



2021 Regional Business Plans and Property Tax Supported Budget Guideline

Presentation to Finance and Administration Committee
September 15, 2020



Agenda

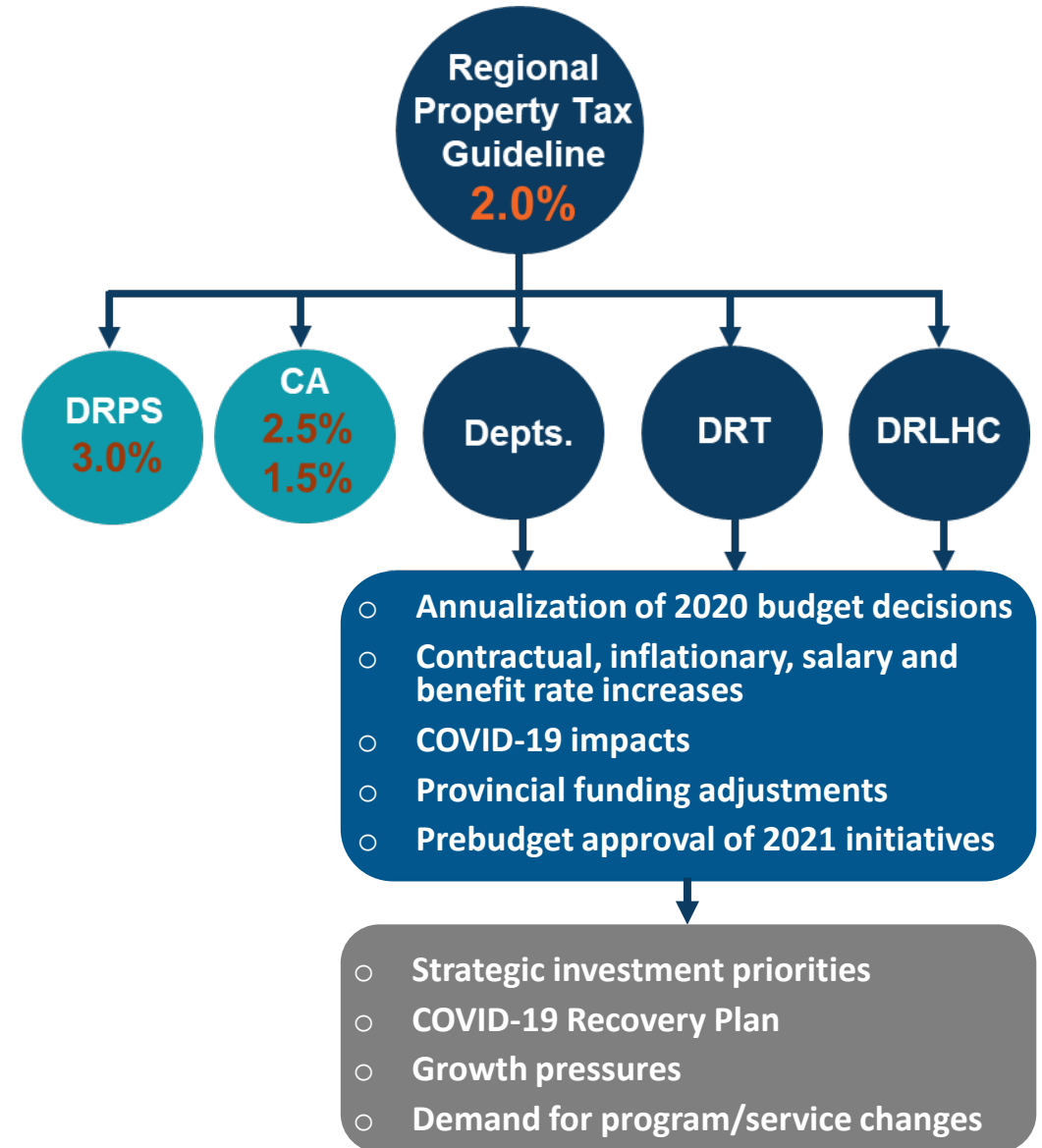
2021 Regional Business Plans and Property Tax Supported Budget Guideline

