



Halton Region Budget and Business Plan

BUDGET REPORT 2023

On The Cover



Pictured on the cover, from left to right, beginning with the top row:

- Staff support early learning at one of Halton Region's [child care centres](#).
- Halton Region [Paramedic Services](#) provides advanced and basic pre-hospital emergency care to residents.
- Providing care services to a resident at one of Halton's Regionally owned and operated [long-term care homes](#).
- [Water quality](#) is tested in Halton Region's Skyway Wastewater Treatment Plant in Burlington.
- A resident accesses programs and services online; one of many ways to connect with Halton Region. Services can be accessed [online](#), by [email](#), by [phone and in-person](#).
- The [Trafalgar Road Improvements Project](#) in Oakville.

Dear Chair and Members of Regional Council,
Re: Halton Region 2023 Budget and Business Plan

December 14, 2022

We are pleased to present Halton's proposed 2023 Budget and Business Plan for consideration by Regional Council. The 2023 Budget is based on the solid financial planning principles that continue to preserve Halton's AAA/Aaa credit rating and strong long-term financial position.

This document includes both the Tax-Supported and Rate-Supported Budgets that detail the Region's planned investments for the coming year; the Executive Summary offers an overview of their combined impact. Together, these sections present a multi-year financial plan that addresses the key service priorities identified by Regional Council with a commitment to providing value for tax and rate payers. The 2023 Budget provides for a continued response to and recovery from COVID-19, while supporting the strategic objectives approved by Regional Council, addressing pressures related to increased demand for services, growth, and the impacts of challenging economic conditions.

As always, this Budget is the result of ongoing collaboration and considerable effort from staff across the organization for which we would like to express our appreciation.

Council consideration of the 2023 Budget is scheduled for January 25, 2023. If you have any questions or require further information, please contact us.

Respectfully submitted,



J. E. MacCaskill

Chief Administrative Officer



C. Winslow

Commissioner of Finance and Regional Treasurer

GFOA Distinguished Budget Presentation Award

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Regional Municipality of Halton, Ontario for its Annual Budget for the fiscal year beginning January 1, 2022.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Regional Municipality of Halton
Ontario**

For the Fiscal Year Beginning

January 01, 2022

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Halton Region Budget and Business Plan

BUDGET REPORT 2023

COMMUNITY PROFILE



DOWNTOWN AREAS OF BURLINGTON, HALTON HILLS, MILTON AND OAKVILLE

Welcome to Halton

Recognized for its strong financial position, safe communities, green spaces and services, Halton is a great place to live, work, raise a family and retire.

Halton has the charm of small-town life and vibrant agricultural communities, with access to major urban centres and amenities.

With its central location and reliable transit networks, Halton is close to markets in the United States, Toronto, Niagara and more. There are more than 20 post-secondary institutions within an hour's drive, providing a highly skilled workforce for employers and training opportunities for residents.

Residents in Halton enjoy a high quality of life, which is supported by essential Regional programs, services and infrastructure. There is so much to explore and enjoy in Halton, from agricultural activities to waterfront trails and more. To learn more about Halton Region, please visit [halton.ca](https://www.halton.ca).



COMMUNITIES, GREEN SPACES AND INFRASTRUCTURE IN BURLINGTON, MILTON, HALTON HILLS AND OAKVILLE.



624,094

2021 Population¹

78%

Post-Secondary Attainment³

13,600

Number of Employers in 2021⁴

234,800

Total Jobs in Halton in 2021⁴

#1

Lowest Crime Severity Index of all Canadian municipalities with more than 100,000 residents⁷

6.5%

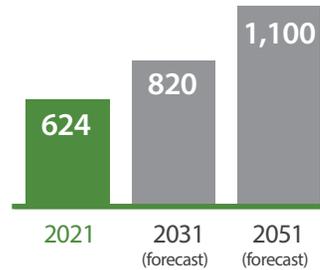
Halton Unemployment Rate in 2021⁶

\$29.8B

Gross Domestic Product (GDP)⁸

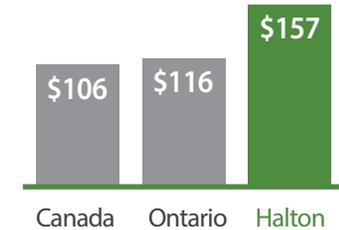
- 1 Halton Region Best Planning Estimates, June 2011 (forecasted)
- 2 Provincial Places to Grow Act, Proposed Growth Plan for the Greater Golden Horseshoe (2019)
- 3 Statistics Canada, 2021 Census
- 4 Halton Region 2021 Employment Survey Results, 2021 Halton Region Economic Review
- 5 Statistics Canada Building Permits Survey, 2021 Halton Region Economic Review
- 6 Statistics Canada Labour Force Survey, 2021 Halton Region Economic Review
- 7 Statistics Canada Crime Severity Index
- 8 Conference Board of Canada, 2020, 2021 forecast, 2021 Halton Region Economic Review

