DURHAM REGION

The Regional Municipality of Durham

Finance & Administration Committee Agenda

Council Chambers
Regional Headquarters Building
605 Rossland Road East, Whitby

Tuesday, November 10, 2020 **9:30 AM**

Please note: In an effort to help mitigate the spread of COVID-19, and to generally comply with the directions from the Government of Ontario, it is requested in the strongest terms that Members participate in the meeting electronically. Regional Headquarters is closed to the public, all members of the public may view the Committee meeting via live streaming, instead of attending the meeting in person. If you wish to register as a delegate regarding an agenda item, you may register in advance of the meeting by noon on the day prior to the meeting by emailing delegations@durham.ca and will be provided with the details to delegate electronically.

1. Roll Call

2. Declarations of Interest

3. Adoption of Minutes

A) Finance & Administration Committee meeting – October 13, 2020 — Pages 4 - 10

4. Statutory Public Meetings

There are no statutory public meetings

5. Delegations

5.1 Lorraine Sunstrum-Mann, Chief Executive Officer and Harry Deeg, Director of Finance and Administration, Grandview Children's Centre re: Grandview Children's Centre Presentation under the Region's Community Investment Grant Policy

6. Presentations

There are no presentations

7. Administration

7.1 Correspondence

7.2 Reports

8. Finance

8.1 Correspondence

Pulled from October 9, 2020 Council Information Package by Councillor Shaun Collier

Recommendation: Receive for information

Pulled from October 16, 2020 Council Information Package by Councillor Shaun Collier

Recommendation: Receive for information

Pulled from October 23, 2020 Council Information Package by Councillor Shaun Collier

Recommendation: Receive for information

D) Correspondence from the Municipal Finance Officers' Association of Ontario re: One-year extension of deadlines in O. Reg. 588/17: Asset Management Planning for Municipal

Recommendation: Motion to endorse

8.2 Reports

9. Advisory Committee Resolutions

There are no advisory committee resolutions to be considered

10. Confidential Matters

There are no confidential matters to be considered

11. Other Business

12. Date of Next Meeting

Tuesday, December 8, 2020 at 9:30 AM

13. Adjournment

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The Regional Municipality of Durham

MINUTES

FINANCE & ADMINISTRATION COMMITTEE

Tuesday, October 13, 2020

A regular meeting of the Finance & Administration Committee was held on Tuesday, October 13, 2020 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:30 AM

1. Roll Call

Present: Councillor Foster, Chair
Councillor Collier, Vice-Chair
Councillor Ashe
Councillor Drew
Councillor Leahy
Councillor Mulcahy
Councillor Nicholson
Regional Chair Henry
***all members of Committee, expect Councillor Foster and Regional Chair Henry, participated electronically**

Also Present: Councillor Wotten

Staff Present: S. Austin, Director, Corporate Policy & Strategic Initiatives
E. Baxter-Trahair, Chief Administrative Officer
D. Beaton, Commissioner of Corporate Services
N. Taylor, Commissioner of Finance
S. Glover, Committee Clerk, Corporate Services – Legislative Services
L. Fleury, Legislative Officer and Deputy Clerk Pro Tem, Corporate Services – Legislative Services

2. Declarations of Interest

There were no declarations of interest.

3. Adoption of Minutes

Moved by Councillor Ashe, Seconded by Regional Chair Henry,
(74) That the minutes of the regular Finance & Administration Committee meeting held on Tuesday, September 15, 2020, be adopted.
CARRIED

4. Statutory Public Meetings

There were no statutory public meetings.

5. Delegations

There were no delegations.

6. Presentations

There were no presentations.

7. Administration

7.1 Correspondence

There were no communications to consider.

7.2 Reports

A) Appointment of New Members to the Durham Accessibility Advisory Committee (2020-A-20)

Report #2020-A-20 from E. Baxter-Trahair, Chief Administrative officer, was received.

Moved by Councillor Ashe, Seconded by Councillor Collier,
(75) That we recommend to Council:

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

Ms. Aly Beach – Community member;

Ms. Heather Hall – Agency member;

Ms. Meagan Peters – Agency member.
CARRIED

8. Finance

8.1 Correspondence

A) Information Report #2020-INFO-86: The Consolidated Budget Status Report to July 31, 2020 and Full Year Forecast

Moved by Councillor Nicholson, Seconded by Councillor Drew,
(76) That Information Report #2020-INFO-86: The Consolidated Budget Status Report to July 31, 2020 and Full Year Forecast, be received for information.

CARRIED

8.2 Reports

A) Investing in Canada Infrastructure Program – Public Transit Stream Funding Update (2020-F-19)

Report #2020-F-19 from N. Taylor, Commissioner of Finance, was received.

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

A) That 2021 pre-budget approval be granted for the Region's share of the 2021 project costs and financing outlined in Table 1 for provincially and federally approved Investing in Canada Infrastructure Program – Transit Stream (ICIP) projects;

Table 1: Recommended Financing for the Region's 2021 share of Provincial and Federal approved ICIP projects ($, '000)

	Proposed 2021 Pre-budget Approval		Recommended Financing ($, '000)					
	#	($, '000)	ICIP Grant	Provincial Gas Tax	Transit Capital Reserve Fund	Roads Residential DC	Roads Commercial DC	Regional Roads Reserve
HWY 2 Rapid Transit Lanes (Ajax, Whitby, Oshawa)								
Property		9,000	-	-	6,998	1,462	140	400
Climate Lens Assessment		100	73	-	27	-		-
Design/Utility Relocation/Construction		9,200	6,746	-	626	1,334	128	366
Subtotal HWY 2 Rapid Transit Lanes		18,300	6,819	-	7,651	2,796	268	766
Simcoe Street Rapid Transit Corridor								
EA & Climate Lens Assessment		5,100	3,740	-	1,360	-	-	-
Shelters	80	400	293	-	107	-	-	-
Traffic Signals	10	400	293	-	107	-	-	-
Que Jumps	4	900	660	-	240	-	-	-
Subtotal Simcoe Street Rapid Transit Corridor		6,800	4,986	-	1,814	-	-	-
Operator protective Shields		1,225	898	327	-	-	-	-
On-Board Destination Sign Upgrades		750	550	200	-	-	-	-
Replacement Buses (BRT, 40 ft Buses)	5	3,762	2,759	1,003	-	-	-	-
Specialized Mini Bus Replacements	4	793	582	211	-	-	-	-
Conventional Replacement Buses	11	9,900	7,260	2,640	-	-	-	-
Advanced Fuel and Fluid Management System		500	367	133	-	-	-	-
Bus Stop Infrastructure		1,169	857	312	-	-	-	-
Raleigh Administrative Building Re-Build (Design)		500	367	133	-	-	-	-
Total		**43,699**	**25,445**	**4,959**	**9,465**	**2,796**	**268**	**766**

B) That 2021 pre-budget approval be granted for the Region's share of the 2021 project costs and financing outlined in Table 2 for the property acquisition and Climate Lens Assessments necessary in 2021 to advance the Highway 2 Pickering Median Bus Rapid Transit (BRT) project, at an estimated cost of $800,000 in advance of Federal approval of the related ICIP project application;

Table 2: Property and Climate Lens Assessments to Advance Pickering Median Transit Lanes ($, '000)

	Proposed 2021 Pre-budget Approval	Recommended Financing				
		ICIP Grant	Roads Development Charges		Regional Roads Reserve	Transit Capital Reserve Fund
			Residential	Commercial		
Pickering Median Transit Lanes (Altona to Notion)						
Property	700	-	456	52	143	49
Climate Lens Assessment	100	73	-	-	-	27
Total	**800**	**73**	**456**	**52**	**143**	**76**

C) That 2021 pre-budget approval be granted for the Region's share of the 2021 project costs and financing outlined in Table 3 for the Pickering Median Highway 2 Bus Rapid Transit (BRT) project components, conditional upon Federal approval of the Region's related ICIP application; and

Table 3: Further 2021 Costs for Pickering Median Transit Lanes ($, '000)

	Proposed 2021 Pre-budget Approval	Recommended Financing				
		ICIP Grant	Roads Development Charges		Regional Roads Reserve	Transit Capital Reserve Fund
			Residential	Commercial		
Pickering Median Transit Lanes (Altona to Notion)						
Property	11,000	-	7,161	818	2,251	770
Design/Utility Relocation/Construction	11,500	8,433	1,996	228	628	215
Total	**22,500**	**8,433**	**9,157**	**1,046**	**2,879**	**985**

D) That 2021 pre-budget approval be granted for the following four new permanent full time positions at an estimated annual cost of $718,000 to keep the ICIP projects on schedule and to ensure appropriate Regional participation in the Metrolinx Transit Oriented Development work program:

i) Manager (1 FTE) - $200,000 (includes salary and benefits)

ii) Manager, Rapid Transit Implementation (1 FTE) - $200,000 (includes salary and benefits)

iii) Project Manager (1 FTE) - $166,000 (includes salary and benefits)

iv) Project Engineer (1 FTE) - $152,000 (includes salary and benefits).

CARRIED

B) Authorization to Secure Funding Under the Provincial Municipal Transit Enhanced Cleaning (MTEC) Program and the Federal-Provincial Safe Restart Funding Program (2020-F-20)

Report #2020-F-20 from N. Taylor, Commissioner of Finance, was received.

Moved by Councillor Drew, Seconded by Councillor Mulcahy,
(78) That we recommend to Council:

A) That the Regional Chair and Clerk be authorized to execute the provincial Transfer Payment Agreement (TPA) to receive funding under the Municipal Transit Enhanced Cleaning program, subject to the concurrence of the Commissioner of Finance and Director of Legal Services;

B) That Regional Council support any submissions for funding under Phase 2 of the Federal-Provincial Safe Restart program under both the transit funding stream and the municipal operating funding stream on the basis that funding provided under Phase 1 is not expected to be sufficient to address COVID-19 related operating cost pressures;

C) That the Regional Chair and Clerk be authorized to execute any required Transfer Payment Agreements for funding under the Phase 2 Federal-Provincial Safe Restart program, under both the transit funding stream and the municipal operating funding stream, subject to the concurrence of the Commissioner of Finance and Director of Legal Services;

D) That the Commissioner of Finance/Treasurer be authorized to sign any required documentation or agreements, including but not limited to any future amendments to the TPAs, to secure senior government funding under the Municipal Transit Enhanced Cleaning program and the Federal-Provincial Safe Restart programs; and

E) That approval be granted for any required by-laws under the Municipal Transit Enhanced Cleaning program and the Federal-Provincial Safe Restart programs.

CARRIED

9. Advisory Committee Resolutions

9.1 Durham Region Roundtable on Climate Change (DRRCC)

A) Request for an Annual Progress Report from the Conversation Authorities re: Climate Change Action

Staff provided clarification on the intent of the motion and advised that the DRRCC is looking for general updates on all climate change related initiatives from the Conservation Authorities (CA's) and are currently looking to engage with the CA's on tree planting programs. In response to a concern raised by Councillor Ashe, staff advised that they will prepare templates for the CA's to use for these updates.

Moved by Regional Chair Henry, Seconded by Councillor Leahy,
(79) That we recommend to Council:

A) That the Conservation Authorities (CA) provide an annual progress report on the activities of the CA's climate change action through natural based solutions to the Durham Region Roundtable on Climate Change Committee (DRRCC); and

B) That the Durham Regional Chair request to the Chair of each CA, the opportunity to present the details of this program to their respective Full Authorities at a future meeting.

CARRIED

10. Confidential Matters

There were no confidential matters to be considered.

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, November 10, 2020 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

13. Adjournment

Moved by Councillor Mulcahy, Seconded by Councillor Collier,
(80) That the meeting be adjourned.

CARRIED

The meeting adjourned at 9:44 AM

Respectfully submitted,

A. Foster, Chair

L. Fleury, Legislative Officer

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2126

The Regional Municipality of Durham
Report

To:	Finance and Administration Committee
From:	Commissioner of Corporate Services
Report:	#2020-A-22
Date:	November 10, 2020

Subject:

Additional Lieu Time in Compensation of Overtime – Management/Exempt – COVID-19 Related

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

That approval be given to the Commissioner of Corporate Services, in consultation with the Chief Administrative Officer, to authorize an additional 70 hours of lieu time to Management Employees, up to the Director role, to compensate them for their additional documented time and efforts incurred in maintaining Regional operations during the Emergency Declaration period and the COVID-19 Response efforts to date.

Report:

1. Purpose

1.1 The purpose of this report is to request the Finance and Administration Committee and Regional Council approve the addition of 70 hours of management lieu time to management staff, up to the Director level, that have worked extremely long hours during the initial Emergency Declaration of the COVID-19 Pandemic and continued support.

2. Background

2.1 It has been the practice of the Region of Durham to provide Management Staff with an allocation of 35 hours of lieu time to be used within the calendar year in compensation of overtime hours worked. Most management far exceed the 35 hours of overtime that has been allocated to them through lieu time during a calendar year.

2.2 The practice of providing Management lieu is consistent to our Regional and Municipal comparators. Under normal circumstances several of our comparators provide the same amount and others provide higher amounts depending on the hours that staff work.

2.3 The Emergency declaration, at both the Provincial and Regional Level, required many Regional Management staff to expeditiously respond to an escalating demand for both existing services and the introduction of new or varied services in relation to pandemic-related impacts, while at the same time ensuring due diligence from a health and safety perspective.

2.4 Simultaneously coupled with the increase in workload, management was tasked with transitioning over 1,400 staff from an in-office work model to a teleworking model without compromising service delivery.

2.5 Additionally, Public Health Management had to quickly mobilize to respond to an onslaught of issues that arose from the pandemic such as triaging cases, contact tracing, and managing the information flow to the province and media.

2.6 At the same time, the Regional Emergency Operational Control Group was initiated to address the corporate response to the pandemic and engage senior levels of management seven days a week for issue resolution, policy approval and development.

2.7 Management across the organization moved quickly to adapt to the delivery of services, and in several cases worked excessive hours to accomplish the smooth and continued delivery of services.

2.8 Management responsibility extended the normal workday beyond the normal eight hours, with many typically putting in ten to twelve-hour days, seven days a week.

2.9 Unionized staff and Exempt staff that worked additional hours are entitled to claim overtime and, in the instances where such work occurred, were compensated accordingly with overtime payment. As stated, management staff receive one week in lieu of overtime which is meant to compensate them for the ordinary amount of overtime incurred during a calendar year. There is typically no other forum of compensation for overtime to management.

3. Proposal

3.1 Our Regional comparators have either taken similar action of providing their management group additional lieu time and/or compensating the management group for the additional hours worked.

3.2 The Region of Waterloo is allowing management staff to claim 160 hours of lieu time to be used over the next 18 months. The Region of York has been tracking all management overtime and is paying the overtime. The Region of Peel, which typically has a cap of 70 hours of overtime, waived the cap to pay all overtime hours in addition to the additional week of lieu time already provided. The City of Toronto has been paying the overtime of management up to the Director level.

3.3 The relative success of the Region in responding to the Pandemic can be directly attributed to the efforts of staff in all departments, and management who stepped up and outside their normal hours to ensure continuity of service. It is recommended that these individuals be compensated for their documented efforts which exceeded their normal hours of work and duties with additional lieu time for the calendar year of 2021.

3.4 It would be the responsibility of each Commissioner to prepare a memorandum to the Commissioner of Corporate Services advising which members of their management team should receive the additional lieu time as assertion to the additional hours worked.

3.5 In the event that the Province agrees to pay for overtime worked by those in the COVID responses units, the Management lieu hours would not be allocated to those staff members.

