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The Regional Municipality of Durham

MINUTES

FINANCE & ADMINISTRATION COMMITTEE

Tuesday, November 14, 2023

A regular meeting of the Finance & Administration Committee was held on Tuesday, November 14, 2023 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:31 AM. Electronic participation was offered for this meeting.

1. Roll Call

Present: Councillor Ashe, Chair
Councillor Leahy, Vice-Chair
Councillor Garrod
Councillor Lee
Councillor McDougall
Councillor Schummer*
Councillor Woo
Regional Chair Henry* attended for part of the meeting

Also

Present: Councillor Carter* attended the meeting at 9:51 AM
Councillor Chapman
Councillor Collier*
Councillor Kerr* attended for part of the meeting
Councillor Marimpietri attended the meeting at 10:40 AM
Councillor Neal* attended the meeting at 9:53 AM
***denotes Councillors participating electronically**

Staff

Present: C. Bandel, Deputy Regional Clerk
E. Baxter-Trahair, Chief Administrative Officer
B. Bridgeman, Commissioner of Planning & Economic Development
A. Chung, Systems Support Specialist, Corporate Services – IT
S. Danos-Papaconstantinou, Commissioner of Social Services
J. Dixon, Director, Business Affairs and Financial Management, Social Services Department
C. Dunkley, Director, Corporate Infrastructure and Strategic Business Services, Works Department
T. Fetter, Director, Business Services, DRPS
L. Fleury, Legislative Officer and Deputy Clerk Pro Tem, Corporate Services – Legislative Services
B. Goodwin, Commissioner of Corporate Services
A. Harras, Regional Clerk/Director of Legislative Services
A. Hector-Alexander, Director, Diversity, Equity, and Inclusion
W. Holmes, General Manager, DRT

S. MacLellan, Chief Administrative Officer, DRPS
P. Moreira, Chief, DRPS
N. Pincombe, Director, Business Planning & Budgets
K. Ryan, Senior Solicitor, Regional Solicitor's Office
K. Smith, Committee Clerk, Corporate Services – Legislative Services
N. Taylor, Commissioner of Finance

2. Declarations of Pecuniary Interest

There were no declarations of pecuniary interest made.

3. Adoption of Minutes

Moved by Councillor Lee, Seconded by Councillor Leahy,
(81) That the minutes of the regular Finance & Administration Committee
meeting held on Tuesday, October 10, 2023, be adopted.

CARRIED

4. Statutory Public Meetings

There were no statutory public meetings.

5. Presentations

There were no presentations.

6. Delegations

There were no delegations.

7. Administration

7.1 Correspondence

There were no communications to consider.

7.2 Reports

A) Appointment of new member to the Durham Accessibility Advisory Committee
(AAC) (2023-A-17)

Report #2023-A-17 from Elaine Baxter-Trahair, Chief Administrative Officer, was received.

Moved by Councillor McDougall, Seconded by Councillor Woo,
(82) That we recommend to Council:

That the following person be appointed to the Durham Accessibility Advisory Committee:

Ms. Meghann Llyod – Professional from the stakeholder community.

CARRIED

8. Finance

8.1 Correspondence

A) Memorandum from Nancy Taylor, Commissioner of Finance, re: Guideline Report Referral

N. Taylor advised that staff will be bringing forward a report on the budget guideline in December which will include recommendations for moving the budget deliberation dates from February to March in the hopes that additional information will be available at that time regarding Provincial and Federal funding.

N. Taylor responded to questions with respect to funding from other levels of government and whether priorities can be reconsidered to decrease the property tax budget guideline.

Moved by Councillor Garrod, Seconded by Councillor Leahy,
(83) That the Memorandum from Nancy Taylor, Commissioner of Finance, re: Guideline Report Referral be received for information.

CARRIED

8.2 Reports

A) Extension of the Agreement with Community Development Council Durham for Settlement Services for Asylum-Seekers and Refugees (2023-F-27)

Report #2023-F-27 from Nancy Taylor, Commissioner of Finance, was received. E. Baxter-Trahair advised that the Region continues to see an inflow of asylum seekers and refugees and approving the recommendations in the report will provide the funds needed to continue to support them until March, which is critical given that the winter season is approaching. J. Dixon added that it is important to continue the relationship with the Community Development Council Durham (CDCD) for settlement services for asylum seekers and refugees.