Population Growth²
(thousands)



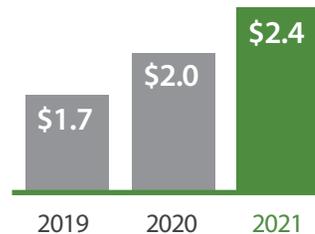
Halton is one of the fastest growing communities in Ontario. To meet requirements of the Provincial *Places to Grow Act, Growth Plan for the Greater Golden Horseshoe (2019)*, Halton is expected to grow to 1.1 million people by 2051.²

Average Household Income³
(thousands)



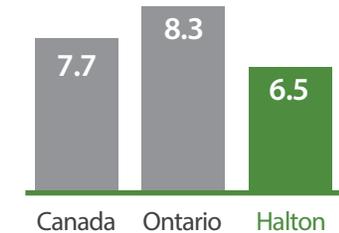
Halton residents have a higher average household income than residents in the rest of the province. Residents are also well educated; 78 per cent of adults have some level of post-secondary education.³

Total Construction Value⁵
(billions)



Over the past five years, Halton's total building permit construction value was \$10.9B.⁵

Unemployment Rate⁶
(per cent)



In 2021, the unemployment rate in Halton averaged 6.5 per cent, lower than the averages provincially and nationally.⁶



Halton is a Great Place to Live



Halton is home to more than 624,000 people and 13,600 businesses in four distinct municipalities: the City of Burlington and the Towns of Halton Hills, Milton and Oakville.

Residents enjoy a high quality of life in our community supported by essential Regional programs and services. These include public health programs, paramedic services, children's services, employment and social services, housing, services for seniors, planning services, economic development, waste management, Regional road operations, and water and wastewater services. The 2023 Budget and Business Plan is the Region's roadmap for investing in these critical programs and services.

The 2023 Budget and Business Plan is based on prudent, forward-looking financial planning principles that have earned Halton a top credit rating for more than 30 years, upholding our strong long-term financial position. It ensures value for tax and rate payers while we prepare our strategic plan for this new term of Council. I encourage you to review this important document to learn more about our plans for the year ahead.

The 2023 Budget and Business Plan identifies priority investments in critical services including long-term care, public health, paramedic services and housing, ensuring the Region is well-positioned to move forward past the COVID-19 pandemic and continue supporting the health and well-being of Halton residents, while addressing the significant pressures as a result of high inflation and increased demand for services and growth.

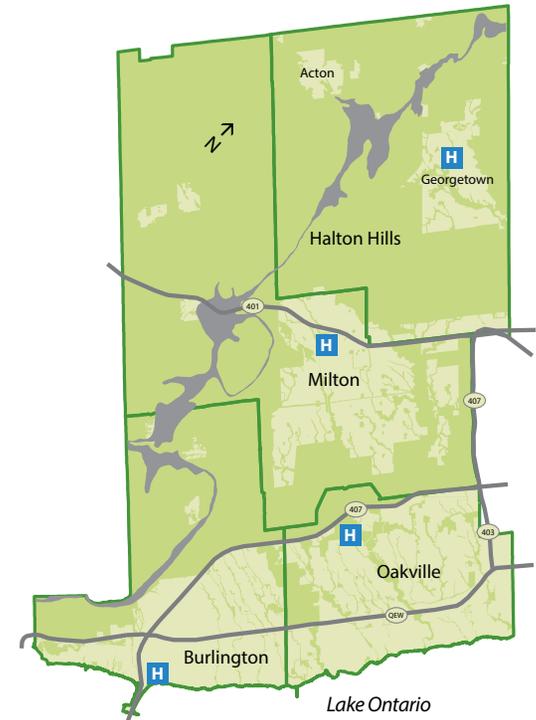
The 2023 Budget and Business Plan also details how we will continue to invest in critical program enhancements and core services while keeping property tax increases for Regional services at or below the rate of inflation. For over 20 years, Halton has maintained a proven track record in successfully delivering, maintaining and enhancing services while keeping tax increases low by identifying savings and opportunities for reallocation of resources.

By making strategic investments in our community, we help keep Halton a great place to live, work, raise a family and retire.

Sincerely,

Gary Carr

Halton Regional Chair



■ Niagara Escarpment ■ Urban Areas and Hamlets ■ Municipal Boundary

Halton Region's programs, services and infrastructure support residents and businesses throughout our growing community. To learn more, visit [halton.ca](https://www.halton.ca) or call 311.



Halton's Heritage

For millennia, Indigenous peoples have lived on and cared for the waterways and fertile lands of the area now known as Halton.