4. Management Hours worked relating to COVID Emergency Declaration

4.1 The following table represents the hours that have been tracked in the PeopleSoft Human Capital Management System from January 25 to October 15, 2020, by department, as the hours that management have recorded as additional hours worked arising out of the emergency declaration.

Business Unit / Department	Total Hours	Hours times Hourly Rate
CAOFF	295.05	20,567.11
CORPS	1,383.15	120,452.50
FINAN	958.50	53,020.88
HEALT	9,820.77	794,283.39
SHOME	1,444.45	96,150.67
SSERV	2,177.60	146,341.73
TRANS	277.00	18,368.97
WORKS	402.75	27,186.32
Grand Total	**16,759.27**	**1,276,371.56**

4.2 The above table reflects that Regional management have put in over 16,000 hours of overtime during the COVID-19 Pandemic thus far. If this was to be paid out based on a straight hourly wage it would amount to almost $1.3M at straight time rates.

4.3 Providing members of Management staff with additional lieu hours would be a paper cost given that when Management staff elect to take scheduled time off, they continue to respond to issues or are required to work additional hours upon return in order to address matters which may have occurred in their absence.

5. Previous Reports and Decisions

5.1 None

6. Relationship to Strategic Plan

6.1 This report supports the Durham Region Strategic Plan through:

a. Goal 5: Service Excellence. Objective: To provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery.

6.2 In addition, providing the hours to staff assists in promoting a Healthy Workplace.

7. Conclusion

7.1 This report seeks approval of the Finance and Administration Committee to recommend to Regional Council that approval be given to the Commissioner of Corporate Services, in consultation with the Chief Administrative Officer, to authorize an additional 70 hours of lieu time to Management employees, up to the Director level, to compensate them for their additional documented time and efforts incurred in maintaining Regional operations during the COVID-19 pandemic period to date.

Respectfully submitted,

Original signed by

Don Beaton, BCom, M.P.A.
Commissioner of Corporate Services

Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2126

The Regional Municipality of Durham Report

To:	Finance and Administration Committee
From:	Commissioner of Corporate Services
Report:	#2020-A-23
Date:	November 10, 2020

Subject:

Extension of Belden cabling standardization, to meet certifications established for networking and Voice over Internet Protocol installations.

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

That the standardization on Belden for replacement, upgrade, addition, and new implementation of networking and Voice over Internet Protocol cabling for Regional facilities be extended for an additional five years, until November 30, 2025.

Report:

1. Purpose

1.1 The purpose of the report is to seek Council approval for the extension of the standardization on Belden cabling for an additional five years to streamline the procurement cycle in replacement, additions, upgrades or implementation of networking cable.

2. Background

2.1 When Regional Headquarters was established in 2005, Belden was selected as the manufacturer of the structured cabling used throughout the facility handle the Quality of Service (QoS) and Power over Ethernet (PoE) requirements of the new Voice over Internet Protocol (VoIP) telecommunications system. As the new facility was built and the network cabling completed, Regional staff were trained and certified to support and maintain the corporate network.

2.2 Belden offers a certification program, which allows participants to make changes to the network provided they utilize Belden cable and follow the implementation standards. With certified installations a 25-year warranty period against defects in materials and workmanship is provided and ensures that all structured cabling installations meet or exceeds industry standard requirements. With this training and certification, third party organizations such as Telus can provide on-site support for the network to augment Regional staff from a telecommunications perspective.

2.3 Over the years additional Belden cabling implementations have been conducted throughout several Regional facilities to provide VoIP telecommunication services.

2.4 From an administrative perspective, staff have completed processes to source Belden cable specifically, rather than other types of cabling. Given the training and certification requirements around cabling, and the existing Regional investments and use of Belden cabling in Regional facilities, standardization can be justified. For example, when troubleshooting issues, the cabling standard affords certain minimum specifications. If the installation meets these standards staff can determine quickly where the issue lies, improving response and issue resolution times, ultimately improving the user experience. Where cables provided by different manufacturers are used, technicians would need to consider both cabling types, which may add some risk and/or delays when troubleshooting with multiple manufacturers. In addition, Regional staff and external contractors are certified to install and repair this cabling in all Regional locations that have been built, are being built, or upgraded. The Belden cabling has proven, in a Regional context, to work well with the current technology infrastructure in place.

3. Previous Reports and Decisions

3.1 At the June 24, 2015 Regional Council meeting, approval was granted through report 2015-A-24 Belden Cable Standardization for Regional facilities, to meet the certifications established for networking and Voice over Internet Protocol installations.

4. Financial Implications

4.1 The Region’s Purchasing By-Law 16-2020 allows for the negotiation of purchases where there is only one known source of supply. However, standardizing on Belden cable products does not preclude a competitive process for acquisition, as there are several vendors who would have the ability to bid.

4.2 Funding for the acquisition of cabling for upgrades or replacements at Regional facilities will be included in the annual Business Plans and Budgets.

5. Relationship to Strategic Plan

5.1 This report supports Durham Region Strategic Plan through:

a. Goal 5: Service Excellence. Objective: To provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery.

- 5.1 Optimize resources and partnerships to deliver exceptional quality services and value.

6. Conclusion

6.1 This report requests that the Finance and Administration Committee recommend to Regional Council to extend Belden cable as the corporate standard for network and Voice over Internet Protocol for five additional years, until November 30, 2025.

Respectfully submitted,

Original signed by

Don Beaton, BCom, M.P.A.
Commissioner of Corporate Services

Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2304

The Regional Municipality of Durham
Information Report

From:	Commissioner of Finance
Report:	#2020-INFO-88
Date:	October 9, 2020

Subject:

2019 Annual Investment Report

Recommendation:

Receive for information

Report:

1. Purpose

1.1 In accordance with the *Municipal Act, 2001, Ontario Regulation 438/97*, and the Region's "Statement of Investment Policy and Goals", the Treasurer is required to report annually on the Region's investment portfolio following the end of each fiscal year, generally to report on performance of the portfolio and its conformity with investment policies and goals.

1.2 This report summarizes the performance for the investment portfolio for 2019 and provides the required statement of the Treasurer.

2. Background

2.1 The Region's Statement of Investment Policy and Goals sets a low risk tolerance level and the overall investing approach emphasizes security of principal while maintaining liquidity. The policy permits investment in a variety of securities that meet the high credit ratings thresholds established in the policy.

2.2 The investment landscape continues to be characterized by low returns as it was in 2018. Consequently, the performance of the Region's investment portfolio reflects the low interest rate vehicles that are available in the investment marketplace.

2.3 The Region invests available cash that is not required for immediate use in its operations, reserve funds, and capital program. Earnings from the investment portfolio are allocated to these areas in proportion to the cash balances invested. In short, the investment portfolio is not just comprised of reserve fund holdings.

3. Performance of the Investment Portfolio

Investment Returns

3.1 The approved Statement of Investment Policy and Goals specifically recognizes the Region’s role as custodian of taxpayer’s money, with safeguarding of funds being of utmost importance. The policy also recognizes that trade-offs among investment objectives will occur in order to emphasize security of principal, provide overall liquidity, and, at the same time, maximize investment returns. While investment return is an important measure of the performance of the portfolio, it is a measure that reflects the investment objectives as well as market conditions.

3.2 The Region’s overall investment returns were higher than those obtained in the prior year. For 2019, the return on the portfolio averaged 2.425% (2018 – 2.02%).

3.3 The average rate of return for investments stratified by the remaining term is shown in the following table:

Investment Returns by Remaining Term

Remaining Term of Investment	2019	2018
Less than 6 months	2.63%	2.07%
6 months to 1 year	2.49%	2.28%
1 year up to 5 years	2.48%	2.52%
5 years up to 10 years	4.47%	4.75%
10 years up to 20 years	4.28%	4.26%

Investment Terms

3.4 The Statement of Investment Policy and Goals also provides guidelines for the stratification of the Region’s portfolio over investment terms ranging from less than six months up to twenty years.

3.5 At year end, 76.9% (2018 – 69%) of the value of the portfolio was invested in securities maturing in one year or less, 22.6% (2018 – 30%) of the portfolio was maturing within one to five years and the remaining 0.5% (2018 – 1%) had maturities due beyond five years. There was a shift to shorter investment terms in 2019 due to limited options in the longer term market as noted below.

3.6 The liquidity guideline ensures ready access to funds in order to meet the financial obligations of the Region as they come due and suggests a minimum of 50% of the Region's investments should have a term of one year or less. The value of the investment portfolio was well above this minimum target at the end of 2019, largely due to the lack of securities with longer maturities and suitable rates of return.

3.7 An additional term-related objective of the policy is to hold all investments until maturity, unless cash flow is required for operational purposes. Regional staff actively monitor cash requirements and inflows to ensure sufficient balances are held for day to day operations. Consequently, all investments continued to be held until maturity, as has been the case in prior years.

Investment Portfolio Composition

3.8 The Investment Policy provides general guidelines for minimum and maximum investment targets by type of financial instrument and by issuers, as well as minimum credit ratings for issuers. The portfolio composition at any one point in time tends to reflect the availability of safe investments at rates of return that exceed those being received on surplus operating cash balances.

3.9 The composition of the investment portfolio at year end by type of financial institution is shown in the following table:

Investment Portfolio Composition

Financial Institution / Instrument	Guidelines		Actual at Dec 31/19 %
	Target Minimum %	Target Maximum %	
Government of Canada (incl. T-bills)	25	100	0
Provincial Governments	15	50	2.1
Large Urban Municipal Debentures	0	25	2.5
Schedule 1 Banks (GIC's, bonds and high interest accounts)	0	50	93.6
ONE Fund	0	20	1.8

3.10 Canadian interest rates remained relatively low in 2019 and investing in high interest accounts and GICs was the main investment vehicles for the Region.

3.11 The Investment Policy also permits the Region to invest in its own debt issuances, with the requirement to report such investments in each annual investment report. The following table provides detail of the Region of Durham debentures held in the investment portfolio as at December 31, 2019:

Investment in Own Debt Issues

Broker	Coupon Rate	Maturity Amount	Issue Date	Purchase Date	Maturity Date
RBC	4.588%	$6,744,556*	Oct. 6/05	Feb. 14/11	Oct. 6/28
RBC	4.15%	$1,538,000	Oct. 16/13	Oct. 16/13	Oct. 16/29
RBC	4.20%	$1,602,000	Oct. 16/13	Oct. 16/13	Oct. 16/30
RBC	4.25%	$1,669,000	Oct. 16/13	Oct. 16/13	Oct. 16/31
RBC	4.30%	$1,740,000	Oct. 16/13	Oct. 16/13	Oct. 16/32
RBC	4.30%	$1,814,000	Oct. 16/13	Oct. 16/13	Oct. 16/33

*Amortizing bond – amount will reduce over the term

3.12 The total value of the portfolio at December 31, 2019 was $2,806,185,470 and the portfolio composition by type of security is summarized in the following table:

Portfolio Composition by Type of Security

Type of Investment	**$ (‘000’s)**	**Yield % Range**	**Maturity Dates**
Bonds / Coupons / Deposit Notes / GICs			
Provinces	59,712	2.66 – 3.22	2020 - 2022
Municipalities	72,217	1.33 – 4.75	2020 - 2033
Schedule 1 Banks	1,790,000	2.34 – 3.24	2020 - 2023
High Interest Accounts	884,257	2.30 – 2.55	2020

4. Compliance with Investment Policies and Goals

4.1 Internal controls established by Finance Department staff are an integral component in ensuring that all investment transactions are made in accordance with the Region’s Statement of Investment Policies and Goals.

4.2 The controls include those outlined in the policy as well as the ethics and conflict of interest guidelines. In addition, the Region’s investments are reviewed annually by the external auditors.

5. Forecast

5.1 At present, in response to the COVID-19 crisis, the Bank of Canada has cut rates to near zero levels and introduced quantitative easing by buying federal, provincial and corporate debt alongside the creation of three liquidity facilities to keep interest rates low and ensure the financial markets are functioning in an efficient manner. This has resulted in increased deposit supply which most of the major financial institutions are now shoring up and are unable to easily deploy into asset (lending book) growth. This has driven interest rates down considerably and they are expected to remain this way for the foreseeable future.

5.2 The continued low interest rate environment is expected to depress the investment earnings on the Region’s available cash balances, creating a challenge not only for operations but also for the reserve funds and capital program that rely on investment earnings as supplemental funding for tangible capital asset investment.

6. Conclusion

6.1 The Region continues to invest in a diversified basket of high credit rated securities that meet the minimum credit rating criteria defined in the policy and deliver a suitable rate of return. Durham Region’s investment portfolio composition is in compliance with the Council approved Statement of Investment Policies and Goals.

6.2 In my opinion, all investment transactions for 2019 continue to conform to the Region’s investment policies and goals as adopted by Regional Council, reflecting a low risk tolerance and overall conservative investing approach to emphasize the security of principal, while maintaining ample liquidity.

Respectfully submitted,

Original Signed by Nancy Taylor

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

TOWN OF AJAX
65 Harwood Avenue South
Ajax ON L1S 3S9
www.ajax.ca

The Honorable Doug Ford
Premier of Ontario
Legislative Building
Queen's Park
Toronto ON M7A 1A1
premier@ontario.ca

Sent by E-Mail

October 7, 2020

Re: **Support of ambulatory services at Ajax Pickering Hospital**

The following resolution was passed by Ajax Town Council at its special meeting held October 5, 2020:

WHEREAS Ajax Council and the Town of Ajax have been and remain strong supporters of our local Lakeridge Health hospital, and show this support by contributing annually through ongoing financial support totaling $1.6 million over 10 years, participating in the Mayors' Charity Golf Classic which has raised $4 million over 25 years, and continued advocacy efforts; and

WHEREAS Council has been advised that Lakeridge Health Corporation, through its regular business planning process, is working with internal members across the Lakeridge Health system to explore new and innovative ways to provide care; and

WHEREAS it is our understanding that one area of focus is the ambulatory care unit (ACU), which plays a critical role in diverting patients from emergency departments and supporting safe, and timely discharges; and

WHEREAS the Bowmanville, Oshawa and Ajax ACU sites are already functioning at 100% capacity and maximum efficiency with waiting lists for priority cases; and

WHEREAS it has been shared that the corporation is considering a 20% reduction to the ambulatory care budget, which would result in a cut of $625k to the Ajax Pickering Hospital ACU (which represents 67% of the total proposed cut of $975k), and have a far greater impact on patients, nursing staff and overall hospital care than the total 0.01% savings represented; and

WHEREAS any cuts in resources will have a direct effect on the high volume of patients that are seen and treated every day at the Ajax Pickering Hospital ACU, which provides critical services such as 24/7/365 emergency support, fracture clinics, shoulder clinics and plastic surgery program and specialty services and programs;

THEREFORE BE IT RESOLVED that:

1. Ajax Council reaffirms their unwavering support for the Ajax Pickering Hospital and the doctors that provide quality, timely and compassionate care to residents; and

2. That Ajax Council urges the leadership of Lakeridge Health to reconsider reducing resources at the ambulatory care units, knowing it will have serious consequences; and

3. That Lakeridge Health involve hospital and surgery leads in any discussions regarding service cuts and/or new approaches to care; and

4. That this motion be distributed to Premier Ford, Minister Elliott, all Durham Region MPPs and Durham Region municipalities.

If you require further information please contact me at 905-619-2529 ext. 3347 or sarah.moore@ajax.ca.