Staff responded to questions with respect to whether the \$6 million provides funding for a full year, if the Region can apply for reimbursement again, and which budget year(s) this funding will impact.

Moved by Councillor Woo, Seconded by Councillor Lee,
(84) That we recommend to Council:

- A) That Regional staff be delegated authority, for purposes of the Region's Humanitarian response to asylum-seekers and refugees, to extend the Region's agreement with Community Development Council Durham, execute any transfer payment agreements, expend funds up to a maximum of \$6.0 million in accordance with the program guidelines, make any modifications to the program(s) to ensure desired outcomes are achieved, receive any federal and/or provincial funds for this response, and waive the

Region's Purchasing By-law and Budget Management Policy as required for this response; and

- B) That any costs associated with the extension of this agreement not reimbursed under the federal Interim Housing Assistance Program or the provincial Homelessness Prevention Program be funded at the discretion of the Commissioner of Finance.

CARRIED

B) Debt Strategy update(2023-F-28)

Report #2023-F-28 from Nancy Taylor, Commissioner of Finance, was received.

Staff responded to questions with respect to the different debenture structures; impacts to the annual repayment limits for the local area municipalities ; the risks involved with increasing debt levels; repayment of reserve funds; using reserve funds for a different purpose; where do the prescribed rates come from; what advocacy actions are being taken with the federal and provincial governments to continue to push for assistance with the charges related to development growth; and are the levels in reserves sufficient to cover increased costs.

Moved by Councillor Leahy, Seconded by Councillor McDougall,
(85) That we recommend to Council:

- A) That Council approve the transition to the issuance of Sinking Fund debentures, where warranted, to support borrowing needs of the Region and local municipalities;
- B) That staff report back on a Debt Management Policy to formalize the standards and controls of the capital financing and debt issuance activities for the Region of Durham; and
- C) That staff report back on an updated Statement of Investment Policy and Goals which incorporates investment objectives for Sinking Fund investments managed internally by the Region.

CARRIED

C) Authorization to Undertake a Review and Update of the Seaton Water Supply and Sanitary Sewerage Service Area Specific Development Charge By-law and to Proceed with the Public Process for the Passage of a new Development Charge By-law (2023-F-29)

Report #2023-F-29 from Nancy Taylor, Commissioner of Finance, was received. N. Taylor provided background information regarding requirements for updating Development Charge By-laws and the changes resulting from Bill 23.

Staff responded to questions with respect to Bill 23 including whether the Region's costs are escalating, what the financial risks are to the Region, and how agreements with developers have changed.

Moved by Councillor Leahy, Seconded by Councillor Lee,
(86) That we recommend to Council:

- A) That a review and update of the Seaton Water Supply and Sanitary Sewerage Service Area Specific Development Charge By-law, be undertaken;
- B) That the Statutory Public Meeting of Regional Council, as required by the Development Charges Act, 1997 (DCA) be held on March 27, 2024 in the Regional Council Chambers at the beginning of the regular Regional Council meeting to consider the proposed Area Specific Development Charge By-law and Background Study for water supply and sanitary sewerage services in the Seaton area;
- C) That the proposed Seaton Water Supply and Sanitary Sewerage Area Specific Development Charge By-law and Background Study, as required by the DCA be released to the Public at no charge upon request to the Regional Clerk's Department and posted on the Region's website, commencing March 12, 2024;
- D) That staff be authorized to place appropriate notification in newspapers of sufficiently general circulation in Durham Region and the Regional web-site setting forth the date, time, location and purpose of the Statutory Public Meeting, and the date and contact for the release of the proposed Seaton Water Supply and Sanitary Sewerage Area Specific Development Charge By-law and Background Study no later than March 6, 2024;
- E) That the consulting firm of Watson & Associates Economists Ltd. and legal firm of WeirFoulds LLP be retained to assist staff with this Development Charge review and preparation of the Development Charge Background Study and By-law at a cost up to \$100,000, to be financed from the Seaton project management / capital reserve; and
- F) That the Commissioner of Finance be authorized to execute the necessary agreements.

CARRIED

- D) Durham Region's response to the proposed Affordable Homes and Good Jobs Act (Bill 134) (2023-F-30)

Report #2023-F-30 from Nancy Taylor, Commissioner of Finance, was received. N. Taylor advised that comments on Bill 134 were due prior to the meeting date and this report is being presented to inform Council of the comments that were already submitted and to solicit any additional comments.