European settlement of what would become Canada began in the 1600s. To support British settlement and occupation on the shores of Lake Ontario, the Federal Government began purchasing lands from the Mississauga Nation.

Between 1795 and 1818, five treaties were signed between the two Nations, which led to the creation of Halton County. Halton Region acknowledges the Treaty Lands of the Mississaugas of the Credit First Nation, as well as the Traditional Territory of the Haudenosaunee, Huron-Wendat and Anishinabek, upon which the community was built.

To serve its rapidly growing population, Halton County created a governing council and established a County Seat in the Town of Milton in 1861. At that time, 22,794 people lived in Halton, spread among the Townships of Nelson, Trafalgar, Esquesing and Nassagaweya.

Provincial reforms in the late 1960s led to local reorganization, and the Regional Municipality of Halton replaced Halton County in 1974. Halton Region includes four restructured municipalities: the City of Burlington, Town of Halton Hills, Town of Milton and Town of Oakville. Today, Halton is one of the fastest-growing regions in Canada and is home to an ever-changing demographic of people.



Historical pictures are from the Halton Heritage Services collection.

Top to bottom: **1)** The Taylor Basket Factory was located at Triller Street (Lakeshore Road) and Nelson Street in Bronte, circa 1900. **2)** The Acton Aquatic Boat Club located in Halton Hills, circa 1900. **3)** View of the Niagara Escarpment taken at the former Halton County Museum, which is still the home of Halton Region Heritage Services, 1972. **4)** Five women sitting on a cannon by the edge of the water in Oakville, 1918.



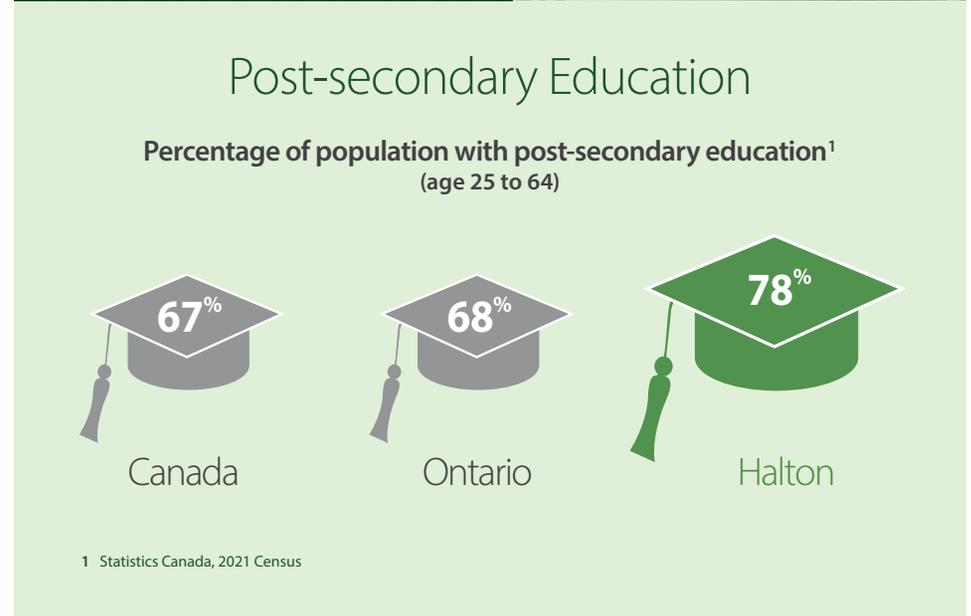
Education

Elementary and secondary schools

- Among Ontario's elementary and secondary schools, Halton schools are consistently highly ranked.
- Oakville's Appleby College is ranked among the top 25 private schools in Canada by Top Private Schools Canada.
- Halton's education offerings include French and French Immersion schools.

Post-secondary and continuing education

- Halton is located in the centre of an education triangle that includes more than 20 colleges and universities within an hour's drive.
- Located in Burlington, Canada's highly ranked McMaster University's DeGroote School of Business offers MBA and executive education programs.
- The Sheridan Institute of Technology and Advanced Learning in Oakville offers a wide range of full-time day courses, including its renowned animation, arts and design programs.
- Wilfred Laurier University and Conestoga College are scheduled to open Milton campuses in 2024.



102,783
ELEMENTARY &
SECONDARY
STUDENTS

162
PROVINCIALY
FUNDED ELEMENTARY
& SECONDARY
SCHOOLS

45
RENOWNED
PRIVATE SCHOOLS

Hospitals

Halton Region is home to four hospitals, one in each of its four municipalities.