- 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

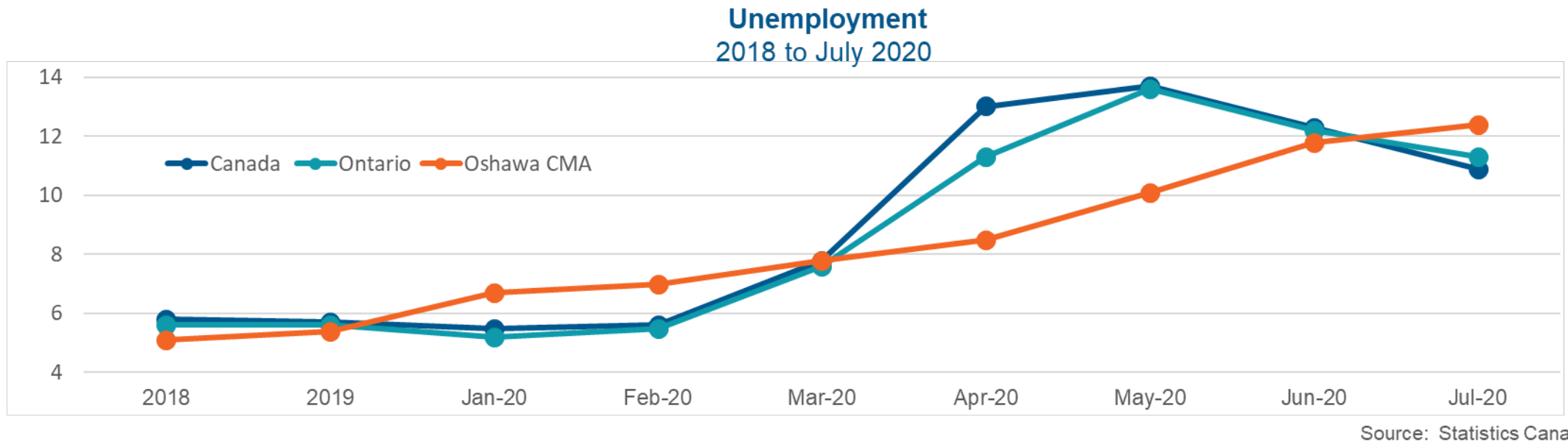
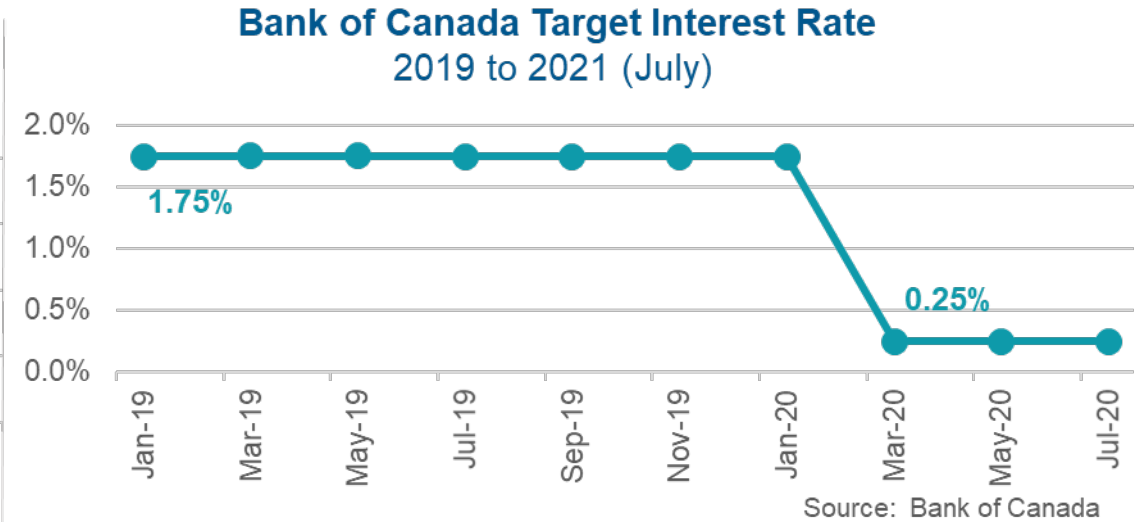
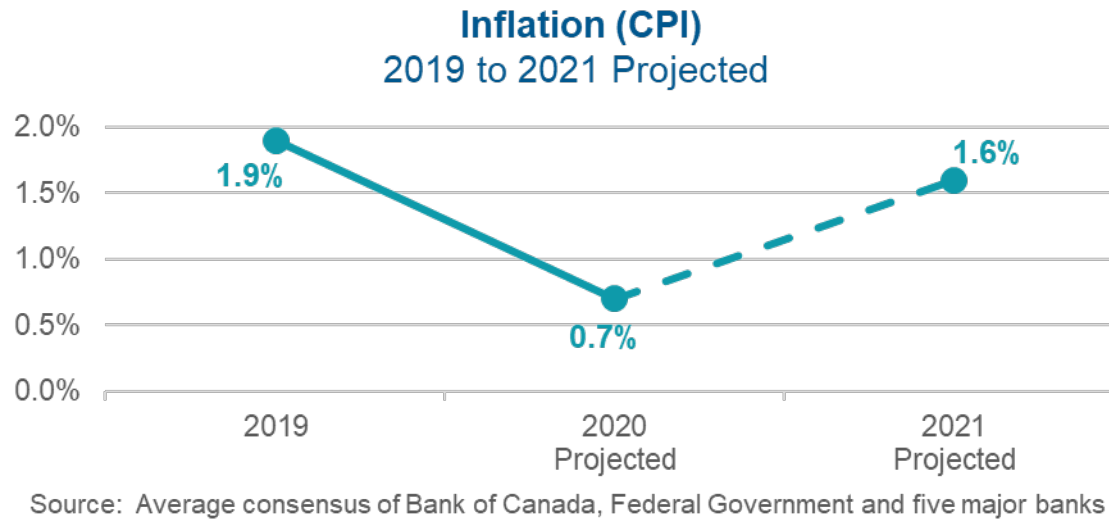
Purpose and Use of Guideline