Staff responded to questions with respect to how to obtain as many affordable housing units as possible; administering the program; planning for the long term repairs and maintenance to the units; and the 'area for affordability'.

Moved by Councillor Leahy, Seconded by Councillor Lee,

- (87) That we recommend to Council:
- A) That Report #2023-F-30 of the Commissioner of Finance be endorsed as Durham Region's response to the Environmental Registry of Ontario (ERO) posting regarding the proposed Affordable Homes and Good Jobs Act, 2023 with the following key comments and recommendations that the Province:
- i. refine the definition of "affordable residential unit" to consider affordability across various unit types (i.e., single-detached, semi-detached, townhomes, and apartments by number of bedrooms);
 - ii. update the definition of "affordable residential unit" to ensure that affordable residential units are only available to households that meet and maintain certain income thresholds;
 - iii. allow municipalities to structure the affordable residential unit exemption to address timing of when DCs are collected relative to when the final purchase price or rental rate is known; and
 - iv. make municipalities whole by fully funding the shortfalls created by the affordable residential unit exemption to avoid transferring the cost of this exemption to the existing property tax, and water and sewer user rate base; and
- B) That a copy of Report #2023-F-30 and Council resolution be sent to all area municipalities in Durham Region and Durham members of Provincial Parliament (MPPs).

CARRIED

9. Advisory Committee Resolutions

There were no advisory committee resolutions to be considered.

10. Confidential Matters

Moved by Councillor Lee, Seconded by Councillor Leahy,

- (88) That the meeting be closed to the public in order to consider a confidential presentation and a report regarding Proposed or Pending Acquisition or Disposition of Land for Durham Regional Police Services Purposes as it relates to Property in the Town of Ajax (2023-F-31).

CARRIED

The Committee recessed at 10:22 AM and reconvened at 10:29 AM.

[Refer to the Closed Meeting minutes of November 14, 2023]

10.1 Presentations

- A) Confidential Presentation from Shaun Collier, Board Chair, DRPS and Peter Moreira, Chief of Police, DRPS, re: Proposed or Pending Acquisition or Disposition of Land for Durham Regional Police Services Purposes as it relates to Property in the Town of Ajax (2023-F-31)

The presentation was considered in closed session.

10.2 Reports

- A) Confidential Report of the Commissioner of Finance – Proposed or Pending Acquisition or Disposition of Land for Durham Regional Police Services Purposes as it relates to Property in the Town of Ajax (2023-F-31)

Confidential Report #2023-F-31 from Nancy Taylor, Commissioner of Finance, was received.

Chair Ashe advised that during the closed meeting session discussion occurred and the Committee did not consider any motions and no direction was given.

Comments were made regarding concerns with approving the recommendations in Option B given the number of outstanding questions; and the hope that a DRPS facility will be contemplated for North Oshawa.

In response to a question, S. McLellan, Chief Administrative Officer, Durham Regional Police Services, advised that they will send information to the Clerk for dissemination to the Committee about the size of the Durham Regional Police Services campus in Clarington.

Moved by Councillor Woo, Seconded by Councillor Lee,
(90) That we recommend to Council:

That the recommendations contained in Option B of Confidential Report #2023-F-31 of the Commissioner of Finance be adopted.

MOTION DEFEATED ON THE FOLLOWING
RECORDED VOTE:

Yes

Councillor Ashe, Chair
Councillor Leahy
Councillor Lee
Councillor Woo

No

Councillor Garrod
Regional Chair Henry
Councillor McDougall
Councillor Schummer

Members Absent: None

Declarations of Interest: None

Moved by Councillor Lee, Seconded by Councillor McDougall,
(91) That Confidential Report #2023-F-31 of the Commissioner of Finance be referred to Council without a recommendation.

CARRIED

11. Other Business

There was no other business to be considered.

12. Date of Next Meeting

The next regularly scheduled Finance & Administration Committee meeting will be held on Tuesday, December 12, 2023 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

13. Adjournment

Moved by Councillor Leahy, Seconded by Councillor Lee,
(92) That the meeting be adjourned.

CARRIED

The meeting adjourned at 1:42 PM

Respectfully submitted,

K. Ashe, Chair

L. Fleury, Legislative Officer