt servicing costs for the new South Whitby paramedic station;
- State of good repair for existing paramedic stations;
- Construction for new Bowmanville Paramedic Station and the North Durham Paramedic Station; and
- Expansion of the Primary Care Outreach program including two new paramedic positions.

Significant Investments in Critical Service Areas



Durham
Budget

2026

Paramedic
Services

Regional
Transit

Social
Services

Strategic
Investments

Police
Services

Impacts of Investments in Paramedic Services

Primary Care Outreach Program



33%
increase

552 Active clients projected
at the end of 2025



57%
increase

2,852 client interactions



Raechel
Program participant

Opening of the Seaton Paramedic Station



Paramedic
Services

Regional
Transit

Social
Services

Strategic
Investments

Police
Services



Overview

- Informed by the Durham Region Transit's Service and Financing Strategy (2023 – 2032) ([Report #2023-F-5](#)) approved by Regional Council in February 2023.
- 2026 proposed budget of \$123.9 million, a \$15.4 million (14.2%) increase over the 2025 Durham Region Transit budget, results in an increase of 1.57% on the Region's overall levy.



Key Priorities

2026 key investments for Transit Services include:

- **Service Growth (\$3.8 million)** – increase of 36,382 annual revenue service hours (31,480 hours of schedule service, 4,902 hours of On Demand), representing 12% growth in total revenue hours to deliver more frequent and reliable scheduled service, along with additional capacity for On Demand riders.
- **Electrification** – 20 electric buses and supporting electrification infrastructure to advance transition to zero GHG emission battery electric fleet.
- **Advancing infrastructure and service innovation initiatives** - advancing DSBRT and preparing the transit network for integration with the Lakeshore East GO rail extension.
- **Major Infrastructure Projects** – including replacement of the bus storage and administrative facilities at the Raleigh Depot, Harmony and Windfields farm terminals, new garage at 2400 Thornton Road.

Paramedic
Services

Regional
Transit

Social
Services

Strategic
Investments

Police
Services



Key Pressures

- DRT 10 year Service Strategy remains underfunded
- Debt repayment and servicing costs
- Lack of funding from other orders of government to achieve service growth, fleet transition and GHG emission targets



Opportunities

- Leverage innovative solutions to achieve required electric bus infrastructure
- New financing opportunities such as the Canada Public Transit Fund



Risks

- Asset Management pressures due to aging fleet and facilities to sustain service growth
- Funding uncertainty from other orders of government to sustain service growth and climate change objectives
- Maintain service growth in advance of increasing customer demand

Paramedic
Services

Regional
Transit

Social
Services

Strategic
Investments

Police
Services



Key Priorities

2026 key investments for Social Services include:

- **Housing and Homelessness Supports** – additional investments in Housing and Homelessness programs including:
 - Enhanced Outreach Program;
 - Community Housing Providers Capital Support Program;
 - Sustainable funding for the At Home Incentive Program; and
 - Housing Redevelopment/Development (300 Riston Road, Harwood/Achilles, Malaga and the Broader Hill).
- **Seaton Village Long-Term Care Home** – incremental funding to support the opening of the Seaton Long-Term Care Home in the fall of 2026.

Significant Investments in Critical Service Areas



Durham
Budget

2026

Paramedic
Services

Regional
Transit

Social
Services

Strategic
Investments

Police
Services



Key Pressures

- Lack of affordable housing options including transitional/supportive housing
- Increasing homelessness across Durham communities
- Intensifying complex/high acuity support needs across program areas within counselling services, outreach and long-term care
- Individuals living with low-moderate income are at-risk of poverty: increased food bank usage by those working
- Service provider and community partner capacity to respond to increasing demand and complexities across multiple sectors



Opportunities

- Affordable housing developments & revitalization strategy
- Coordinated efforts aimed to meet increasing complex needs of those experiencing homelessness
- End-of-mortgage provides opportunity for improved partnerships in the community housing sector



Risks

- Limited childcare spaces for CWELCC: demand exceeds allowable expansion spaces
- Senior level government decisions and changes in investments to funded and under-funded programs
- Unmatched capital funding to operational dollars for project execution to address affordable housing options
- Ontario Works and ODSP rates remain below living standards
- Social Services job recruitment and retention pressures are increasing across all program areas