Sincerely,

Sarah Moore
Acting Manager of Legislative Services/Deputy Clerk

Copy: Mayor S. Collier
Regional Councillor M. Crawford
Minister C. Elliott
All Durham Region MPPs
All Durham Region municipalities

E-mail

Please see the attached resolution regarding the above subject matter that was endorsed by the Town of Ajax at our Council meeting held September 21, 2020.

Regards

Premier Ford
doug.fordco@pc.ola.org

Hon. Mark Holland, MP
Mark.Holland@parl.gc.ca

Hon. Rod Phillips, MPP
rod.phillips@pc.ola.org

Region of Durham
Chair@durham.ca

all Durham municipalities

Federation of Canadian Municipalities
info@fcm.ca

Association of Municipalities of Ontario
amo@amo.on.ca

DURHAM REGION

The Regional Municipality of Durham
Information Report

From: Commissioner of Finance
Report: #2020-INFO-100
Date: October 23, 2020

Subject:

2019 Federal Gas Tax Annual Report

Recommendation:

Receive for information.

Report:

1. Purpose

1.1 The Association of Municipalities Ontario (AMO) collects information from all Ontario municipalities regarding the use of the Federal Gas Tax Program to fund priority infrastructure projects. This information is compiled annually and used to produce an annual report highlighting various projects funded through the program. The purpose of this report is to share AMO's Federal Gas Tax Annual Report for 2019.

2. Background

2.1 The Federal Gas Tax Program provides permanent and stable federal funding toward local infrastructure projects. Funds are distributed to municipalities on a per-capita basis and municipalities have the flexibility to use the funds in any way that addresses local priorities.

2.2 In 2019, a record $1.6 billion was distributed among Ontario municipalities through the Federal Gas Tax Program. This large investment was due in part to the one-time doubling of the Federal Gas Tax fund in 2019.

2.3 Durham Region received $19.6 million through the regular Federal Gas Tax allocation in 2019. The Region also received an additional $19.37 million as part of the one-time federal government top-up, plus an additional $360,000 in Federal Gas Tax surplus administration funds. In 2020, Durham Region also received a regular Federal Gas Tax allocation of $19.6 million.

2.4 Durham Region's regular Federal Gas Tax allocation in 2019 and 2020 was used to finance various road rehabilitation projects and Durham Region's share of the Durham York Energy Centre. Table 1 provides the list of projects that were approved by Regional Council for funding from the additional Federal Gas Tax top-up in 2019. Details on these projects were provided in report #2019-COW-31.

Table 1: Projects Funded Through Additional 2019 Federal Gas Tax Funds

PROJECT	ESTIMATED COST ($, 2019)
Electric Buses and Infrastructure	10,100,000
DRLHC Energy Efficiency Retrofits	5,400,000
Road Building Pilot with Regional Waste Materials	3,500,000
Regional Smart City Traffic Pilot	730,000
Total	**19,730,000**

3. Attachments

Attachment #1: AMO's 2019 Federal Gas Tax Annual Report

Respectfully submitted,

Original Signed by Nancy Taylor

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance and Treasurer

The Federal Gas Tax Fund in 2019

Letter from the AMO President

AMO Association of Municipalities Ontario

In 2019, the federal Gas Tax Fund was once again a significant source of infrastructure funding for communities all across Ontario – and in fact it was twice as impactful as it usually is.

That's because in March of 2019, the federal government announced a one-time doubling of the Fund. This "top-up" funding meant that Ontario's municipalities received more than $1.6 billion in federal Gas Tax funding in 2019.

This major commitment from the federal government allowed municipalities to move forward on hundreds of local infrastructure projects, many of which would have been delayed without the additional funding.

This annual report showcases some of the projects that benefited from the top-up funding, and outlines how important investing in municipal infrastructure is to building better communities and improving quality of life across Canada.

As the voice of Ontario's municipalities, AMO represents almost one in three Canadians. We are proud of our work in administering the federal Gas Tax Fund. Local governments are responsible for so much of the infrastructure that people use every day. From clean drinking water and recreational facilities, to safe roads and bridges – municipalities are at the heart of delivering these services, along with many more.

Clearly, funding provided by the federal Gas Tax Fund is absolutely essential for municipalities to be able to keep providing these vital services. And the knowledge that the Fund is a permanent and predictable source of income for local infrastructure means that municipalities can plan their work and uphold their commitments to residents.

This annual report contains information on the benefits each project has brought to the community, showing how no matter where you live in Ontario, the federal Gas Tax Fund has had a positive impact.

In 2020 the federal government expedited the release of federal Gas Tax funding, distributing the full amount in June rather than in two installments as in previous years. This ensured important projects could continue even as the world was in the grip of uncertainty brought on by the COVID-19 pandemic. This report makes it very clear how important the predictability of this funding is to the people of Ontario.

Sincerely,

Graydon Smith - AMO President

In 2019, municipalities invested federal Gas Tax funds in:

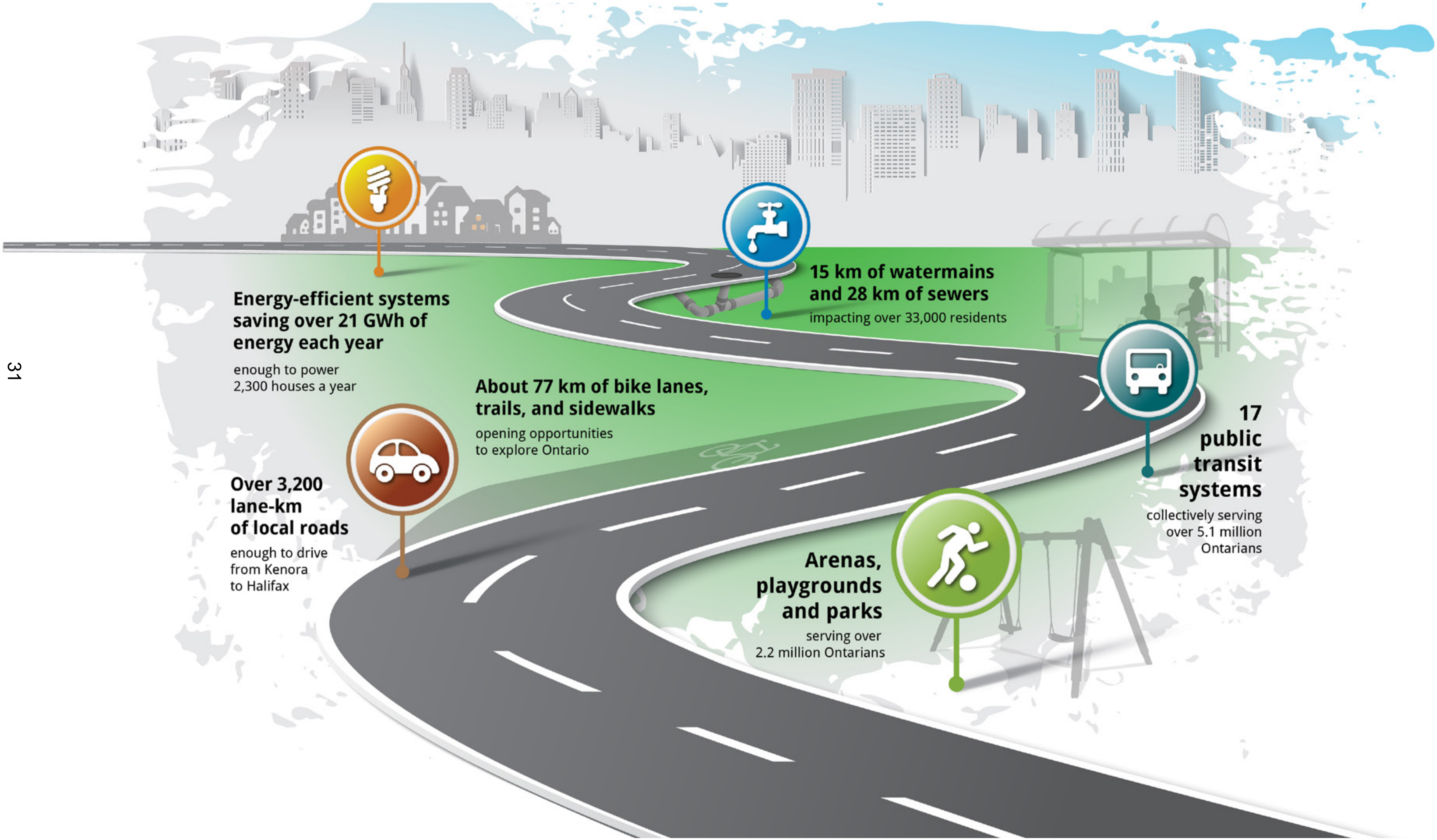


Table of Contents

This report describes how Ontario’s communities invested and benefited from the federal Gas Tax Fund in 2019. The report is split into two parts. Part I summarizes investments, benefits, and AMO’s approach to the administration of the Fund. Part II provides detailed financial information, compliance statements, and descriptions of projects supported by the Fund.

Both parts of this report are available at www.gastaxatwork.ca.

The Federal Gas Tax Fund

About the Fund

The federal Gas Tax Fund provides permanent and stable federal funding for local infrastructure projects. Canadian municipalities receive over $2 billion from the Fund each year.

Funds can be invested in the construction, enhancement or renewal of local infrastructure, used to improve long-term plans and asset management systems, shared with other communities to achieve common goals, or banked to support future projects. The Fund is flexible; local governments decide how funds can be best directed to address local priorities.

Municipalities can spread investments of the Fund over several project categories to boost productivity and economic growth, create a cleaner environment, and build stronger cities and communities – key national objectives of the Fund. Eligible project categories are listed below.[1]

Productivity and Economic Growth	Clean Environment	Strong Cities and Communities
Broadband Connectivity	Brownfield Redevelopment	Capacity Building
Local and Regional Airports	Community Energy Systems	Culture
Local Roads and Bridges	Drinking Water	Disaster Mitigation
Public Transit	Solid Waste	Recreation
Short-Line Rail	Wastewater	Sport
Short-Sea Shipping		Tourism

[1] Highways are also eligible under the federal Gas Tax Fund – but are not listed in the table above because highways are provincially owned and maintained in Ontario.

The Federal Gas Tax Fund in Ontario

Federal Gas Tax funds are distributed to provinces, territories and First Nations on a per-capita basis.[2] Ontario's communities received $5.5 billion between 2014 and 2019.[3] An additional $3.4 billion will be transferred between 2020 and 2023.[4]

Administration of the Fund in Ontario is governed by the Administrative Agreement on the Federal Gas Tax Fund. Under the Administrative Agreement, AMO distributes funds to all municipalities in Ontario except for the City of Toronto, which receives funding directly from the Government of Canada. The Government of Ontario delivers funds to unincorporated areas of the province.[5]

AMO flows funds directly to municipalities upon receipt from the Government of Canada.[6] Funds are distributed on a per-capita basis, with funding split 50/50 between upper- and lower-tier municipalities in two-tier systems. Municipal allocations can be found at www.gastaxatwork.ca/about-the-fund/allocations.

Predictable, up-front funding from the federal Gas Tax Fund allows local governments to plan for the long term, target funding to local priorities, and get projects moving quickly. The Ontario model recognizes that municipalities are a duly elected, accountable and transparent order of government. AMO's success in administering the program results in municipalities receiving funds in a timely fashion.

Each municipality's use of federal Gas Tax funds is governed by a Municipal Funding Agreement for the Transfer of Federal Gas Tax Funds. Under the Municipal Funding Agreement, municipalities can use funds to:

- Cover the full cost of an eligible project;
- Support an eligible project that benefits from other funding sources;
- Save and/or invest for future eligible projects;
- Finance long-term debt incurred for eligible projects;
- Accrue interest for subsequent application toward eligible projects;
- Develop and implement asset management plans; and
- Collaborate with other municipalities or non-municipal entities to fund an eligible project.

AMO works with municipalities to ensure that they comply with the *Municipal Funding Agreement*. See the Risk Management and Compliance section of this report for more information.

Municipal Top-Up

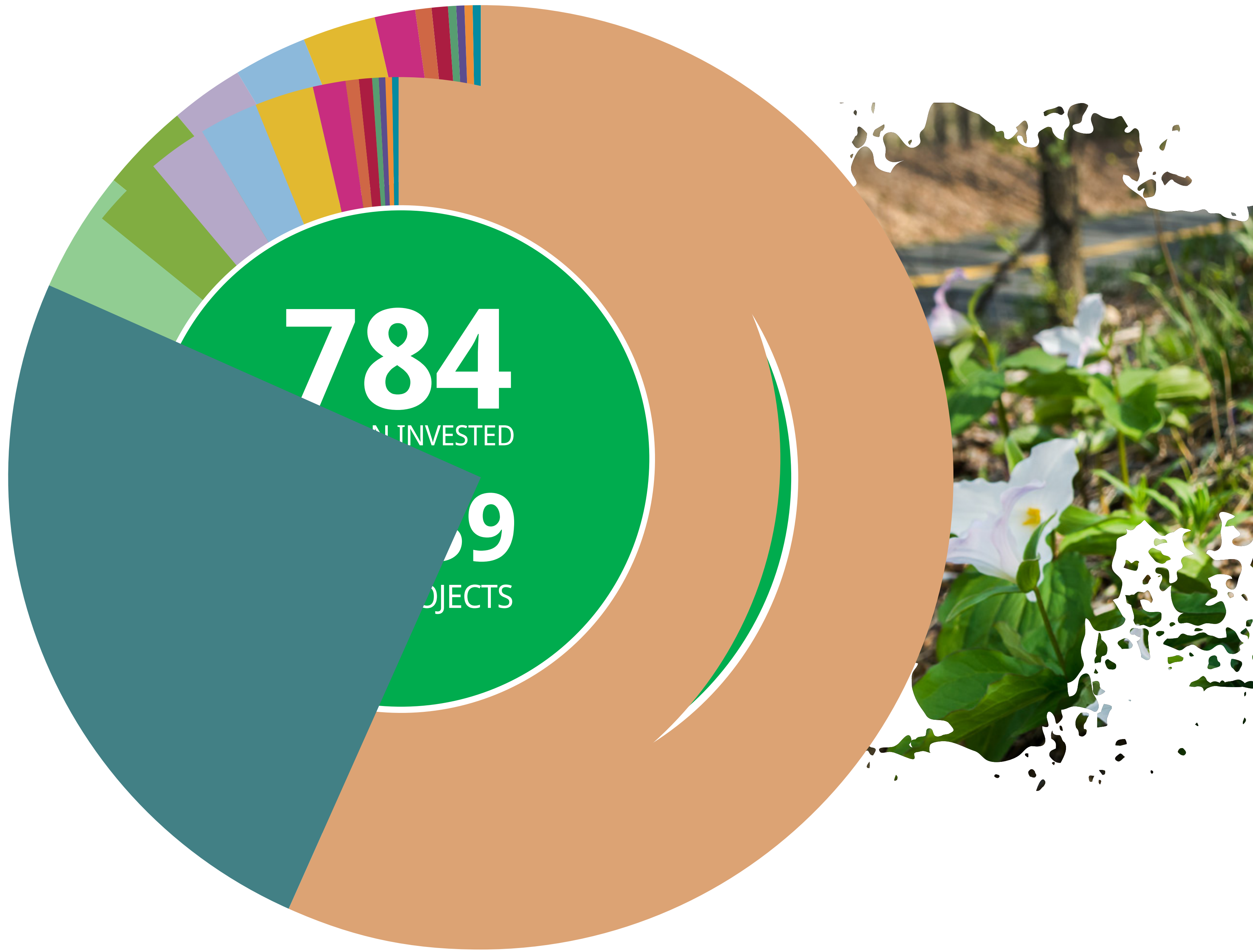
The federal government transferred an additional $2.2 billion to communities across Canada through the federal Gas Tax Fund in 2019 – doubling 2019's distribution and accelerating critical local infrastructure projects. See narratives scattered throughout this report to learn more about how the top-up is helping municipalities in Ontario meet urgent needs.