- 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





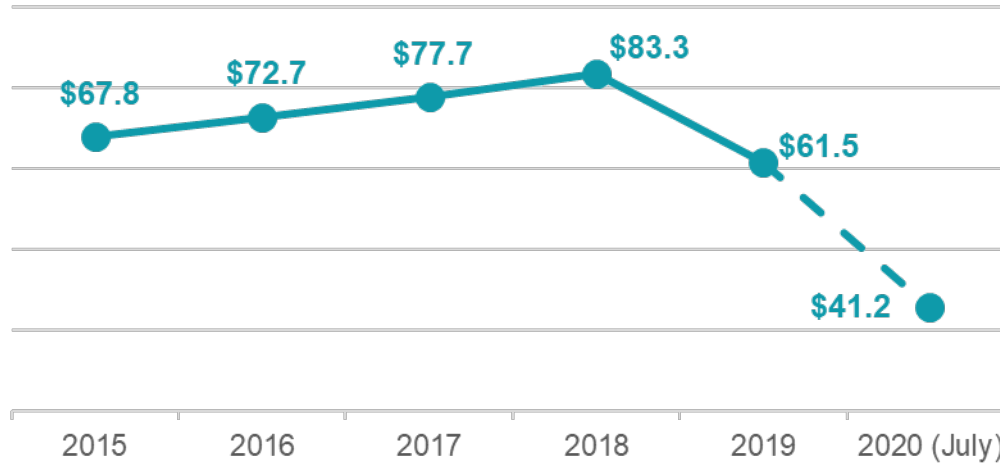
Economic Overview - Indicators



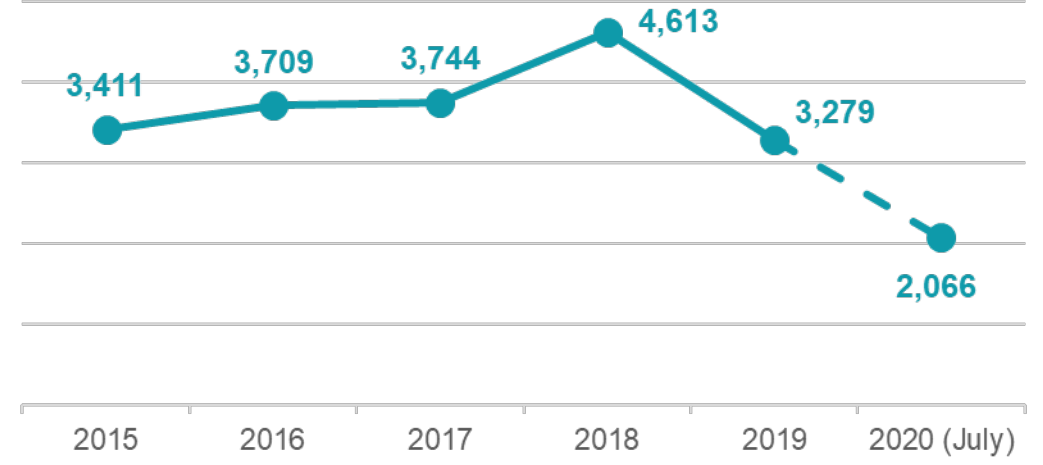


Development Charges and Assessment Growth

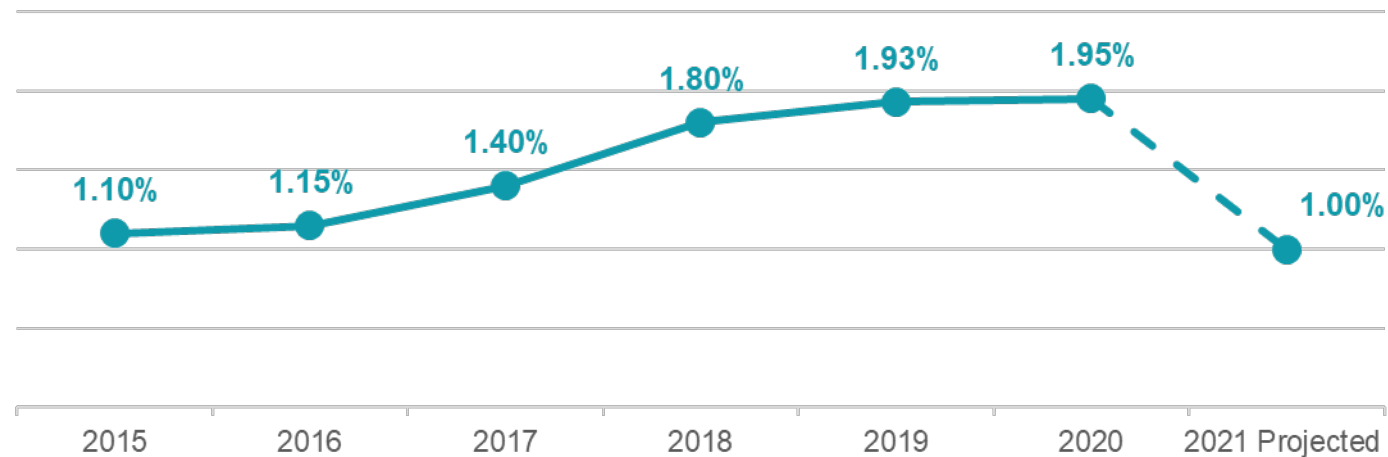
Residential Development Charge Revenue (\$M) 2015 to 2020 (July)



Development Charge Residential Units 2015 to 2020 (July)



Annual Budgetary Property Assessment Growth 2015 to 2021 Projected



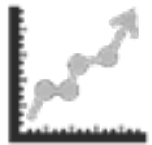
2021 Budget Priorities



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

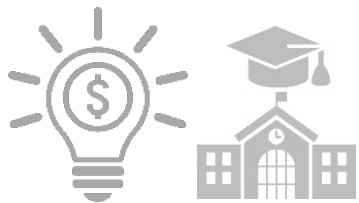


Increase virtual delivery of Public Health, Social Assistance, Family, POA Courts and DRPS services

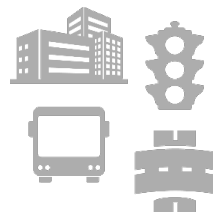


Continue implementation of the CADLINK software for Paramedic Services

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)

Police **3.0% guideline**

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

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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