Halton Healthcare Services

Halton Healthcare is an award winning healthcare organization comprised of three community hospitals (Georgetown Hospital, Milton District Hospital and Oakville Trafalgar Memorial Hospital) and numerous community-based services in the growing urban and rural communities of Halton Hills, Milton, and Oakville. Reflecting the dynamic communities they serve, they take pride in offering some of the finest technology and healthcare expertise available in southwestern Ontario. Halton Healthcare has been recognized for its best practices in a number of patient safety and patient care initiatives.

Halton Healthcare alongside Halton Region and a number of other key community partners is a member of the Connected Care Halton Ontario Health Team, one of the first teams in the province to implement a new model of organizing and delivering health care that better connects patients and providers in their communities to improve patient outcomes.



Halton Region Public Health worked with Halton Healthcare and Joseph Brant Hospital to provide first and second doses of the COVID-19 vaccine to those who live and work in the region. The Oakville Trafalgar Memorial Hospital and Joseph Brant Hospital served as community vaccination clinics in 2021 and 2022, and all four local hospitals remain critical partners in our efforts to keep the community safe and healthy.

Joseph Brant Hospital (JBH)

Joseph Brant Hospital is a community hospital serving the City of Burlington and surrounding areas, since 1961. The hospital provides a range of services, including specialist clinics, medicine, surgery, emergency, maternal/child, mental health and rehabilitation/complex continuing care. In 2018, the hospital completed a redevelopment and expansion project to better serve the growing community. The upgrades included a new patient tower, advanced technology, bright open spaces and calming environments to promote health and healing. It was the first Ontario hospital to construct a fully functioning field hospital during the COVID-19 pandemic.

Joseph Brant Hospital alongside Halton Region and other partners is a member of The Burlington Ontario Health Team, a collaborative of health and social service providers who plan and work together, as one coordinated team, to provide integrated services and supports to meet the health needs of Burlington and surrounding communities.



Physician Engagement

Halton Region is dedicated to the health and well-being of its residents. Providing Halton doctors with valuable public health information is an important step towards reaching that goal, especially during and while recovering from the pandemic. By collaborating with primary care physicians, hospitals, pharmacies and other community partners, our Physician Engagement program supports local physicians and other health care providers in caring for their patients.

Regional Economy

The Region is dedicated to growing the regional economy in order to support a high standard of living and the delivery of high-quality public services. Halton's strong economy is bolstered by the competitive edge that comes from its geographic location, proximity to leading academic institutions and top talent, market access and highly skilled workforce.

Halton Region Small Business Centre

The Halton Region Small Business Centre supports local entrepreneurs looking to start and grow their businesses. Services include free one-on-one business consulting and coaching for starting or growing a business, assistance with business registration, resources and information about government programs and funding opportunities, seminars and entrepreneurial training programs.

The Halton Global Business Centre program provides export development and scale-up support. Services include export counselling, market assistance, workshops, information on government programs and funding and networking opportunities.

Economic Development Services

Halton's Economic Development team assists existing companies and those looking to invest in Halton. Services include providing data and insight into Halton's economy and demographics, industry and workforce analysis, liaising with government agencies, industry organizations and local businesses, investment and site selection assistance, coordination of site visits and tours, and business expansion and relocation assistance.

The team also provides an Employment Land Concierge service to assist non-residential development applicants through the Regional approval process.

Halton Region's Economic Development division identifies the following six target sectors for investment attraction and business retention: financial services, technology, life sciences, advanced manufacturing, food and beverage, and professional services. To learn more, visit halton.ca.



Summer Company

The Halton Region Small Business Centre offers resources and programs like Starter Company +, Futurpreneur and Summer Company to support local entrepreneurs.

Industrial, Commercial and Institutional Development Building Permit Value¹ (millions)



Between 2011 and 2021, the value of Industrial, Commercial and Institutional (ICI) building permits in Halton increased at an average annual growth rate of 20 per cent.