Paramedic
Services

Regional
Transit

Social
Services

Strategic
Investments

Police
Services

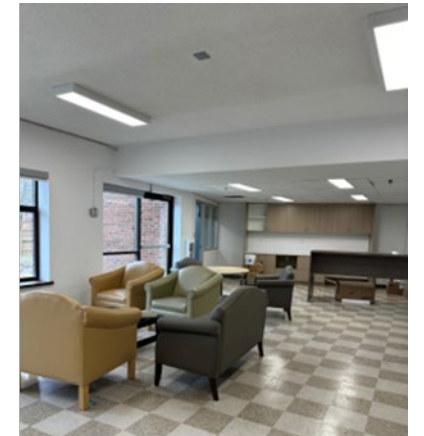
Impacts of Investments in Housing and Homelessness Support Programs

Durham's Homelessness:

- Durham Region Point-in-Time Count - 1,345 individuals experiencing homelessness in 2024, a 134% increase compared to October 2021
- Region's By-Name List for September identified 1,499 individuals experiencing homelessness with 833 chronically homeless

Response to Homelessness Throughout 2025:

- Mental Health Outreach Program engaged in 1,682 interactions providing clinical mental health and addiction outreach services
- Durham Region's street outreach team has had 9,550 interactions



Significant Investments in Critical Service Areas



Durham
Budget

2026

Paramedic
Services

Regional
Transit

Social
Services

Strategic
Investments

Police
Services

- Investing a projected additional \$3 million in property tax funding in 2026 towards **road and bridge rehabilitation projects**.
- Advancing the Region's **Cyber Risk Management Program**.
- **Modernizing and streamlining customer service delivery** through continued implementation of Service Durham including expanding service to 24/7.
- Implementation of Durham Region's **new Strategic Plan** including advancing a number of initiatives to support the Region's **Corporate Climate Action Plan** and **Community Energy Plan**.
- Ongoing implementation of the **Region's Equity Audit** action items, the **Region's Community Safety and Well-Being Plan**, and the **Region's Cycling Plan**.
- Continuing to progress the approved **Lakeshore East GO Extension to Bowmanville**.
- Ongoing investment in **Durham OneNet Inc.**

Paramedic
Services

Regional
Transit

Social
Services


Strategic
Investments

Police
Services

Overview

- **2026 proposed budget** at approved guideline of \$346.813 million, an increase of \$33.481 million (10.69%) from the 2025 approved budget, representing an increase of 2.86% on the Region's overall levy after assessment growth.
- **Durham Regional Police Service Board approved a budget** of \$352.289 million, an increase of \$38.957 million (12.43%) from the 2025 approved budget, representing an increase of 3.41% on the Region's overall levy after assessment growth and \$5.476 million above the approved guideline.
 - Base Pressures - \$22.187 million
 - Economic increases and other personnel costs
 - Annualization of the 168 positions approved in the 2025 budget
 - Inflationary pressures, realignment of budget items and impacts of subsidy and fee adjustments
 - Strategic Investments - \$16.769 million
 - 116 new FTEs including – 78 uniform, 33 civilian, 5 tactical flight officers

2026 Capital Budget and Nine-Year Forecast

 Durham Budget 2026	2025 Approved Budget (\$,000's)	2026 Proposed Budget (\$,000's)	Forecast (\$,000's)					Forecast Total
			2027	2028	2029	2030	2021 - 2035	
Capital Expenditures								
Property Tax Supported Capital Expenditures	557,672	396,257	1,511,073	776,808	816,817	896,148	3,449,402	7,450,248
Capital Financing								
General Levy	44,994	59,400	83,766	86,526	58,927	62,811	338,991	631,021
Development Charges	61,864	28,970	104,292	157,490	169,839	161,484	845,126	1,438,231
Reserves and Reserve Funds	165,413	165,317	353,041	204,431	212,566	222,478	1,002,202	1,994,718
Debentures	246,767	117,345	564,064	97,260	209,165	249,295	907,152	2,026,936
Subsidy/Grant	18,232	25,185	405,910	227,596	166,320	200,080	346,931	1,346,837
Other Financing	20,402	40	-	3,505	-	-	9,000	12,505
Property Tax Supported Capital Financing	557,672	396,257	1,511,073	776,808	816,817	896,148	3,449,402	7,450,248