[2] The federal Gas Tax Fund is allocated to provinces, territories and First Nations on a per-capita basis, but provides a base funding amount – equal to 0.75% of total annual funding – to Prince Edward Island and each territory.
[3] This amount includes the additional $819.4 million released through Budget 2019 – effectively doubling 2019's distribution of the Fund.
[4] The Administrative Agreement (see next paragraph) came into effect in 2014 and expires in 2023.
[5] All subsequent references to communities, municipalities and local governments in this report are exclusive of the City of Toronto unless otherwise noted.
[6] AMO distributed approximately $4.4 billion between 2014 and 2019 (including additional funding released through Budget 2019) and will distribute an additional $2.7 billion between 2020 and 2023.

Investment in 2019

183,72

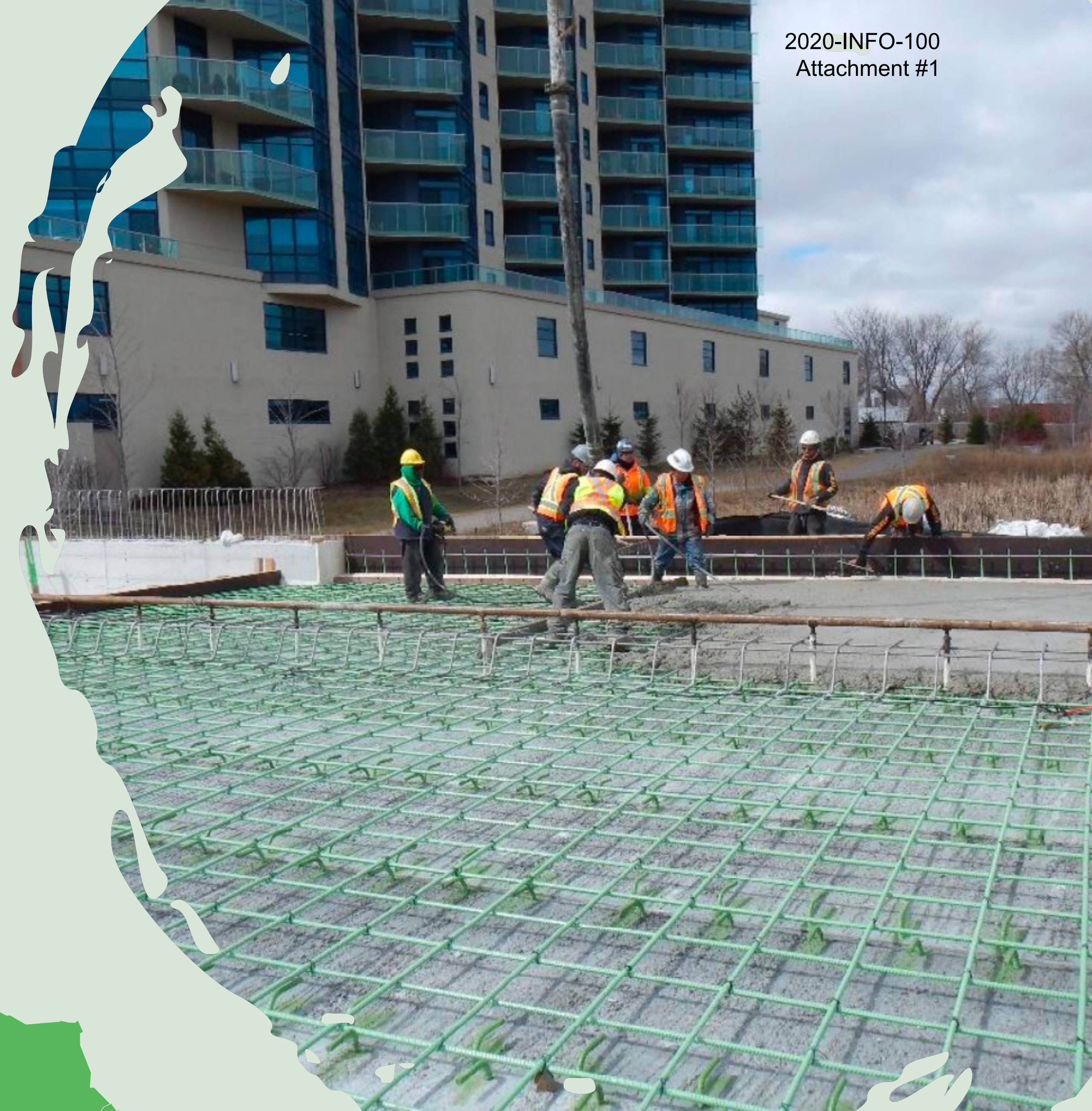
Local Roads and Bridges	$445.9M
Public Transit	$196.5M
Solid Waste	$31.9M
Recreation	$23.6M
Wastewater	$20.6M
Drinking Water	$20.2M
Community Energy Systems	$19.6M
Culture	$9.3M
Capacity-Building	$5.1M
Disaster Mitigation	$4.8M
Broadband Connectivity	$2.4M
Regional and Local Airports	$2.4M
Tourism	$0.8M
Sports	$0.7M



Lakeshore Drive Improvements in Barrie

This project has improved the natural environment and enhanced a key community and economic area in the City of Barrie. Previously, culverts at Lakeshore Drive were unable to cope with even minor storms, resulting in frequent flooding. Federal Gas Tax funding was invested in the construction of much larger concrete box culverts to safely accommodate significant storms.

The new culverts were constructed as part of a larger project to restore Bunker's Creek and Dyment's Creek to a natural open channel, relocate Lakeshore Drive and create additional waterfront park space. Barrie's waterfront is a community gathering place, home to charity fun runs, festivals, family picnics and more.



Wastewater

A thriving community hub is benefiting from improved flood protection and an enhanced natural environment.

City of Barrie

Population: 141,434

2019 Federal Gas Tax Allocation: $17,410,050

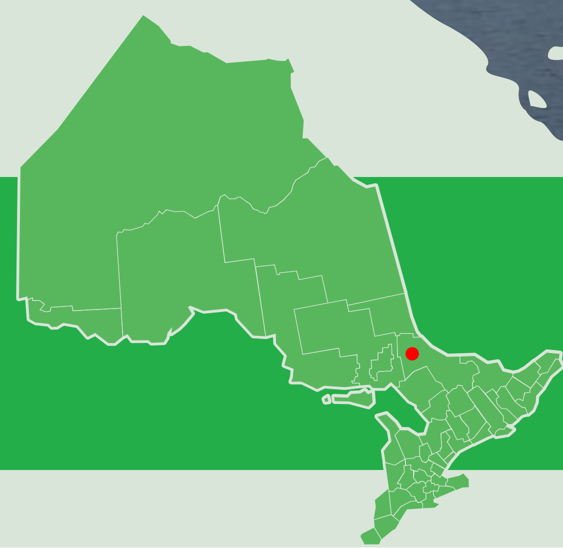
Small Water System Pump Replacement in Temagami

Top-up funding helped the Municipality of Temagami replace and upgrade pumps in the backwash system at a water treatment facility – accelerating the completion of an urgent investment required to continue the distribution of clean water.

The Ontario Clean Water Agency (OCWA) identified the need for this investment several years ago, and work was initially slated for 2017. But with a population of 802, the municipality hadn't raised enough through water rates to finance the project. Temagami added a 15% capital levy to their rates in 2019 and was finally able to tackle the project in 2019 thanks to the levy and the top-up funds.

Drinking Water

The continued supply of clean water has been secured by upgraded pumps at a water treatment facility.



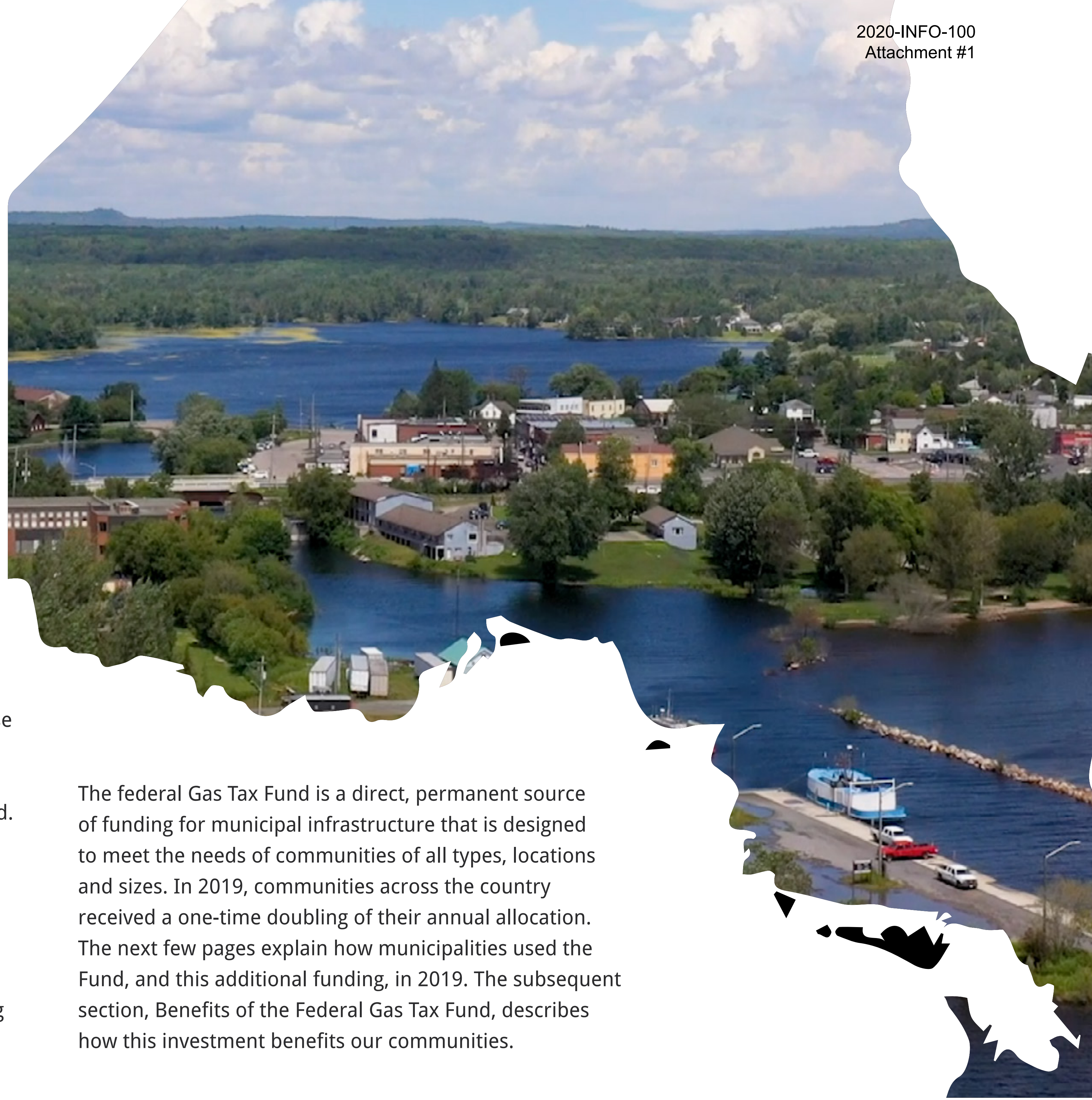
Municipality of Temagami

Population: 802

2019 Federal Gas Tax Allocation: $103,166

Investments of the Federal Gas Tax Fund

Safe and reliable infrastructure is critical to all Canadians



From the water we drink, to the internet we use, to the roads we travel – these assets impact many aspects of our lives. Keeping this infrastructure up to date is a significant undertaking, for which municipalities are largely responsible. Municipalities primarily use federal Gas Tax Funds to ensure their assets are in a state of good repair, which is no surprise given the overwhelming need in this area. In order to maintain and upgrade these infrastructure assets, investments from all levels of government are required.

Ontario has 444 municipal governments, each with its own needs and circumstances. Some are expanding to meet the demands of a growing population, while others are managing existing assets on a shrinking tax base. All communities, however, are adapting to the many changes that 2020 has brought, while continuing to adapt to climate change and extreme weather.

The federal Gas Tax Fund is a direct, permanent source of funding for municipal infrastructure that is designed to meet the needs of communities of all types, locations and sizes. In 2019, communities across the country received a one-time doubling of their annual allocation. The next few pages explain how municipalities used the Fund, and this additional funding, in 2019. The subsequent section, Benefits of the Federal Gas Tax Fund, describes how this investment benefits our communities.

Allocations in 2019

Communities across Canada received $4.4 billion from the federal Gas Tax Fund in 2019 – an increase of $2.2 billion over 2018's distribution. The increase was due to the one-time doubling of the Fund announced in Budget 2019.

Ontario's share of the Fund came to $1.6 billion in 2019. AMO delivered nearly $1.3 billion to municipalities across the province. Municipal allocations in 2019 are listed in Part II of this report.

Due to operational efficiencies in administrating the Fund, AMO distributed an additional $12 million to communities from its reserves in 2019. This distribution is included in the allocations listed in Part II. Surplus administrative funds are generally distributed every five years.

Communities carried an additional $832 million in funding forward from 2018. Municipalities therefore had $2.1 billion in federal Gas Tax funding available for investment in 2019.

Investment in 2019

Ontario's municipalities invested nearly $784 million from the federal Gas Tax Fund in 2019.[7] Investments supported 1,439 local infrastructure and capacity-building projects worth a total of $8.5 billion. To put this in perspective, municipal investment in infrastructure from all sources of funding totalled $7.8 billion in 2018 (the latest year for which data is available).[8] Funds left unused at the end of 2019 were held in municipal reserves to earn interest for future investments, and were largely allocated to ongoing or future projects.

Detailed project information is available in Part II of this Report. Benefits generated by these projects are summarized in Appendix A.

Federal Gas Tax funds can be invested across 17 project categories, giving municipal governments the flexibility that they need to meet unique local needs. Investments made in 2019 spanned all but three of these categories – brownfield redevelopment, short-line rail, and short-sea shipping – indicating the diversity of infrastructure needs in communities across Ontario.

Transportation infrastructure was the primary beneficiary of federal Gas Tax investment in 2019. Investments in roads, bridges, and public transit infrastructure collectively comprised 82% of 2019's federal Gas Tax expenditures.[9] This focus on transportation infrastructure was expected; Ontario's municipalities own over 140,000 km of roads and 15,000 bridges and large culverts – most of which were built over 50 years ago.

[7] Financial information shown on this page was compiled from annual reports submitted to AMO by municipal staff. All but three communities had submitted an annual report to AMO by the time of compilation (August 21, 2020).

[8] Municipalities (excluding Toronto) reported capital investment of $7.8 billion in their 2018 Financial Information Returns, 2018 being the most recent year for which nearly complete information is available (two municipalities had not submitted their Returns by the time of publication).

Municipal capital investment is calculated by summing additions and betterments to tangible capital assets (schedule 51A, line 9910, column 3), construction in progress (schedule 51C, line 9910, column 2), and contributed (less donated) capital assets (schedule 53, line 1031, column 1), then subtracting capitalized construction in progress (schedule 51C, line 9910, column 3). See https://efis.fma.csc.gov.on.ca/fir/Welcome.htm for more information.