¹ Statistics Canada, Building Permits Survey



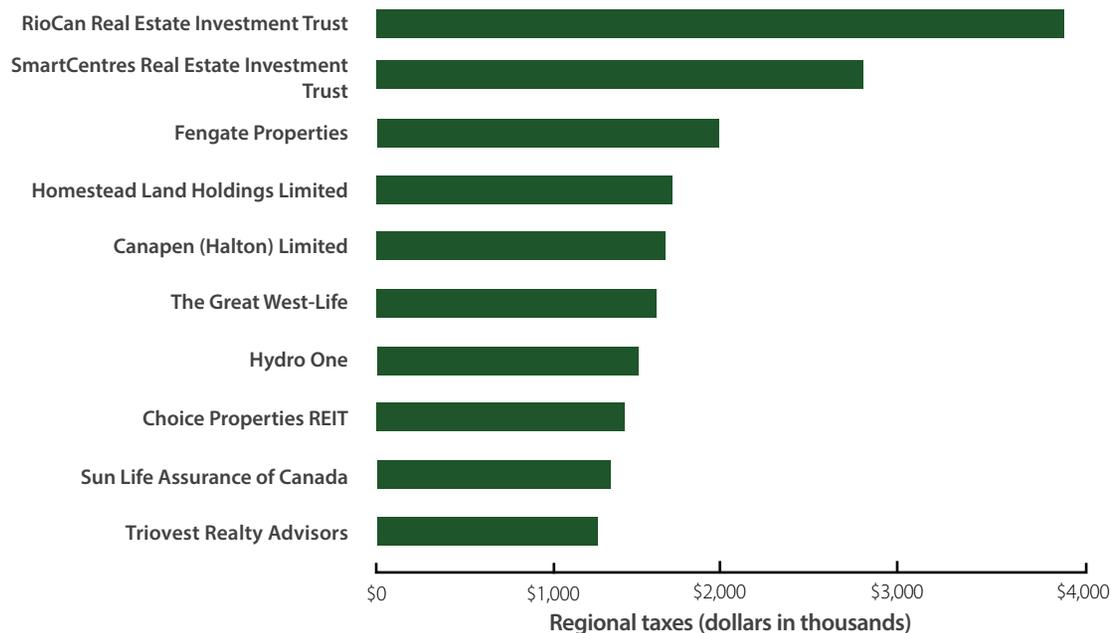
Top 10 Private Sector Employers in Halton in 2021

(Based on number of employees)

Business Name	Location	Sector
Ford Motor Company of Canada	Oakville	Automotive Assembly & Headquarters
DSV Canada	Milton	Headquarters & Freight Logistics
Evertz Microsystems	Burlington	Headquarters & Electronics Manufacturing
Karmax Heavy Stamping (division of Magna)	Milton	Automotive Parts Manufacturing
Geotab	Oakville	Headquarters & Telematics Services & Fleet Management
Collins Aerospace	Oakville	Aerospace Parts Manufacturing
Sofina Foods (Fearmans Pork)	Burlington	Meat Processing
Modatek Systems (division of Magna)	Milton	Automotive Parts Manufacturing
Gordon Food Service	Milton	Food & Beverage Distribution
Siemens Canada	Oakville	Headquarters & Engineering Technology Professional Services

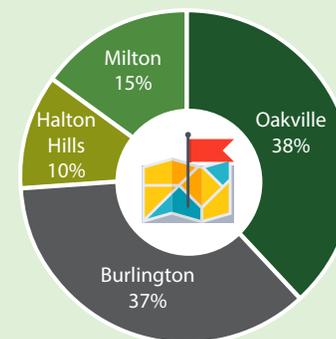
Source: Halton Economic Development, Halton Employment Survey

Principal Corporate Taxpayers in 2021



Source: Halton Tax Analysis Web Application Interface

Distribution of Businesses in Halton by Municipality



Based on 13,600 businesses

Source: Halton Employment Survey, 2021

Key Sectors



2022-2026 Halton Regional Council



Regional Chair

Gary Carr

City of Burlington

Mayor

Marianne Meed Ward

Councillor, Ward 1

Kelvin Galbraith

Councillor, Ward 2

Lisa Kearns

Councillor, Ward 3

Rory Nisan

Councillor, Ward 4

Shawna Stolte

Councillor, Ward 5

Paul Sharman

Councillor, Ward 6

Angelo Bentivegna

Town of Halton Hills

Mayor

Ann Lawlor

Councillor, Wards 1 & 2

Clark Somerville

Councillor, Wards 3 & 4

Jane Fogal

Town of Milton

Mayor

Gordon Krantz

Councillor, Ward 1

Colin Best

Councillor, Ward 2

Rick Malboeuf

Councillor, Ward 3

Sammy Ijaz

Councillor, Ward 4

Sameera Ali

Town of Oakville

Mayor

Rob Burton

Councillor, Ward 1

Sean O'Meara

Councillor, Ward 2

Cathy Duddeck

Councillor, Ward 3

Janet Haslett-Theall

Councillor, Ward 4

Allan Elgar

Councillor, Ward 5

Jeff Knoll

Councillor, Ward 6

Tom Adams

Councillor, Ward 7

Nav Nanda

Halton Regional Council is the decision-making body for Halton Region. The Halton Regional Chair is the head of Regional Council, which is made up of 24 elected representatives, including the Mayors of each Local Municipality.

Council agendas, meeting schedules, documents and streaming video are available online at halton.ca.

Halton Region Budget and Business Plan

BUDGET REPORT 2023

INTRODUCTION



HALTON REGION SIGN AT HALTON REGIONAL CENTRE

Strategic Planning for 2023 to 2026

The Strategic Plan provides a valuable roadmap that ensures the Region's initiatives and investments align with Council's priorities—it determines how we work together to enhance Regional infrastructure, programs and services. The plan is updated at the beginning of each term of Council, setting a clear vision for their four-year term of office.