- Region is entering a period of significant investment in a number of major projects for which the Region has been accumulating financing in reserve and reserve funds over the last number of years.
- Increased use of reserves, reserve funds and debenture financing is projected over the ten-year capital plan.
- The capital program is projected to fully utilize capital reserves and reserve funds.
- The forecast incorporates growth related infrastructure to support housing targets. It is anticipated that additional debenture financing may be required to fund additional development charge shortfalls resulting from Bill 17 should senior government funding not be provided.
- Need to continue to increase tax levy investment in capital for sustainable asset management work.
- Table does not include station costs for GO Train east extension and Police facility projects.



Investment /
Household
to Replace
all Assets
\$94,314

Projected Debenture Financing Requirements



Service Areas	Proposed 2026	Projected Debenture Financing Requirements (\$'000's) Forecast					Total
		2027	2028	2029	2030	2031 - 2035	
Transit	48,560	271,044	31,700	14,360	4,800	104,500	474,964
Public Works and Waste	-	-	52,927	-	148,500	512,000	713,427
Housing Redevelopment/Development	44,463	281,259	12,633	194,805	95,995	290,652	919,807
Paramedic Services	24,322	11,761	-	-	-	-	36,083
Subtotal Property Tax Fund	117,345	564,064	97,260	209,165	249,295	907,152	2,144,281
Water Supply Fund	47,381	411,934	249,684	143,558	44,411	79,073	976,041
Sanitary Sewer Fund	165,223	87,559	161,335	474,717	-	46,499	935,333
Total	329,949	1,063,557	508,279	827,440	293,706	1,032,724	4,055,655

The chart does not include forecasted debt requirements that are anticipated for additional capital priorities including:

- **Durham Regional Police Service's Capital Program** – to be informed by multi-year service and financing strategy;
- **GO East Extension;**
- **Transit Orientated Development/Bus Rapid Transit;**
- **Potential Development Charge shortfalls resulting from Bill 17**

Projected Debt Servicing Costs

- Debt servicing costs are projected to increase by \$419.0 million over the next ten years (\$216.1 million property tax fund; \$202.9 million water and sewer fund) based on the current forecast. This may vary depending on term, type of debenture and market conditions.

Part A: Reductions required to **reduce Regional increase by 0.48% - a \$4.73 million reduction**

Item	Impact
Defer the Proposed Extension of Service Durham Operations to 24/7	1,295,284
Eliminate the Proposed Interim Solution for Drop Off of BIA Blue Box Materials	382,200
Defer a Portion of the Proposed Increase in the 2026 Roads Rehabilitation Budget to Address Current Infrastructure Gap	2,000,000
Defer a Portion of the Proposed Transit Service Expansion	1,052,516
Total	4,730,000

Part B: Reductions required to **reduce Regional increase by a further 0.5% - a further \$5.13 million reduction**

Item	Impact
Full Deferral of Proposed Increase in the 2026 Roads Rehabilitation Budget to Address Current Infrastructure Gap	1,000,000
Further Deferral of Proposed Transit Service Expansion	1,648,569
Full Deferral of Proposed Expansion of the Region's Outreach Program	722,168
Phase-In Proposed New Community Housing Providers Capital Support Program	1,200,000
Defer the Proposed Expansion of the Region's Primary Care Outreach Program	160,552
Defer the Proposed New 12 Hours of Additional Paramedic Coverage Daily	398,711
Total	5,130,000