[9] This number notably does not include investments made by the City of Toronto – which has historically invested the entirety of its federal Gas Tax allocation in public transit through the Toronto Transit Commission – or Local Roads Boards receiving funds through the Government of Ontario. Taking these recipients into account would increase the share of Ontario's federal Gas Tax funding dedicated to transportation infrastructure.

Rehabilitation of John Street in Sundridge

The small, rural community of the Village of Sundridge is benefiting from the investment of federal Gas Tax funding in the rehabilitation of a busy main street.

The rehabilitation of John Street has had a substantial impact on the community – both in economic growth and the strength of the community. John Street is home to the only grocery store in the village, as well as the only bank and hardware store. These businesses are vital to the economy and the community. Part of the rehabilitation included widening the street to allow for a new sidewalk.

Local Roads and Bridges

Rehabilitating a busy main street has improved access for the community and boosted the local economy.

Village of Sundridge

Population: 961

2019 Federal Gas Tax Allocation: $122,221

Sidewalk and Trail Construction in Richmond Hill

The City of Richmond Hill has seen the number of cyclists more than double since construction of this new 2.25 km sidewalk and multi-use trail. Federal Gas Tax funds were invested in the creation of this route, which forms part of 18 km of recreational and commuter trails that also form part of the Lake to Lake Cycling Route and Walking Trail.

The multi-use path allows recreational users and commuters to share off-road space, and provides cyclists with physically separated bike lanes that allow for more direct trips. It provides commuters with an active transportation option directly linked to the City's largest business park, promoting a cleaner environment and benefiting local businesses.

Local Roads and Bridges

More people are enjoying an active, healthy lifestyle thanks to a new recreational trail and sidewalk.

City of Richmond Hill

Population: 195,022

2019 Federal Gas Tax Allocation: $11,935,955

Investment of 2019's Top-up Funding

Top-up funding released in 2019 is expediting and kickstarting infrastructure projects across Ontario. The additional funding allows municipalities to tackle projects that had been long delayed for lack of funds, invest in innovative new assets, undertake larger-scale projects, accelerate timelines and complete additional projects. Examples of some of the projects that municipalities have already completed using top-up funds are scattered throughout this report.

A significant amount of top-up funds were nevertheless held in municipal reserves and carried into 2020 at the end of 2019. The delay between the distribution of funds and their expenditure is partially a matter of timing. Municipal councils typically approve capital budgets in the winter preceding the construction season. Top-up funds were distributed in the summer. Some communities will therefore take at least a year to plan for the investment of top-up funds.

The delay is also, in part, a desirable consequence of effective asset management. Municipal staff plan infrastructure investments years in advance of construction, taking into account the condition of assets, council's priorities, community demands for service, and other factors. This planning process can be lengthy – and is critical to effectively target limited resources to long-term needs.

Leveraging Funds

Federal Gas Tax funds are intended to complement – without replacing or displacing – other sources of funding for local infrastructure. Many municipalities therefore leverage the Fund by combining federal Gas Tax funds with other sources of capital financing to stretch each federal Gas Tax dollar even further. For every $100 of federal Gas Tax funds invested in projects completed between January 1, 2019 and December 31, 2019, municipalities invested an additional $91 from other funding sources.[10]

Of course, municipalities also invested heavily in infrastructure projects that were not supported by the Fund – and this investment has increased drastically since the Fund was established. Between 2000 and 2004, municipal capital expenditures averaged $3.9 billion per year. But over the five-year period preceding this report, municipalities invested $7.6 billion per year in infrastructure.[11]

This increased investment is critical to seal the infrastructure investment gap. The gap reflects the unfunded investment required to replace infrastructure that has exceeded its intended life, meet annual lifecycle costs, and accommodate growth. Some municipalities have implemented capital levies and turned to other revenue sources to ensure the continued and sustainable delivery of local services. Federal Gas Tax funding complements these efforts and provides critical support for small communities with limited fiscal capacity.

[10] The City of Ottawa completed a $2.1 billion light rail project in 2019 with $74.5 million in federal Gas Tax funding. This long-running project began in 2011 and is unrepresentative of the typical project financed by the Fund in 2019. The project was therefore ignored when calculating leveraging above. Inclusion of the project would increase the leveraged amount to $279 from other funding sources per $100 from the federal Gas Tax Fund.

[11] Under the terms and conditions of the Administrative Agreement, the municipal sector is required to invest federal Gas Tax funds incrementally (i.e., as a complement to – rather than as a replacement or displacement of – other sources of funding for local infrastructure). Average annual municipal infrastructure investment over the life of the Administrative Agreement (i.e., 2014-2023) is compared to average annual municipal infrastructure investment over the five-year period preceding the establishment of the Fund (i.e., 2000-2004) to confirm that the sector is meeting this requirement. The growth in average annual municipal infrastructure investment suggests that it is.

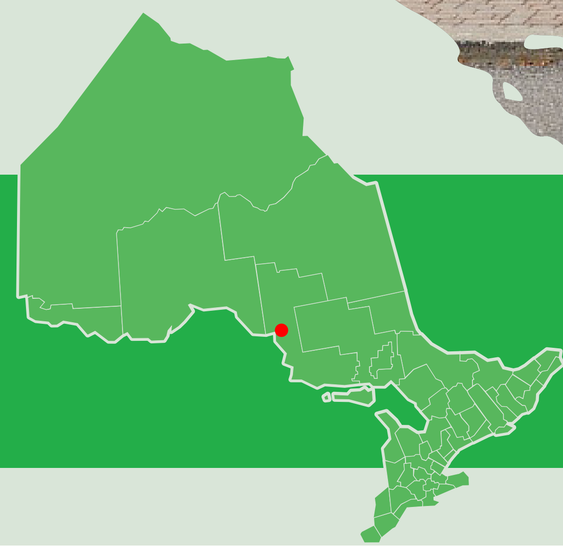
Elevator Replacement in Wawa Community Centre

The elevator in the Municipality of Wawa's Community Centre has required more frequent repairs in recent years, impacting the accessibility of areas of the important facility. By investing federal Gas Tax funding in the purchase and installation of a vertical platform lift suitable for wheelchairs, the Municipality has ensured Wawa Community Centre can be safely and comfortably used by all members of the community.

Wawa Community Centre is used for a wide range of activities including hockey, dance classes, fitness classes, curling, figure skating and summer youth programs. It is also home to events such as the Wawa Fish Derby and the Winter Carnival.

Recreation

All visitors can safely and comfortably access the popular community centre thanks to a new elevator.



Municipality of Wawa

Population: 2,905

2019 Federal Gas Tax Allocation: $369,296

Energy-Efficient Equipment Upgrades in Oshawa

Two key municipal recreational facilities in the City of Oshawa have been given energy-efficient upgrades thanks to the federal Gas Tax Fund. First, the Civic Recreation Complex benefited from the replacement and integration of boilers, dehumidification units, lighting control and connection to the building automation systems.

And at the Northview Community Centre – a shared recreation facility with youth and seniors' groups – the lighting system was upgraded to reflect the latest environmental LED technology, and a high efficiency tankless hot water system was installed.

Community Energy Systems

Recreational facilities have been improved for users with a series of energy-efficient upgrades.

City of Oshawa

Population: 159,458

2019 Federal Gas Tax Allocation: $9,691,229

Trends from 2014 to 2019

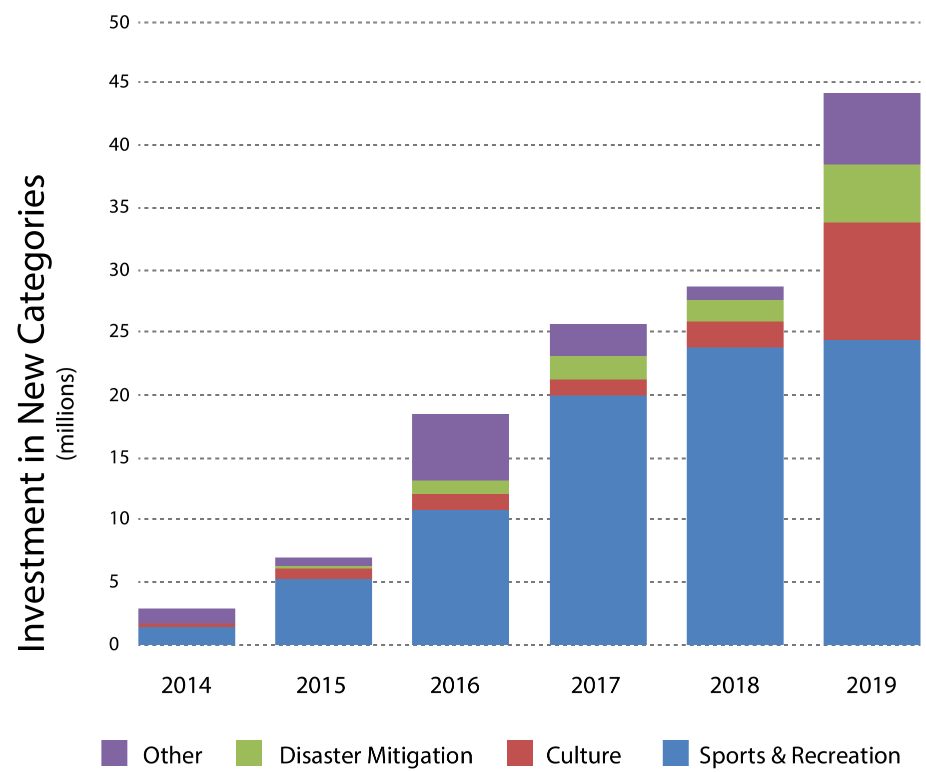
Municipalities have consistently targeted federal Gas Tax funds to transportation infrastructure. Of the $3.8 billion that municipalities invested over the 2014 to 2019 period, 80% was invested in roads, bridges and public transit infrastructure.[12] This share has been remarkably consistent from year to year, indicating the recurring demand for investment in these assets.

Roads, bridges and public transit infrastructure have been eligible for federal Gas Tax investment since the Fund was established in 2005. Investments in capacity-building programs, community energy systems, drinking water systems, wastewater systems, and solid waste infrastructure have also been eligible since this time. Remaining project categories were introduced with the renewal of the Fund under the *Administrative Agreement* in 2014.

Investments in project categories introduced in 2014 have grown more than tenfold over the 2014 to 2019 period – from $3 million to $44 million. Growth was initially driven by investment in sports and recreation infrastructure as communities seized the opportunity to renovate arenas and expand recreation centres to deliver better services to residents. Municipalities invested over $24 million in sports and recreation infrastructure in 2019 – up from less than $2 million in 2014.

Investments in sports and recreation infrastructure stabilized around 2018, but a few large investments in cultural infrastructure (e.g., community centres and theatres) continued to push investment in new categories higher. Municipalities invested over $9 million in cultural infrastructure in 2019.

Several communities have additionally invested funds in break walls and shoreline protection measures in recent years. These investments were partially in response to disastrous levels of flooding experienced across the province – 23 municipalities declared emergencies due to flooding in 2019 alone – and partially in preparation for further flooding brought on by climate change.



[12] The federal Gas Tax Fund was established in 2005, but the Administrative Agreement – which establishes the requirement to produce this report – governs the use of the Fund from 2014 through to 2023. Trends are therefore discussed only as far back as 2014. See AMO's website on the federal Gas Tax Fund, www.gastaxatwork.ca, for information regarding the use of the Fund since 2005.

Breakwall Reconstruction in Blind River

Matinenda Landing boat launch is the Town of Blind River's only access point for people who have cottages on Lake Matinenda.
A breakwall – critical to protect the boat launch's structure – was in need of repair, but the work had been postponed for several years due to a lack of available funds. In 2019, the Town experienced unusually high water levels on Lake Matinenda, and the need for the breakwall to be reconstructed became urgent.

With the federal government providing a top-up to the federal Gas Tax Fund in 2019, municipalities in Ontario received over $800 million in additional funding. Blind River was one of many communities that used the funding to accelerate an urgent project using this one-time top-up, and the breakwall was reconstructed without the municipality having to delay other vital infrastructure projects.

Disaster Mitigation

Urgent work to protect an important boat launch structure was completed following repeated delays.

Town of Blind River
Population: 3,472
2019 Federal Gas Tax Allocation: $440,943

Breakwall Construction in James

A retaining wall on approximately 90 m of the Montreal River shoreline was failing and in need of urgent replacement. The retaining wall was built in the 1960s and had deteriorated so badly that it created a significant liability issue for the Township of James.

The 2019 federal Gas Tax Fund top-up allowed the failing wall to be replaced by a more modern, permanent solution. The work has reduced the risk of flooding and property damage. Residents and visitors can now walk along the breakwall safely and enjoy the beautiful scenery.

Disaster Mitigation

Properties are protected from flooding following the construction of a new riverside breakwall.

Township of James

Population: 420

2019 Federal Gas Tax Allocation: $52,995

Benefits of the Federal Gas Tax Fund

Tangible Benefits

Investing the federal Gas Tax Fund boosts productivity and economic growth, creates a cleaner environment, and helps build stronger cities and communities. Municipalities track and report the benefits generated by federal Gas Tax projects to demonstrate the value of these investments to the community.

Measuring Benefits

AMO, in consultation with municipalities and with the approval of the Fund's Oversight Committee, developed a series of output and outcome indicators to measure the benefits of each infrastructure project. Municipalities began reporting benefits generated by federal Gas Tax investments under these new indicators in the 2016 reporting year. Municipalities now report benefits annually. Benefits are reported for each infrastructure project once construction is complete.[13]

Benefits Generated in 2019

Municipalities completed 847 infrastructure projects with help from the federal Gas Tax Fund in 2019. These projects involved the rehabilitation of roadways, installation of energy-saving retrofits, upgrade of recreation facilities, and more. Benefits generated by projects completed in 2019 are summarized in Appendix A.

[13] Outputs can typically be reported accurately immediately after construction – but many outcomes generally cannot. When resurfacing a road, for example, a community can easily assess the length of road resurfaced (the output) – but perhaps not the impact on traffic flow or usage of the road (the outcomes).

AMO therefore uses a mixture of outcome indicators that speak to both service levels (e.g., the length of road in a good state of repair) and service impacts (e.g., the number of residents benefitting from the investment). The former can typically be measured shortly after construction; the latter cannot. This approach balances the need for timely reporting against the practical constraints imposed by the data available.

Progress in Asset Management

Asset Management and the Fund

Municipalities own and manage local infrastructure to provide essential services that contribute to our quality of life. Asset management is the coordinated activity of municipal staff and elected officials to provide sustainable levels of service to the community.

Under the *Administrative Agreement*, municipalities are required to develop an asset management plan. Municipalities must also use the plan to guide infrastructure planning and investment decisions and to invest federal Gas Tax funds in priority projects.

The federal Gas Tax Fund provides critical support in helping municipalities make progress in the development and implementation of asset management plans. Municipalities have used $44 million from the Fund to support 237 capacity-building projects focusing on asset management and long-term planning since 2014; 75% of the projects would help communities utilize asset management to identify local priorities for infrastructure investment.

Municipalities are expected to continuously improve and implement their asset management plans according to the requirements of the Asset Management Planning Regulation.

Municipal Progress in Asset Management

Asset management plans are collected and reviewed in order to assess and report on progress and inform current and future capacity-building initiatives. In 2019, an additional 53 municipalities improved their asset management plans.

While municipalities continue to make progress in asset management, very few municipalities identify priority projects in their plans due to lack of:

- Understanding of asset lifecycle costs, levels of service and risk assessment;
- Financial resources to collect and maintain the required data; and
- Adequate staff resources and training.