In early 2023, the newly elected Regional Council will identify their key priorities and strategic directions to incorporate into the 2023-2026 Strategic Plan. The process will be built on the successes and lessons learned from the development of the 2019-2022 Strategic Business Plan, and the resulting document will include themes and goals, linked to strong community measures. It will also focus our actions on initiatives that ensure Halton remains a great place to live.

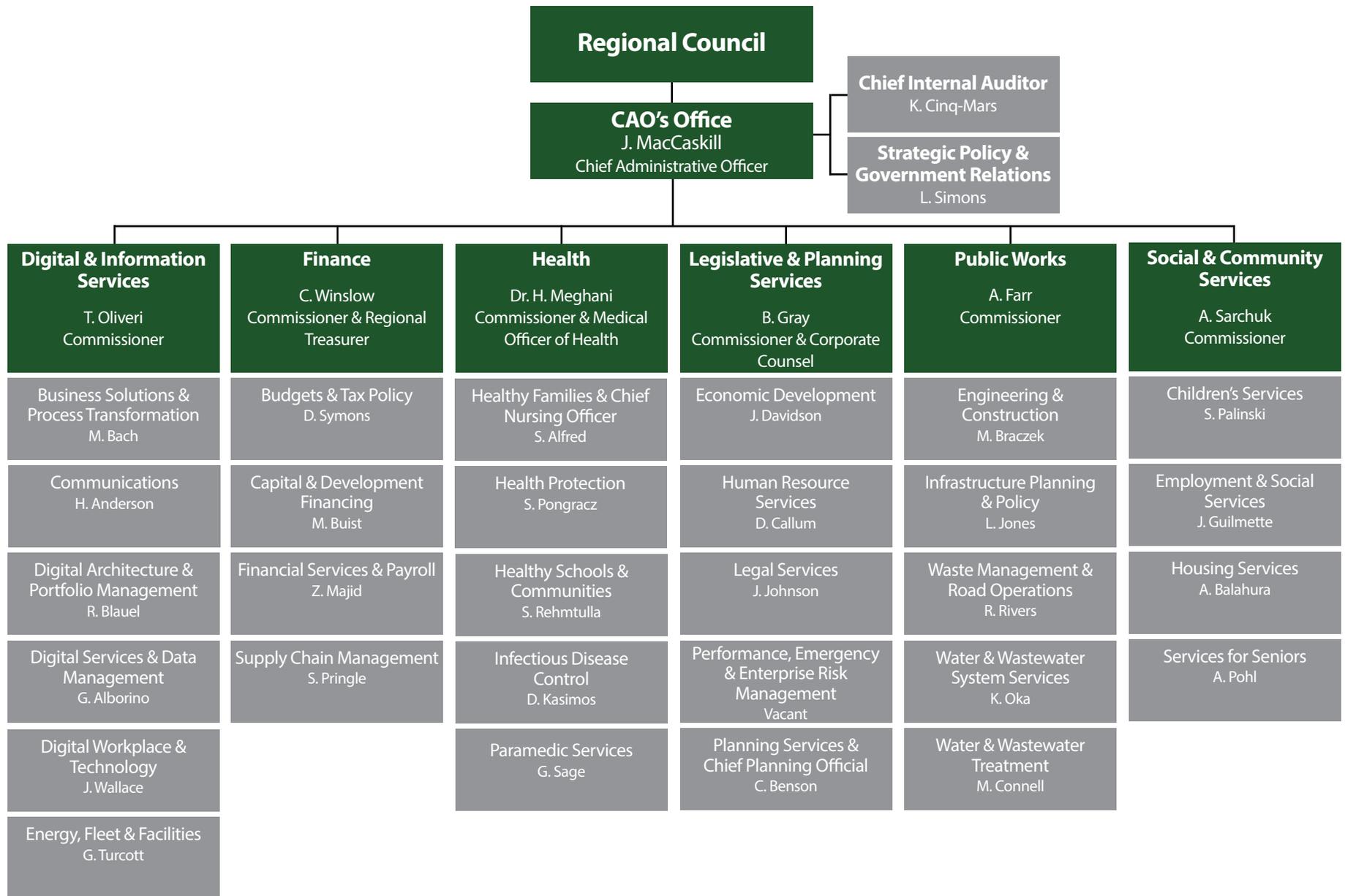
The process includes:

- identifying Council's key priorities and the strategic directions;
- public consultation leveraging comprehensive engagement processes and online tools;
- ensuring alignment between Council priorities and Halton's annual Budget; and
- setting measures to help us track and report progress towards achieving our goals.