Strategic Investments Pressures

Achieving the Region's GHG emissions reduction target

Lakeshore GO East Extension

Affordable housing targets and social housing redevelopment

Housing and homelessness supports

Advancing critical capital and operating investments in DRPS

Seaton Village Long-Term Care Home operating costs

Region of Durham Strategic Plan initiatives



Implementing long-term service and financing strategies

Durham Region Transit's Long-Term Investment Plan

Paramedic Services Service and Financing Strategy

Housing and Homelessness Service and Financing Strategy



Provincial/Federal Funding/Legislation Pressures

Development Charge shortfalls (Bill 23, Bill 134, Bill 17)

Federal review of Canada Community Building Fund (Federal Gas Tax) and potential program changes

Sustainability of Provincial Gas Tax funding

Increasing reliance on property tax funding to support health and social services

Strengthening Public Health Strategy, including provincial review of Ontario Public Health Standards and funding

New regulations under the *Community Safety and Policing Act, 2019*



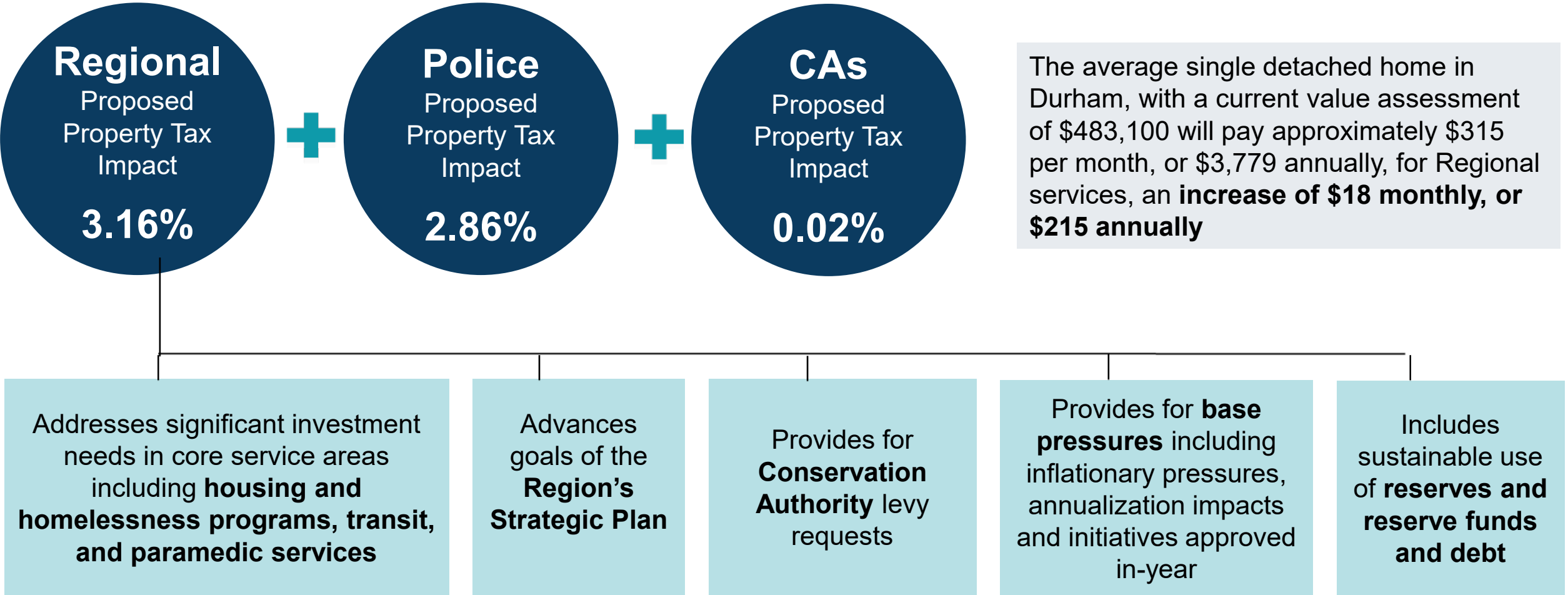
Forecasted Pressures

Asset Management pressures including increased investment in Rehabilitation of Regional Roads and Bridges to achieve service standard

Increasing demand for programs and infrastructure to meet growth projections including support staff such as information technology, cyber security, myDurham311, HR, finance

Debt repayment and servicing costs

Future property tax reassessment impacts



Questions