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**The Regional Municipality of Durham**

**MINUTES**

**FINANCE & ADMINISTRATION COMMITTEE**

**Tuesday, September 10, 2019**

A regular meeting of the Finance & Administration Committee was held on Tuesday, September 10, 2019 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:30 AM

Present: Councillor Foster, Chair  
Councillor Collier, Vice-Chair  
Councillor Ashe  
Councillor Drew  
Councillor Leahy  
Councillor Mulcahy  
Regional Chair Henry

Also

Present: Councillor Wotten

Absent: Councillor Nicholson

Staff

Present: E. Baxter-Trahair, Chief Administrative Officer, attended the meeting at 9:32 AM  
D. Beaton, Commissioner of Corporate Services  
J. Hunt, Director, Legal Services, Corporate Services – Legal  
R. Inacio, Systems Support Specialist, Corporate Services - IT  
T. Lavery, Manager, Corporate Communications  
N. Taylor, Commissioner of Finance  
R. Walton, Director of Legislative Services/Clerk  
L. Fleury, Legislative Officer, Corporate Services – Legislative Services

**1. Declarations of Interest**

There were no declarations of interest.

**2. Adoption of Minutes**

Moved by Councillor Leahy, Seconded by Councillor Drew,  
(110) That the minutes of the regular Finance & Administration Committee  
meeting held on Tuesday, June 11, 2019, be adopted.

CARRIED

**3. Statutory Public Meetings**

There were no statutory public meetings.

**4. Delegations**

4.1 Greg Milosh, Oshawa resident, re: planning and deliberations pertaining to the  
Region's 2020 Financial Budget

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Greg Milosh appeared before the Committee with respect to the planning and  
deliberations pertaining to the Region's 2020 Financial Budget. Mr. Milosh  
advised that his delegation may take longer than five minutes.

Moved by Councillor Mulcahy, Seconded by Councillor Ashe,  
(111) That Mr. Milosh be granted a one-time two minute extension to his  
delegation.

CARRIED

G. Milosh stated that he wanted to discuss the possibility of using funds from one  
of the reserves to mitigate, or entirely forego, a property tax increase.

G. Milosh presented a table of Region of Durham Tax Data from 2000 to 2018  
including the General Levy Stabilization (GLS) reserve fund, total annual property  
taxes, and investment portfolio.

G. Milosh stated that he needs additional information in order to understand why  
the money is not being used to greater extent for property tax relief, and asked  
Finance staff to clarify the following questions:

- What is the exact intended use of the GLS reserve?
- What is the history of its use?
- What is its intended future use?
- What is its source(s) of funding?

- What is the exact intended use of the funds in the investment portfolio?
- Can any of the funds in the investment portfolio be used for tax relief?

G. Milosh suggested that in preparation of the 2020 budget, he wants the Region to look at the GLS reserve and investment portfolio and ensure that both are being managed and used appropriately. G. Milosh added that failing a satisfactory explanation of the Region's property tax relief strategy, he will be bringing the matter to the attention of all Durham residents, via the media, to receive additional public input.

N. Taylor and E. Baxter-Trahair provided details with respect to the Region's investment portfolio, the Long-Term Financing Strategy, changes to how reserve funds will be used in the upcoming budget process, and the review of surplus funds that is currently underway. A suggestion was made that perhaps the GLS should be renamed to clarify its use.

## 5. Presentations

There were no presentations.

## 6. Administration

### 6.1 Correspondence

There were no communications to consider.

### 6.2 Reports

#### A) Standardization to Microsoft Product Platform Suite for the period 2019-2024 (inclusive) (2019-A-26)

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Report #2019-A-26 from D. Beaton, Commissioner of Corporate Services, was received. D. Beaton responded to questions with respect to the overall annual cost for the Microsoft suite. He noted that Section 4.4 of the Report should say \$1.8 million, not \$3.0 million.

Moved by Councillor Leahy, Seconded by Councillor Collier,  
(112) That we recommend to Council:

- A) That the Microsoft 365 platform be recognized as the standard business productivity solution for the Regional Municipality of Durham, for a 5-year term, until October 2024;
- B) That the Regional Municipality of Durham standardize on business productivity tools, as purchased through the Microsoft Enterprise Licensing

Agreement from Microsoft Canada Inc., for a 5-year term, until October 2024;

- C) That Microsoft Unified Support Services be the standard approach for the acquisition of training, development and problem resolution for the Microsoft platform, for a 5-year term, until October 2024;
- D) That the negotiation of all related agreements with Microsoft Canada Inc., including the Enterprise Licensing Agreement and Unified Support Services, and any changes to these agreements including the annual true-up process and subscription model changes be authorized. These are funded through operational budgets and total \$1,800,000 per year; and
- E) That the Commissioner of Finance be authorized to sign agreements in a form satisfactory to the Director of Legal Services.

CARRIED

B) Municipal Lobbyist Registry and Gift Registry (2019-A-27)

Report #2019-A-27 from D. Beaton, Commissioner of Corporate Services, was received. Discussion ensued regarding the lack of support for a lobbyist registry in the Region, and the differences between the area municipalities as it pertains to gift registries.

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

That Report #2019-A-27 of the Commissioner of Corporate Services be received for information.

CARRIED

C) Regional Headquarters Lower Level Boardroom (LL-C) Audio/Video Equipment Water Damage Repair Complete (2019-A-29)

Report #2019-A-29 from D. Beaton, Commissioner of Corporate Services, was received.