The 2023-2026 Strategic Plan is scheduled for Council approval in summer 2023. The achievements of the 2019-2022 Strategic Business Plan are highlighted in [this report](#).



Halton Region's Corporate Organization



Departments and Services

Halton Region enhances resident health, safety and well-being by providing essential programs and services to the community. Our budget process works to ensure accountability, transparency and fiscal responsibility while providing value for tax and ratepayers.

To support service delivery, the Region is organized into four operating departments supported by our corporate administration teams. Together, we serve and plan for the current and future needs of individuals, families and businesses throughout the community.

Health

The Health department works to achieve the best possible health for Halton residents. In collaboration with community partners, the department delivers programs and services that support the health, safety and well-being of the community. Public Health works to prevent illness and improve the health of residents while reducing health inequities. Services promote health across all ages including intensive support for families with higher needs, population health promotion, prevention of diseases, such as COVID-19, as well as environmental and health hazard management.

Paramedic Services provides essential emergency response services to the community.

Spotlight

In 2022, Halton Region Public Health continued to respond to the COVID-19 pandemic. In addition to case and contact management, outbreak management and supports for school communities, Public Health played a leadership role in the COVID-19 vaccination response contributing to the over 1.5 million doses of COVID-19 vaccine given to our residents and 94% of Halton residents (aged 12+) with at least two doses.



A resident after receiving the COVID-19 Vaccine at one of Halton Region's paediatric clinics.

Highlights:

- Worked with partners (hospitals, long-term care homes, pharmacies, physicians) to deliver 1,063,048 COVID-19 vaccine doses in 2021.
- Investigated 23,014 cases of COVID-19 in 2021.
- Investigated 103 COVID-19 outbreaks at institutions (long-term care homes, rest and retirement homes, hospitals, group homes and corrections) in 2021.
- Distributed 27,052 COVID-19 vaccine doses to primary care in 2021.
- 1,743 inspections of food premises completed in 2021.
- 142,535 influenza vaccines delivered through community partners in 2021.
- 26 emergency vehicles and 241 paramedics deployed in 2021 to provide ambulance services in Halton.
- 55,158 paramedic calls answered and 33,686 patients transported in 2021.

Departments and Services - continued

Social & Community Services

The Social & Community Services department delivers programs and services that enhance the health, safety and well-being of Halton residents. The Social & Community Services department has four divisions: Children's Services, Employment and Social Services, Housing Services and Services for Seniors. These divisions are supported by the Human Services Planning and Program Support unit. The department provides funding and oversight to the early years and child care sector, operates three child care centres, provides financial assistance and employment supports to low-income residents, manages a range of housing supports from homelessness prevention to assisted housing, leads the operation of the Halton Community Housing Corporation, operates three long-term care homes, and supports older adults to live independently in the community through our Assisted Living and Adult Day Programs.

The department works closely with other human service providers in Halton through the Community Safety and Well-being Plan, and makes targeted investments to respond to health and social service needs through the Halton Region Community Investment Fund. Throughout 2022, the Social & Community Services department continued to provide critical services in response to COVID-19.



Creek Way Village in Burlington, one of the Regionally operated long-term care homes.

Highlights:

- Child care fee assistance for 3,586 children in 2021.
- A total of 30,703 licensed child care spaces in 2021.
- Financial assistance to an average of 1,584 Halton Ontario Works caseloads per month in 2021.
- Oversight of 5,439 housing units in 2021, of which 2,210 are directly operated by Halton Community Housing Corporation.
- Development of 92 new assisted housing opportunities in 2021, for a cumulative total of 1,005 new units since 2014.
- Funding for 65 community projects and programs through the Halton Region Community Investment Fund in 2021, using one-year and multi-year funds for a total of \$3.5 million.
- Direct care and service to older adults in 2021 through 572 beds at Regionally operated long-term care homes.
- 453 school age children received emergency child care while schools were closed to in-person learning in 2021
- 472 emergency assistance applications were processed, 222 temporary emergency shelter spaces were established, and 11,521 essential goods packages were delivered in 2021.

Departments and Services - continued

Legislative & Planning Services

The Legislative & Planning Services department provides support to the organization and community stakeholders through the delivery of Planning Services and Economic Development. The Legal Services, Human Resource Services, and Performance, Emergency and Enterprise Risk Management divisions are included under the Corporate Administration section.

The department provides leadership on land use planning and growth management, economic development, small business services, tourism promotion and heritage services.

Bill 23, *More Homes Built Faster Act, 2022*, was introduced in the Ontario Legislature on October 25, 2022 and on November 28, 2022 received Royal Assent and is now law. The legislation contains several significant changes that will impact how the Region delivers land use planning services. While Bill 23 has been passed, at the time of preparing the 2023 Budget and Business Plan, the date for which all components of the Bill come in to force and effect has not been proclaimed. Further updates will be provided to Regional Council throughout 2023.