257 municipalities completed an optional asset management questionnaire in 2019 to report to AMO that they are improving their internal capacity by investing staff resources in training and educational programs, developing asset management governance structures, policies and strategies, improving quality of asset condition data, utilizing technology through use of financial, analytical and GIS software to gather information for better Council decision-making.

Under the guidance of its asset management working group, AMO will continue to monitor the municipal sector's progress in the development and implementation of asset management plans as required under the *Administrative Agreement*.

Guelph's Asset Management Decision Support System

By fostering an asset management culture which relies on accuracy and completeness of infrastructure data, the City of Guelph has been able to successfully address community needs in a timely and cost-effective way.

In 2019 the City used federal Gas Tax funds to implement a decision support system used to analyze the impact of funding and priority changes on condition and level of services in real time. The municipality uses the data it collects on costs, risks and service levels to support its budgetary and operational decision-making process.

Guelph describes this approach as a game-changer that has ensured the best outcomes regarding financial sustainability of assets. They are committed to using evidence-based business cases to set priorities for long-term financial planning.

Capacity-building

Long-term financial planning is helping community needs be met in a timely and cost-effective way.

City of Guelph

Population: 131,794

2019 Federal Gas Tax Allocation: $15,892,398

Technical Assistance for Small Municipalities

In 2019, AMO collaborated with Asset Management Ontario to provide hands-on training and technical assistance to 17 municipalities across the province. Training and assistance involved educating multi-disciplinary staff and elected officials on key concepts to help participating municipalities progress in the implementation of their asset management plans and establishment of a robust asset management system. The program was delivered in partnership with the Federation of Canadian Municipalities' Municipal Asset Management Program (MAMP), which is funded by the government of Canada.

Building on the success of the pilot project, AMO will continue to facilitate technical assistance activities in 2020-21 for an additional 33 municipalities with diverse challenges and training needs. AMO's involvement in this initiative leveraged existing support directed at ensuring sector progress in asset management and helped AMO support other associations and organizations (like local communities of practices) more effectively. With MAMP support and successes, there is also stronger advocacy at the federal level.

Municipalities that participated in the technical assistance project were able to successfully demonstrate progress in various competencies like policy and governance and planning and decision-making. Some of the participants were profiled in AMO's video series on asset management success stories featuring the role of elected officials in fostering a culture of collaboration and long-term thinking across their municipalities.

Online Training for Elected Officials

For a municipality to be successful in asset management, it is critical that both Council and staff are engaged and understand the benefits of asset management. Elected officials are the stewards of public infrastructure and set strategic direction on the allocation of financial resources that affect the quality and delivery of services provided to their communities.

In 2019, AMO launched a new introductory online course on asset management for elected officials. The course provides fundamental information on asset management, clarity on the role of Council, and guidance on the information that Council requires from municipal staff to adopt asset management as a decision-making tool for infrastructure investments. For more information, visit www.gastaxatwork.ca/asset-management/asset-management-elected-officials.

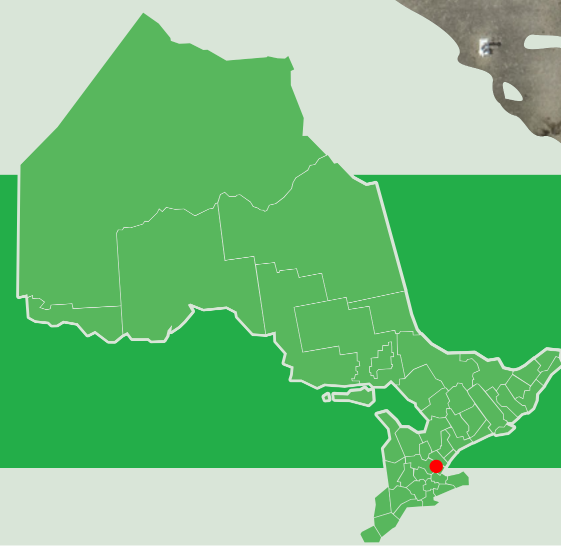
Fulton Street Pump Station Modifications in Halton

The Region of Halton created a 600 m pipeline connecting the newly constructed Fulton Street Pumping Station to the existing regional wastewater collection. Connection of the pipeline allows wastewater from the Town of Milton to be diverted to the Mid-Halton Wastewater Treatment Plant. Diverting this wastewater to the Mid-Halton site meant that the Milton Wastewater Treatment Plant was no longer required. It has since been closed, eliminating the associated operating costs.

The closure of the Milton Wastewater Treatment Plant will positively contribute to reducing greenhouse gas emissions and hydro consumption in treating wastewater. Federal Gas Tax funds were invested in this important work.

Wastewater

A new wastewater pipeline has led to a reduction in greenhouse gas emissions and hydro consumption.



Region of Halton

Population: 548,435

2019 Federal Gas Tax Allocation: $32,913,683

Rehabilitation of Lakeshore Drive in Madawaska Valley

The Township of Madawaska Valley invested federal Gas Tax funds in improving access to its waterfront area. Lakeshore Drive's road surface was replaced, and landscaping around the construction area has greatly improved access to much of the community's recreational attractions.

Families are enjoying the new outlook on their way to walking paths, the public beach, play structures in the park, and the tennis club, and the new infrastructure is further encouraging healthy, active lifestyles.

Local Roads and Bridges

Residents and visitors are enjoying improved access to a number of recreational waterfront attractions.

Township of Madawaska Valley

Population: 4,123

2019 Federal Gas Tax Allocation: $264,002

Communications: Sharing the Benefits of the Federal Gas Tax Fund

Communications in 2019

Over a thousand local infrastructure projects across Ontario benefit from the support of the federal Gas Tax Fund every year. The Fund helps municipalities invest in the things that people rely on most and that improve the quality of life in communities – recreation centres, transit, roads and bridges, water systems and more.

Municipalities are expected to share news of the benefits of their local federal Gas Tax projects with parliament, the media, and their residents. AMO works with local governments and with Infrastructure Canada to help municipalities tell their success stories. In 2019, municipalities directed the Fund to 1,439 projects in Ontario.

AMO increasingly uses digital platforms to spread the word about the federal Gas Tax Fund and its positive impact on communities across the province. Traditional news releases also play a part, and AMO also regularly produces video profiles of various projects. AMO maintains a dedicated federal Gas Tax Fund website, www.gastaxatwork.ca, that is home to an online database of federal Gas Tax project information.

News Releases and Media Events

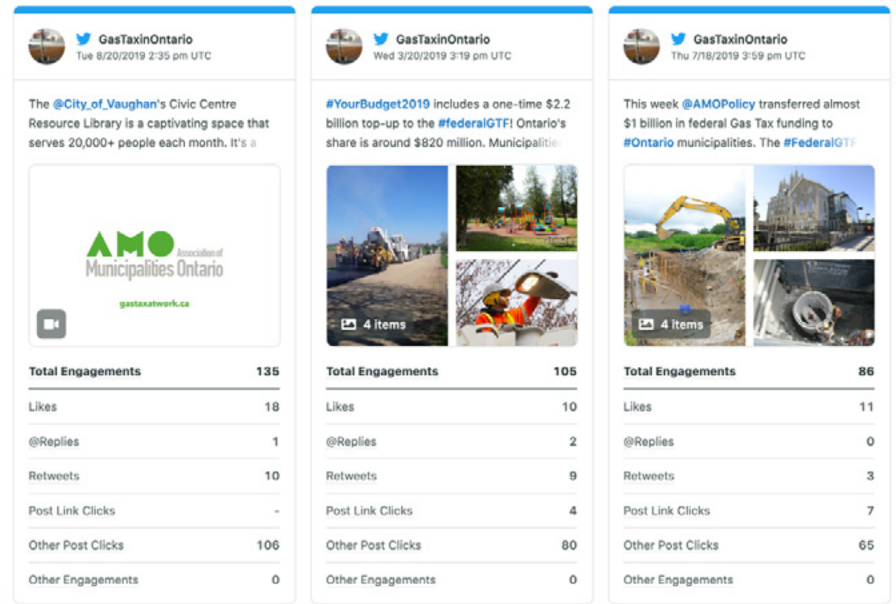
Despite the move to online platforms, traditional news releases still have a role to play in spreading the word about the federal Gas Tax Fund. News releases can attract local media coverage, a useful way of communicating construction starts and completion and highlighting local project benefits. In 2019, AMO worked with Infrastructure Canada and local governments to issue news releases on project announcements and to promote the top-up of the Fund.

Social Media

With nearly all Canadians using the internet, it's clear that the internet and social media are very effective ways to share news about the benefits of the federal Gas Tax Fund. AMO posts regular Gas Tax updates on dedicated Twitter, Instagram and YouTube channels.

twitter

The @GasTaxInOntario Twitter account was more active in 2019 than in 2018, with a 20% increase in total posts, a 275% increase in video posts, and a 7% increase in published links. Analytics reveal that video posts are most popular. The account also saw a 2.6% increase in followers in 2019.



Instagram

In 2019, AMO launched an Instagram account to showcase the federal Gas Tax in Ontario. While this is still a relatively new account, statistics show that videos shared on the @federalgastaxontario account are often more popular than photos.

Videos

Video is an extremely effective way to promote a message, with social media users often unwilling to dedicate time to reading reports or articles. AMO produces video profiles of projects funded by the federal Gas Tax Fund. These are hosted on [YouTube](), and can also be embedded directly on [Twitter]() and [Instagram](), as well as shared with municipalities for use on their own online platforms. The videos are also included in project profile articles hosted on the [www.gastaxatwork.ca]() website.

AMO produced five Gas Tax videos in 2019.

- Central Huron's New Storm Drain
- Vaughan's Civic Centre Resource Library
- Brampton's Investment in Public Transit
- North Perth's Steve Kerr Memorial Complex
- 2019 Gas Tax Awards

The videos were viewed 814 times directly on YouTube. On Twitter, the videos were viewed 4,081 times in total.

Gas Tax At Work

AMO's dedicated Gas Tax At Work website features a mapping tool with information about exactly where and how the Fund is invested in Ontario's communities. In 2018, AMO began working on a complete website overhaul, including updating the mapping tool and giving the site an entirely new look and feel. The new site launched in spring 2019, and includes regular updates in the form of project profiles, a blog, and news releases.

The website also hosts Annual Reports and a large amount of useful information on the Fund. After launching in the spring, the website attracted 13,500 views up to the end of 2019.

Education

As an administrator of the Fund, AMO works directly with municipal governments to ensure that reporting and other requirements are met. AMO communicates program information through email, the WatchFile (AMO's weekly e-newsletter), at municipal education forums, by producing informational videos and through social media. Program information is always available on AMO's federal Gas Tax website, www.gastaxatwork.ca and our online reporting system includes detailed instructions.

AMO delivered a workshop on asset management and provided an update on the Fund at the 2019 AMO Conference in Ottawa, a gathering of roughly 2,400 municipal elected officials and staff. The workshop focused on the role of asset management as a decision-making tool for councils to help with identifying infrastructure priorities. Information about the federal Gas Tax Fund was also presented at the Municipal Finance Officers' Association (MFOA) and the Rural Ontario Municipal Administrators (ROMA) conferences in 2019.

Broadband Infrastructure Installation in Pickering

The City of Pickering invested federal Gas Tax funds in providing broadband infrastructure for a new business and housing development, Seaton Lands. Conduit and fiber optic cable was laid along the road as part of the work.

More than 300 households in the new development benefited from the broadband investment, with almost 10,000 more homes due to be built on the site by 2023. These new homes will also benefit from this project, as will commercial and business properties included in the plans for part of Seaton Lands.

Broadband Connectivity

Businesses and thousands of homes will benefit from investment in broadband infrastructure.

City of Pickering

Population: 91,771

2019 Federal Gas Tax Allocation: $5,662,465

Installation of a Rink Cover in The North Shore

The Township of The North Shore's outdoor ice rink was built in the early 1990s, but had become difficult to maintain in the changing seasons. As well as problems with the ice surface, the change room facilities were in need of upgrades.

The new ice rink cover has made the ice surface easier to manage, and has allowed the area to be used in the summer for a range of activities including roller skating, markets and fairs. The top-up fund allowed for new energy-efficient LED lighting to be installed, improving energy efficiency at the facility. And the change rooms also now benefit from better insulation, heating and lighting.

Recreation

A new rink cover has improved a well-used facility and made it suitable for additional events.

Township of The North Shore

Population: 497

2019 Federal Gas Tax Allocation: $63,182

Gas Tax Awards

The AMO Federal Gas Tax Awards celebrate projects that demonstrate excellence in the use of the federal Gas Tax Fund and honour the communities that administer them. Between 2008 – when the Awards were established – and 2019, 29 municipalities received an award or honourable mention, representing communities of all sizes across Ontario. Applicants are evaluated by AMO's Awards Committee, which considers the extent to which projects:

Advance national objectives - by boosting productivity and economic growth, promoting a cleaner environment, or strengthening the community;

Support long-term planning – by building capacity for planning and asset management, addressing long-term needs, or generating long-lasting benefits;

Address local needs – by creating wide-ranging community benefits that meet the diverse needs of multiple residents and businesses; and

Demonstrate excellence – in design or execution, by adopting an innovating, efficient or effective approach to address local needs and achieve outcomes.

Region of Niagara's Trunk Sewer Rehabilitation

At the AMO Conference in August 2020 – held online for the first time due to the COVID-19 pandemic – AMO Past President Jamie McGarvey announced Niagara Region as the Gas Tax Award winner. The Hon. Catherine McKenna, Canada's Minister of Infrastructure and Communities, also recognized the project's innovation in her address to the Conference.

Niagara Region used an innovative engineering approach when replacing 2,300 m of trunk sanitary sewer in the City of Niagara Falls. Faced with a report that recommended immediate rehabilitation of the sewer, the Region was determined to keep costs down while minimizing disruption and any risk to the environment.

Federal Gas Tax funding was invested in the project, which utilized a trenchless method over the traditional open cut construction method, because of the overwhelming social, economic, environmental, and cost-savings benefits of using this technology. Thanks to this approach, the City's tourism sector was largely unaffected and the risk of sewage spills and flooding was avoided.

The project was featured in a video unveiled at the Gas Tax Awards ceremony, as part of the AMO Annual Conference.

AMO's annual Gas Tax Award is such a wonderful way to showcase the great work being done across the province. It really highlights the value and the impact of the federal Gas Tax Fund. Congratulations to this year's winner, Niagara Region. You combined innovation and environmentally-friendly engineering and supported long-term planning with your sewer pipeline project. And you did a great job keeping the impact on the busy Niagara Falls tourism sector minimal. Very impressive work.

The Hon. Catherine McKenna, Canada's Minister of Infrastructure and Communities

Since 2008 we have recognized projects that demonstrate excellence in the use of federal Gas Tax funds. This year, we had a dozen entries from all over the province, from municipalities both large and small. I know that the committee had a hard time choosing the winner. Congratulations to Niagara Region on their success.

Jamie McGarvey, AMO Past President

It's great to get recognition for the innovation that went into this project. The federal Gas Tax Fund played a very big role in making this happen.