Moved by Councillor Collier, Seconded by Councillor Leahy,  
(114) That we recommend to Council:

That Report #2019-A-29 of the Commissioner of Corporate Services be received for information.

CARRIED

D) Durham York Energy Centre – Approval of the Negotiated Resolution Between Covanta Durham York Renewable Energy Limited Partnership (“Covanta”) and the Owners for the 2017 Reconciliation (2019-A-30)

Report #2019-A-30 from D. Beaton, Commissioner of Corporate Services, was received.

Moved by Councillor Leahy, Seconded by Councillor Drew,  
(115) That we recommend to Council:

- A) That the proposed resolution provided for in the confidential memorandum from the Director of Legal Services, Attachment #1 to Report 2019-A-30 of the Commissioner of Corporate Services, dated September 10, 2019, be approved by Regional Council;
- B) That Regional staff be directed to execute such documents and carry out such tasks as may be required to implement the terms of the resolution; and
- C) That should Council approval of Recommendations A) to B) of Report #2019-A-30 not be received, that staff be authorized to utilise the dispute resolution provisions of the Project Agreement, including binding Arbitration.

CARRIED

## 7. Finance

### 7.1 Correspondence

#### A) Information Report #2019-INFO-43: 2018 Annual Investment Report

Discussion ensued with respect to the Region's investment policy and potential investment options including the prudent investor regime, trading within municipalities and diversification of the Region's portfolio.

Further discussion ensued with respect to investing in the servicing of employment lands, and the current commitments in the Rate Stabilization reserve fund.

Moved by Councillor Drew, Seconded by Councillor Leahy,  
(116) That Report #2019-INFO-43 of the Commissioner of Finance be received for information.

CARRIED

### 7.2 Reports

#### A) Cancellation of Uncollectible General Accounts Receivable (2019-F-30)

Report #2019-F-30 from N. Taylor, Commissioner of Finance, was received. N. Taylor responded to questions with respect to what mechanisms are used to collect debt and if 'bad' debt is ever sold-off.

Moved by Councillor Leahy, Seconded by Councillor Mulcahy,  
(117) That the cancellation of the following uncollectible accounts under \$10,000 be approved:

- i) Thirty-one Child Care receivable accounts totalling \$30,571.08;
- ii) Seventy-one general receivable accounts totalling \$54,355.19; and

That we recommend to Council:

That one uncollectible account in the amount of \$25,852.75 be approved for write-off.

CARRIED

B) Joint and Several Liability Reform (2019-F-31)

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Report #2019-F-31 from N. Taylor, Commissioner of Finance, was received.

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

- A) That Report #2019-F-31 of the Commissioner of Finance be received and forwarded with consultation information to the Attorney General offices as the Region of Durham's submission to the Government of Ontario's consultation process to seek joint and several liability reform in Ontario; and
- B) That a copy of Report #2019-F-31 be forwarded to AMO, all local Durham MPP's and all local municipalities.

CARRIED

C) Request for Deferral of Development Charges for Proposed Industrial Facility in Clarington (2019-F-32)

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Report #2019-F-32 from N. Taylor, Commissioner of Finance, was received. Discussion ensued regarding the importance of promoting economic development activities, including agri-tourism; and the impact of Bill 108.

Questions were raised with respect to when the development charges would be paid for this project; and whether there were any concerns about deferring the development charges based on the by-law, or the setting of a precedent.

Moved by Councillor Collier, Seconded by Councillor Leahy,  
(119) That we recommend to Council:

- A) That the request from Cannapiece Group Inc. to defer the payment of development charges on the proposed industrial facility in Clarington be approved on such terms as are set out generally in the following recommendations:

- i) That the Region enter into an agreement with Cannapiece Group Inc. for the deferral of development charges for the proposed construction on an industrial facility at 580 Lake Road in Bowmanville at the rate in effect at time of payment;
  - ii) That the agreement would contain such terms and conditions as are necessary to reasonably assure the Region of full payment of development charges; and
- B) That the Commissioner of Finance be authorized to negotiate and execute the necessary agreements in a form approved by Corporate Services – Legal Services.

CARRIED

## 8. **Advisory Committee Resolutions**

There were no advisory committee resolutions to be considered.

## 9. **Confidential Matters**

### 9.1 Reports

- A) Confidential Report of the Commissioner of Corporate Services – Litigation or Potential Litigation, including matters before administrative tribunals, affecting the Regional Corporation, with respect to an Update on Ongoing Litigation Matters Against the Region (2019-A-28)
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Confidential Report #2019-A-28 from D. Beaton, Commissioner of Corporate Services, was received.

Moved by Councillor Drew, Seconded by Councillor Leahy,  
(120) That we recommend to Council:

That Confidential Report #2019-A-28 of the Commissioner of Corporate Services be received for information.

CARRIED

## 10. **Other Business**

### 10.1 Durham Agricultural Advisory Committee (DAAC) Farm Tour

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Regional Chair Henry reminded the Committee members of the DAAC farm tour being held at Willowtree Farm on Thursday, September 12<sup>th</sup> and encouraged members to attend.

**11. Date of Next Meeting**

The next regularly scheduled Finance & Administration Committee meeting will be held on Tuesday, October 8, 2019 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

**12. Adjournment**

Moved by Councillor Leahy, Seconded by Councillor Collier,  
(121) That the meeting be adjourned.

CARRIED

The meeting adjourned at 10:20 AM

Respectfully submitted,

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A. Foster, Chair

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L. Fleury, Legislative Officer