Jim Bradley, Regional Chair Niagara Region

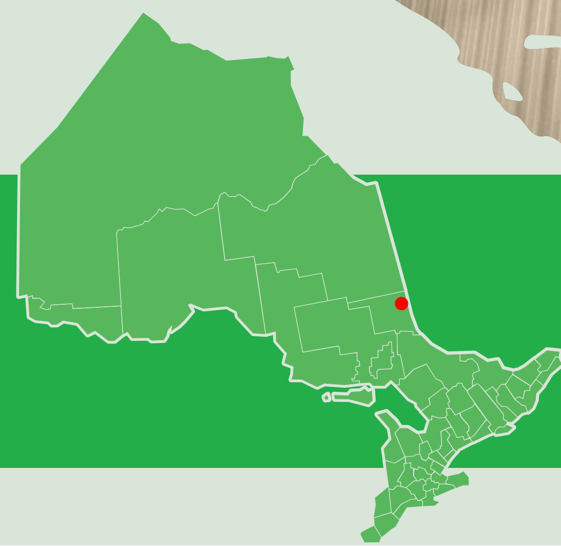
Energy-Saving Retrofits in Harris

The Township of Harris invested federal Gas Tax funds in a project that has increased energy efficiency in a key building in the community. The Township's municipal hall is now fitted with a new, energy-efficient furnace.

Also, the energy-efficient upgrades extended to the municipal hall's garage, where upgraded insulation was installed and old wooden doors were replaced with modern alternatives. These upgrades have resulted in a reduction of approximately 40% in annual energy used to heat the Hall, benefiting the environment and allowing the Township to reduce their operating costs.

Community Energy Systems

Annual energy costs have been reduced by 40% at a key municipal building following upgrade work.



Township of Harris

Population: 545

2019 Federal Gas Tax Allocation: $67,003

Risk Management and Compliance

AMO's Risk Management Framework

The *Administrative Agreement* establishes terms and conditions on the use of federal Gas Tax funds. AMO uses a risk-based approach that minimizes municipal administrative costs and recognizes municipalities as a mature order of government to monitor compliance with these requirements. The approach is defined by AMO's risk management framework.

The framework combines policies, plans, processes and education. These components collectively state AMO's goals and objectives pertaining to risk management, describe responsibilities and procedures for managing risk, and guide the development of training materials for municipal staff managing federal Gas Tax funds. The framework is reviewed annually. Components evolve as the framework matures.

Assessing Risk

Municipalities complete a questionnaire when reporting their use of federal Gas Tax funds to AMO. The questionnaire asks if specific financial policies and standard operating procedures relevant to administration of the Fund have been implemented. Sample policies and procedures are available to municipalities through AMO's online federal Gas Tax reporting tool. Responses to the risk management questionnaire are used to assess compliance risks and target AMO's efforts to manage risks. See Part II of this report for a copy of the 2019 questionnaire.

Monitoring Compliance

At least 10% of municipalities receiving federal Gas Tax funds through AMO are selected each year for a compliance audit. Municipalities are randomly selected by AMO's auditor, BDO Canada LLP, in accordance with established selection criteria. Audits are completed by BDO Canada LLP or Baker Tilly KDN LLP.

Compliance audits confirm that terms and conditions on municipalities' use of federal Gas Tax funds, as set out in the *Municipal Funding Agreement*, are met. Auditors additionally attest to the accuracy of responses to the questionnaire described above. Summaries of the compliance audits completed for the 44 municipalities selected in 2019 are available in Part II of this report.

AMO's Compliance Audit

The *Administrative Agreement* also establishes terms and conditions for AMO's administration of the Fund. A compliance audit is conducted each year to confirm that AMO has fulfilled these requirements.

The compliance audit for the year ending December 31, 2019 was completed by BDO Canada LLP. The audit confirms that AMO has complied with terms and conditions set out in the *Administrative Agreement*. A copy of the audit is included in Part II of this report.

Runway Rehabilitation in North Bay

YYB North Bay Jack Garland Airport is an important regional economic development asset and important logistical and engineering support hub that requires reliable and consistent air service.

The City of North Bay invested federal Gas Tax funds in the rehabilitation of the 4,500 foot crosswind runway, which will help retain existing agreements with carriers while also allowing for future expansion. The airport attracts industrial and commercial investments to the region and also serves routes to winter vacation destinations.

Regional and Local Airports

Existing agreements with key airline carriers have been secured thanks to the rehabilitation of a runway.

City of North Bay

Population: 51,553

2019 Federal Gas Tax Allocation: $6,609,171

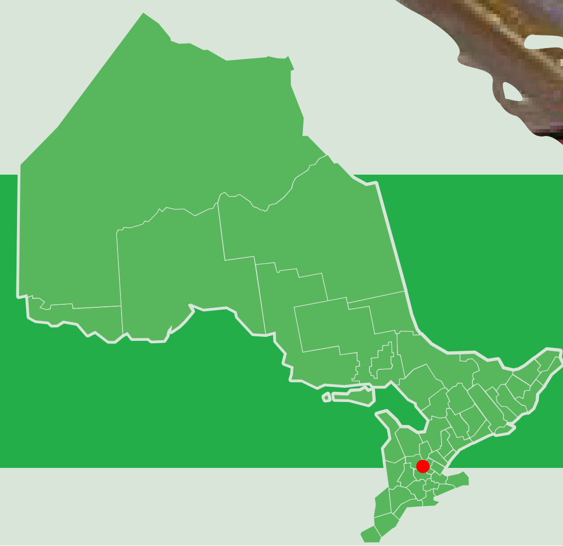
Arena Roof Surface Replacement in Wellesley

Wellesley Arena in the Township of Wellesley is a busy community facility, home to an ice rink, fitness centre, skate park, meeting rooms and more. The arena is more than 40 years old and has had ongoing problems with its roof. Federal Gas Tax funding was invested in replacing the roof, including coating and removal of interior low-e ceiling and insulation.

If this work was not done, Council would have had to close the facility due to structural concerns identified by two independent engineering firms. The roof was leaking and the weight of the insulation, which was by now absorbing large amounts of water, was deemed a hazard.

Recreation

The life of a busy community asset has been extended thanks to vital improvements to its roof.



Township of Wellesley

Population: 11,260

2019 Federal Gas Tax Allocation: $689,160

Appendix A: Project Results Reported in 2019

Investment in Completed Projects

Municipalities completed 847 infrastructure projects in 2019. The table below illustrates the distribution of these projects – and the funds that supported them – across project categories.[14]

Project Category	Completed Projects	Cumulative Federal Gas Tax Investment	Cumulative Project Costs
Broadband Connectivity	3	$ 2,250,711	$ 2,880,437
Brownfield Redevelopment	1	541,290	5,000,000
Community Energy Systems	43	21,074,659	48,142,294
Culture	13	6,909,619	26,419,001
Disaster Mitigation	4	456,647	2,913,100
Local Roads and Bridges	620	476,075,542	949,759,128
Public Transit	24	492,408,375	2,771,758,205
Recreation	41	13,027,739	26,627,857
Regional and Local Airports	5	4,372,310	11,344,412
Solid Waste	7	19,457,286	25,650,803
Sports	4	898,035	1,580,834
Tourism	3	1,415,168	2,196,663
Wastewater	35	35,210,967	84,780,011
Water	44	28,471,734	92,709,184
Total	**847**	**$ 1,102,570,081**	**$ 4,051,761,927**

Project Results

Municipalities report results achieved by infrastructure projects supported by the federal Gas Tax Fund when construction is completed. Results achieved by the 847 infrastructure projects that completed construction in 2019 are described in the tables below.[15]

[14] Cumulative federal Gas Tax investment is shown to the end of December 31, 2019 – but financing is ongoing for 54 of the 847 projects that completed construction in 2019.

[15] Quantitative results were not available for 44 of the 847 infrastructure projects that completed construction in 2019.

Broadband Connectivity	Projects	Total
Number of businesses positively affected	2	2,011
Number of households with improved broadband access (≥10 Mbps)	2	7,590

Brownfield Redevelopment	Projects	Total
Area remediated, decontaminated or redeveloped (ha)	1	5,524
Volume of contaminated soil removed (m^3)	1	5,260

Community Energy Systems	Projects	Total
Number of buildings retrofitted	25	83
Number of buildings built with energy-efficient materials or systems	1	1
Number of LED street lights installed	4	16,126
Number of new or upgraded municipal electric vehicle charging stations	1	23
Number of new or upgraded solar power systems in municipal buildings	2	5
Increase in annual energy generation (MWh)	2	493
Reduction in annual energy consumption (GWh)	29	21
Reduction in annual fossil fuel consumption (ML)	4	153
Reduction in annual greenhouse gas emissions (tonnes of CO_2e)	3	356

Culture	Projects	Total
Number of new, renovated or upgraded arts facilities	1	1
Number of new, renovated or upgraded libraries	3	3
Number of new, renovated or upgraded memorial buildings or structures	1	1
Number of renovated heritage sites or buildings	3	3
Increase in number of cultural events held annually	3	118
Increase in annual number of residents participating in cultural activities	4	25,609
Increase in annual number of visitors to the community	5	32,274
Number of businesses positively affected	7	539

Solid Waste	Projects	Total
Number of new garbage or recycling trucks	1	1
Number of new blue bins	1	417
Number of new landfill facilities	1	1
Number of rehabilitated or expanded landfill facilities	3	3
Increase in number of households participating in recycling collection	1	61
Increase in total waste collected, disposed in landfills, incinerated and diverted from landfills annually (tonnes)	1	3,531

Disaster Mitigation	Projects	Total
Reduction in area at risk of damage from natural catastrophes (ha)	4	2
Reduction in projected annual emergency response cost	2	$45,300

Drinking Water	Projects	Total
Length of new watermains (km)	5	2
Length of rehabilitated or replaced watermains (km)	20	13
Increase in capacity of water storage tanks and reservoirs (ML)	2	33
Reduction in annual number of watermain breaks	16	125
Increase in number of properties connected to fire hydrants and/or with fire protection	5	288
Number of residents with access to new, rehabilitated or replaced water distribution pipes	22	15,290
Reduction in number of annual adverse water quality test results	3	8
Volume of drinking water treated to a higher standard (ML)	4	5,314

Public Transit	Projects	Total
Number of new conventional buses	6	387
Number of new para transit vehicles	3	22
Number of new street cars or rail cars	1	17
Number of rehabilitated, refurbished or replaced conventional buses	1	3.0
Number of rehabilitated, refurbished or replaced para transit vehicles	3	24.0
Increase in number of accessible vehicles	7	316
Increase in number of accessible transit facilities	2	145
Average increase in annual number of regular service passenger trips on conventional transit per capita	2	7
Average increase in annual revenue vehicle kilometres per capita	2	1
Decrease in average age of fleet (%)	5	9
Number of residents with improved access to transit facilities	6	1,545,960
Number of transit facilities with accessibility or service upgrades/enhancements	8	181.0
Number of transit vehicles with accessibility or service upgrades/enhancements	8	321.0

Regional and Local Airports	Projects	Total
Increase in number of annual aircraft take-offs or landings at the airport	1	300
Increase in number of annual airline passengers	1	790
Number of businesses positively affected	3	36

Local Roads and Bridges – Roads	Projects	Total
Roads		
Length of new paved roads and gravel roads converted to paved roads (lane-km)	35	162
Length of new unpaved roads (lane-km)	2	3
Length of rehabilitated unpaved roads (lane-km)	45	392
Length of rehabilitated or replaced paved roads (lane-km)	382	2,844
Length of roads with improved drainage (lane-km)	128	843
Increase in length of paved roads rated as good and above (lane-km)	357	2,532
Increase in length of unpaved roads rated as good and above (lane-km)	43	253
Increase in capacity of sand or salt storage sites (tonnes)	1	50
Number of intersections with advanced traffic management systems	16	36
Number of residents with access to new, rehabilitated or replaced roads	172	1,733,893
Number of residents with improved access to highways or neighbouring municipalities	94	1,029,146
Bridges and Culverts	**Projects**	**Total**
Number of new bridges	5	5
Number of new culverts	2	2
Number of rehabilitated or replaced bridges	43	59
Number of rehabilitated or replaced culverts	25	50
Increase in surface area of bridges with condition of the primary component rated as good and above (m^2)	38	15,575
Increase in surface area of culverts with condition of the primary component rated as good and above (m^2)	19	2,512
Surface area of new bridges (m^2)	6	2,842
Surface area of new culverts (m^2)	2	30
Surface area of rehabilitated or replaced bridges (m^2)	41	20,745
Surface area of rehabilitated or replaced culverts (m^2)	17	1,229
Number of residents with access to new, rehabilitated or replaced bridges	32	749,239
Number of residents with access to new, rehabilitated or replaced culverts	24	765,699
Active Transportation	**Projects**	**Total**
Length of new bike lanes (km)	6	9
Length of new sidewalks (km)	24	15
Length of new trails (km)	14	15
Number of new pedestrian bridges	2	4
Length of rehabilitated or replaced sidewalks (km)	23	33
Length of rehabilitated or replaced trails (km)	5	5
Number of rehabilitated or replaced pedestrian bridges	2	9
Surface area of new pedestrian bridges (m^2)	2	588
Surface area of rehabilitated or replaced pedestrian bridges (m^2)	1	88
Increase in surface area of pedestrian bridges with condition of the primary component rated as good and above (m^2)	1	233
Number of residents with access to new, rehabilitated or replaced bike lanes, sidewalks, hiking and walking trails, and/or pedestrian bridges		

Recreation	Projects	Total
Number of new, renovated or rehabilitated comfort stations	3	13
Number of new, renovated or rehabilitated picnic shelters	3	3
Number of new, renovated or rehabilitated playground structures	4	5
Number of new, renovated, rehabilitated or upgraded arenas	10	10
Number of new, renovated, rehabilitated or upgraded community centres	8	9
Number of new, renovated, rehabilitated or upgraded fitness facilities	1	1
Number of new, renovated, rehabilitated or upgraded sport-specific courts	1	7
Number of new, renovated or upgraded public swimming pools	4	5
Length of recreational paths or trails constructed or improved	5	3,169
Increase in annual number of visitors to the community	5	45,018
Increase in annual number of registered users	3	2,807
Capacity of new, renovated, rehabilitated or upgraded arenas	2	1,350
Capacity of new, renovated, rehabilitated or upgraded community centres	1	3,000
Number of businesses positively affected by the investment in recreational infrastructure	6	173
Number of residents who will benefit	33	2,204,848

Sports	Projects	Total
Increase in annual available ice/field time (h)	1	1,600
Number of businesses positively affected	1	4
Increase in annual number of visitors to the community	3	24,518
Increase in number of registered users in a year	1	150
Increase in sporting events held annually	1	10

Tourism	Projects	Total
Number of businesses positively affected	3	45

Wastewater	Projects	Total
Length of new sanitary sewers (km)	3	2
Length of new stormwater sewers (km)	8	4
Length of rehabilitated or replaced sanitary sewers (km)	9	7
Length of rehabilitated or replaced stormwater sewers (km)	16	15
Increase in reserve sewage treatment plant capacity	1	39
Change in number of residents serviced by stormwater/sanitary infrastructure	9	18,464
Reduction in energy used by treatment system per ML of wastewater treated (kWh)	2	28
Reduction in annual number of sanitary sewer backups	6	25

Appendix B: Financial Statements

	2019	2014 – 2019
Opening Balance	**$1,457,756**	
Revenues		
Received from Canada	$1,297,872,568	$4,381,248,773
Interest Earned	$867,425	$2,325,181
Transferred from the original program	$0	$16,190,205
Transfer from AMO's reserves	$8,794,577	$8,794,577
Net	**$1,307,534,570**	**$ 4,392,368,531**
Expenditures		
Transferred to Municipalities	$(1,303,427,490)	$(4,387,631,660)
Administration Costs	$(3,239,655)	$(18,601,895)
Net	**$(1,306,667,145)**	**$(4,406,233,555)**
Closing Balance	**$2,325,181**	

Ultimate Recipients

Opening Balance	**$831,512,032**	
Revenues		
Allocations Received from AMO	$1,303,427,490	$4,387,133,498
Proceeds from the Disposal of Assets	$65,000	$266,488
Interest Earned	$24,894,759	$94,509,660
Net	**$1,328,387,249**	**$4,481,909,646**
Transfers		
In	$79,792,243	$271,840,393
Out	$(79,792,243)	$(271,840,393)
Net	-	-
Expenditures [16]		
Broadband Connectivity	$(2,362,898)	$(2,388,762)
Brownfield Redevelopment	-	$(5,697,411)
Capacity-Building	$(5,081,371)	$(43,726,929)
Community Energy Systems	$(19,590,152)	$(112,055,281)
Culture	$(9,323,483)	$(15,091,482)
Disaster Mitigation	$(4,797,575)	$(9,465,735)
Drinking Water	$(20,213,223)	$(99,279,607)
Local Roads and Bridges	$(445,896,310)	$(2,306,936,038)
Public Transit	$(196,482,204)	$(770,153,820)
Recreation	$(23,585,450)	$(82,916,208)
Regional and Local Airports	$(2,442,311)	$(5,769,810)
Short-line Rail	-	$(215,000)
Short-sea Shipping	-	-
Solid Waste	$(31,945,099)	$(144,381,937)
Sports	$(709,073)	$(3,002,893)
Tourism	$(834,682)	$(2,225,263)
Wastewater	$(20,616,907)	$(193,665,845)
Net	**$(783,880,738)**	**$(3,796,972,022)**
Closing Balance	**$1,376,018,543**	

[16] Financial information shown in this table was compiled from annual reports submitted to AMO by municipal staff. All but three communities had submitted an annual report to AMO by the time of compilation (August 21, 2020).

Association of Municipalities of Ontario (AMO)
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Instagram:	@federalgastaxontario
Linkedin:	The Federal Gas Tax Fund in Ontario
Websites:	www.amo.on.ca
	www.GasTaxAtWork.ca
	www.infrastructure.gc.ca

Part I and II of this report can be downloaded at AMO’s website.

MFOA | MUNICIPAL FINANCE OFFICERS' ASSOCIATION OF ONTARIO

Hon. Laurie Scott
Minister of Infrastructure
5th Floor
777 Bay St.
Toronto, ON M7A 2J3

October 22, 2020

Dear Minister Scott,

RE: One-year extension of deadlines in O. Reg. 588/17: Asset Management Planning for Municipal Infrastructure under the Infrastructure for Jobs and Prosperity Act, 2015

I am writing on behalf of the Municipal Finance Officers' Association of Ontario, and the municipalities it serves, to request a one-year extension of all upcoming deadlines in O. Reg. 588/17: Asset Management Planning for Municipal Infrastructure under the Infrastructure for Jobs and Prosperity Act, 2015 (O. Reg. 588/17).

The Municipal Finance Officers' Association of Ontario (MFOA) is the professional association of municipal finance officers with more than 2,300 individual members. We represent individuals who are responsible for handling the financial affairs of municipalities and who are key advisors to councils. MFOA is a strong advocate for best practices that encourage long-term fiscal sustainability, including long term financial planning and asset management planning.

In recent years, MFOA and the Province have worked together to support municipalities on their asset management (AM) journeys. Our collaboration has resulted in a range of useful resources, including tip sheets, a strategic AM planning policy development toolkit, a guide on creating AM communities of practice, an AM framework, a self assessment tool, training, and the provision of professional one-on-one AM consulting, among other supports. MFOA, like the Province, believes in the fundamental importance of AM planning.

But we have also heard our members. As noted in your statement to the Standing Committee on Finance and Economic Affairs on July 30, 2020, municipalities were "among the hardest hit" by the economic shutdown necessitated by the COVID-19 pandemic. This hit has and continues to be both financial and operational in nature. Since March, municipalities have declared states of emergency, redeployed resources, contained costs (including hiring freezes), and rightly prioritized the immediate needs of stakeholders. Given these pressures, municipalities have not had the capacity to work on meeting the 2021 deadline in O. Reg. 588/17 and as we are in a second wave and a return to a modified stage 2 in some parts of the Province with no end in sight and the possibility of extended restrictions elsewhere, it is unlikely that current capacity challenges will be resolved in the short-term.

We are also concerned that revenue losses in some municipalities will result in re-evaluations of capital plans, including AM plans. AM planning completed during a period of high revenue uncertainty is unlikely to be very reliable. Plans done after a revenue re-evaluation post COVID provides confidence that AM plans have taken into account the COVID impacts and that they are more up to date and robust.

Similar to the Public Sector Accounting Board's one-year deferral of the effective date of upcoming standards, MFOA recommends a one-year extension of all upcoming deadlines in O. Reg. 588/17. In the short-term, an extension will help municipalities focus on pandemic management. In the long-term, extending timelines will ensure municipalities can produce meaningful work that embodies the spirit of AM that reflects new post COVID realities.

Throughout the pandemic, we have seen how much can be achieved when municipalities and the provincial government work together to achieve a common goal. Should you wish to follow up on this letter, please contact MFOA Executive Director, Donna Herridge (donna@mfoa.on.ca).

Sincerely,

Trevor Pinn, CPA, CA
President

cc. Hon. Steve Clark, Minister of Municipal Affairs and Housing

MFOA Request for One Year Extension of Deadlines in O. Reg. 588/17 - Sample Resolution

WHEREAS the COVID-19 pandemic has had significant financial and operational impacts on Ontario municipalities;

AND WHEREAS municipalities have had to divert resources towards addressing the immediate needs of the pandemic and maintaining service delivery standards despite evolving restrictions and limited funds;

AND WHEREAS the Government of Ontario has delayed timelines with respect to several pieces of legislation;

AND WHEREAS the Government of Ontario has regulated municipal asset management through O. Reg. 588/17: Asset Management Planning for Municipal Infrastructure under the *Infrastructure for Jobs and Prosperity Act, 2015*;

AND WHEREAS O. Reg. 588/17 mandates that every municipality shall prepare an asset management plan in respect of its core municipal infrastructure assets by July 1, 2021, and in respect of all of its other municipal infrastructure assets by July 1, 2023;

AND WHEREAS the key components of an asset management plan as required by the regulation are:

1. Infrastructure asset inventory

2. Levels of service

3. Lifecycle management and financial strategy

AND WHEREAS there is a concern amongst Municipal Finance Officers' Association of Ontario (MFOA) members and their municipalities that current capacity challenges (redeployment of staff, and lack of available resources) will result in limitations for purposeful asset management planning;

AND WHEREAS Ontario municipalities do not anticipate the current capacity challenges to be resolved in the short-term;

NOW THEREFORE BE IT RESOLVED that **THE MUNICIPALITY OF** supports MFOA's letter to the Ministry of Infrastructure requesting a one-year extension of deadlines in O. Reg. 588/17: Asset Management Planning for Municipal Infrastructure under the *Infrastructure for Jobs and Prosperity Act, 2015*; so that all municipalities can focus on the immediate needs of the pandemic and engage in municipal asset management planning when capacity challenges are resolved.

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2304

The Regional Municipality of Durham Report

To:	Finance and Administration Committee
From:	Commissioner of Finance
Report:	#2020-F-21
Date:	November 10, 2020

Subject:

Banking Agreement, Bank Signing Authority and Electronic Banking Transactions By-law Update and Repeal of Petty Cash By-law

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

A) That the Regional Chair and Regional Clerk be authorized to sign the Royal Bank of Canada Resolution regarding Banking form;

B) That a replacement by-law to designate persons for the purpose of signing cheques issued by the Region of Durham and to authorize electronic banking activities, generally in the form of Attachment #1, by approved and by-law 57-2008 be repealed;

C) By-law 18-73, as amended by By-law 108-88, being a by-law governing the petty cash and imprest funds, be repealed; and,

D) That the Director, Legal Services be directed to prepare the necessary by-law.

Report:

1. Purpose

1.1 The purpose of this report is to obtain Regional Council approval for the Regional Chair and Clerk to sign the Royal Bank of Canada agreement, replace the By-law regarding signing authority for Regional cheques and to repeal the by-law regarding petty cash and imprest funds.

2. Background

2.1 In 2017, the Region entered into a five year contract with the Royal Bank of Canada (RBC) for a full suite of banking services. The Commissioner of Finance was authorized at that time to negotiate and award the contract to RBC and to execute any necessary procurement related agreements.

2.2 However, RBC is requesting completion of a form regarding banking that needs specific approval by Regional Council and can not be signed by the Commissioner of Finance.

2.3 In addition, the by-law delegating signing authority for cheques and delegation of day to day electronic banking transactions is out of date and needs updating and the by-law regarding petty cash is no longer required and can be repealed.

2.4 This report and actions recommended are primarily administrative housekeeping matters.

3. Previous Reports and Decisions

3.1 Report 2017-COW-185, authorized the negotiation and award of banking services and ancillary contracts with the Royal Bank of Canada.

4. Update to Banking Agreements

4.1 In 2017, the Region entered into a five year contract with the Royal Bank of Canada (RBC) for a full suite of banking services. At that time a comprehensive update of the banking agreements was undertaken and updates, including updates to bank signature cards, were completed.

4.2 However, RBC also requires completion of one of their standard forms "Resolution Regarding Banking". The form names RBC as the Region's banker and summarizes the signing authority already documented on the signature cards. However, the form requires the document to be signed under seal, and accordingly, it must be signed by the Regional Chair and Regional Clerk, not the Commissioner of Finance.

4.3 In order to complete the updates to the banking agreements, it is recommended that Regional Chair and Regional Clerk be authorized to sign the Royal Bank of Canada Resolution regarding Banking form.

4.4 The Corporate Services- Legal Services division has reviewed the form and concurs with its completion.

5. By-Law Designating Signing Authority for Cheques and Electronic Banking Services

5.1 Signing authority for cheques is designated to various positions under By-Law 57-2008. The By-law requires updates for reference to legislation and a position title, and in reference to electronic banking services. The updates are primarily administrative and are required to reflect the modernization that has occurred with the proliferation of electronic banking services.

5.2 The replacement of cheque signing equipment with electronic signatures has removed the need to have special signing authority designations for “Emergency Cheques” issued for Ontario Works recipients and this designation can be eliminated. Similarly, special signing authority is no longer required for the “Social Services Trust accounts”

5.3 While the current by-law includes authority for day to day electronic banking services, it was passed when electronic banking services were limited and the CAO and Commissioner of Finance were provided authority to designate staff to be given the permission to conduct the day to day electronic bank transactions. RBC has been proactive in recommending new electronic banking features that have modernized the way in which staff are able to conduct day to day treasury functions.

5.4 As the type of day to day activity has grown significantly from stop payments and account transfers to activities such as electronic funds distribution, wire transfer payments and electronic cheque deposits (remote deposit capture), it is recommended that authority to designate staff with permission to conduct the day to day activity be moved to the Commissioner of Finance and Director of Financial Services. The CAO will be kept apprised of significant transactions through periodic reporting of activity.

5.5 The repeal and replacement of By-law 57-2008 will require updates to the RBC signature cards and these will be completed at the same time the banking resolution form is submitted.

6. Repeal of By-law 18-73 as amended

6.1 By-law 18-73 was passed to establish, maintain and control a petty cash or imprest fund, as permitted under the Regional Municipality of Durham act, 1973. In 1988, amending by-law 108-88 was passed to increase the maximum disbursement limit on items issued from the petty cash account or the imprest fund. No changes to the by-law have been made since that time.

6.2 Since the formation of the Region in 1973, the methods by which to issue payments have expanded, as well as the sophistication and security around payment systems. While the need for cash still exists, it is not as prevalent as it was in 1973.

6.3 The current by-law deals with the administrative processes around the maintenance of the funds which are not required under current legislation. As such, it is recommended that the By-law, as amended, by repealed.

6.4 The Commissioner of Finance, or delegate, will continue to set the appropriate procedures to deal with the maintenance petty cash and imprest accounts.

7. Relationship to Strategic Plan

7.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

a. Goal 5: Service Excellence. Objective: To provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery.

- 5.1 Optimize resources and partnerships to deliver exceptional quality services and value.

8. Conclusion

8.1 This report deals with administrative matters that streamline the management of banking and cash services and addresses the completion of the contract documentation with the Royal Bank of Canada.

9. Attachments

Attachment #1: Draft by-law to designate persons for the purpose of signing cheques and electronic banking transactions

Respectfully submitted,

Original Signed by Nancy Taylor

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed by Elaine C. Baxter-Trahair

Elaine C. Baxter-Trahair
Chief Administrative Officer

By-law Number *-2018**

of The Regional Municipality of Durham

Being a by-law to designate persons for the purpose of signing cheques issued by The Regional Municipality of Durham and to authorize persons for the conduct of day to day electronic banking transactions.

Whereas under Section 286 of the Municipal Act, 2001 the Treasurer is responsible for handling all of the financial affairs of the municipality on behalf of and in the manner directed by the council of the municipality, including depositing all money received on behalf of the municipality in a financial institution and paying all debts of the municipality and other expenditures authorized by the municipality,

Whereas Section 287 of the Municipal Act, 2001 provides that a municipality may provide that the signatures on a cheque of the municipality be mechanically or electronically reproduced,

And Whereas it is deemed expedient to designate certain persons to sign cheques in respect of accounts maintained by the Regional Corporation in connection with certain services operated and maintained by the Regional Corporation.

And Whereas it is necessary to authorize persons for the conduct of day to day electronic banking.

Now therefore, the Council of The Regional Municipality of Durham hereby enacts as follows:

1. Designated Persons to Sign Cheques

1.1 Any of the Chair of the Regional Council or the Chief Administrative Officer together with the Commissioner of Finance and Treasurer and in their absence, the Director of Financial Services are hereby designated to sign cheques of the Regional Corporation,

2. Designate Additional Persons to Sign Cheques

2.1 The Director Legal Services, Senior Solicitor, Solicitor or Law Clerk are hereby authorized to operate the imprest account for the payment of land registration fees, expenses and taxes, court expenses and other incidental expenses, and to sign the cheques for the operation of that account.

2.2 The Chair of the Regional Council or the Chief Administrative Officer together with the Commissioner of Finance and Treasurer and in their absence the Director of Financial Services are hereby designated to sign cheques in respect of:

- the "Resident Trust Account" maintained in connection with "Fairview Lodge"
- the "Resident Trust Account" maintained in connection with "Hillsdale Estates"
- the "Resident Trust Account" maintained in connection with "Hillsdale Terraces"
- the "Resident Trust Account" maintained in connection with "Lakeview Manor"
- the "Social Services Trust Accounts" maintained in connection with "Social Services Department".

3. Electronic Banking

3.1 The Commissioner of Finance and the Director of Financial Services are hereby authorized to designate staff to be given the permission to conduct the day to day electronic bank transactions including, but not limited to, payment disbursement services, wire payments, remote deposit capture, and account transfers. Two designated staff persons are required to authorize each such electronic transaction.

4. Other Items

4.1 The signatures of the designated signing persons may be written, printed or otherwise mechanically or electronically reproduced on cheques.

4.2 Any mechanical equipment owned or used by, for or on behalf of the Regional Corporation for the reproduction of the signatures as contemplated in Sections to (3) hereof shall be in and under the care, custody and control of the Commissioner of Finance and Treasurer or any other person, duly authorized in writing by the Commissioner of Finance and Treasurer.

4.3 By-law Number 57-2008 is hereby repealed.

This By-law Read and Passed on the -----th day of -------------, 2018.

J. Henry, Regional Chair and CEO

R. Walton, Regional Clerk