Highlights:

- 30,255 hectares of land designated for development.
- 1,132 development applications received and processed in 2021.
- 7,830 hectares of land designated as employment areas.
- 50 per cent of region protected as part of Halton's Natural Heritage System.
- 695 hectares of wooded areas, wetlands and meadows maintained in 14 Regional forest tracts.
- Ongoing implementation of the 25-year Burlington Beach Waterfront Park Master Plan.
- 1,070 small business consultations conducted in 2021.
- 85 small business seminars/workshops held in 2021, attended by 1,336 entrepreneurs and small business clients.
- Programs that support agriculture and agri-tourism, including Simply Local, agricultural forums, farm and food tours, hosting of "Environmental Farm Plan" and "Grow Your Farm Profits" workshops and the Agricultural Community Development Fund.

Departments and Services - continued

Public Works

The Public Works department provides critical municipal infrastructure and services that support the daily activities of Halton residents, schools and businesses through the five divisions: Engineering and Construction, Infrastructure Planning and Policy, Waste Management and Road Operations, Water and Wastewater System Services, and Water and Wastewater Treatment.

The department provides high-quality drinking water, collection and treatment of wastewater, maintenance of Regional roads, waste collection and the diversion of recyclable and organic materials. Public Works programs are designed to be cost-effective and environmentally sensitive to ensure Halton's infrastructure supports public health, safety and community mobility.



Public Works staff manage treatment and testing of wastewater at the Skyway Wastewater Treatment Plant.

Highlights:

- 99,932 tonnes of residential garbage collected and disposed in 2021.
- 137,988 tonnes of residential Blue Box and organic materials, diverted from the landfill in 2021.
- 1,159 paved lane kilometres of roadway maintained in 2021.
- 92 bridges and 220 major culverts maintained in 2021.
- Operation and maintenance of 278 signalized intersections and 7,030 streetlights in 2021.
- Treatment of nearly 65 million cubic metres of water and nearly 90 million cubic metres of wastewater in 2021.
- Operation and maintenance of 12 water treatment plants (treatment provided prior to distribution), 22 municipal wells, six wastewater treatment plants and one biosolids facility in 2021.
- Operation and maintenance of more than 2,350 kilometres of watermains, seven bulk water stations, 22 reservoirs and storage facilities, 15 booster stations, more than 1,971 kilometres of wastewater mains, and 83 pumping stations in 2021.

Departments and Services - continued

Corporate Administration

Corporate Administration includes Finance, Digital & Information Services, the CAO's Office, Office of the Chair and Regional Council, Legal Services, Human Resource Services, and Performance, Emergency and Enterprise Risk Management. The Regional Clerk provides support services to Regional Council and its Committees. These internal services provide support to the service delivery departments. Digital transformation is a key priority, as Halton Region works towards becoming a Digital first organization committed to delivering modern, accessible, high quality digital services to the residents of Halton. Halton Region continues to support key partnerships, initiatives and policy frameworks aimed at developing and advancing Indigenous Relationships, Equity, Diversity and Inclusion, the Region's Climate Change Response and Sustainability and Broadband Access Equity.



AAA/Aaa credit rating 34 years in a row

Highlights:

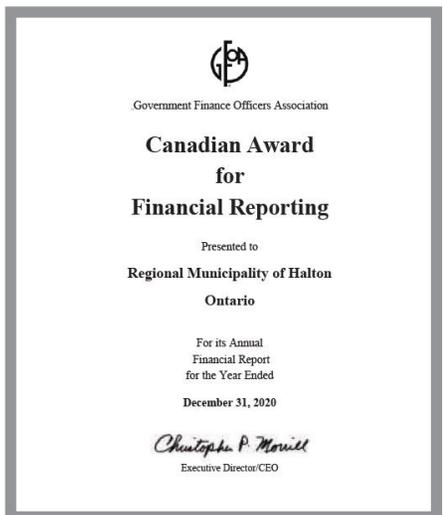
- Development of annual Budget and Business Plan.
- Achieved AAA/Aaa credit rating.
- Achieved annual property tax increase at or below inflation.
- Awarded the Distinguished Budget Presentation Award for the past 18 years, with the most recent received for the 2022 Budget and Business Plan.
- Awarded the Canadian Award for Financial Reporting for the past 15 years, with the most recent received for the 2020 Annual Financial Report.
- Continued advocacy to Provincial and Federal governments.
- Greater Toronto's Top Employers Award.
- 12 million visits to Halton's website in 2021 and operation of five Regional social media channels.
- 688,058 inquiries and service requests received by Access Halton in 2021.
- 64 Regional Council and Committee meetings supported by the Clerk's Office in 2021.
- 28,482 Facilities Services work requests (preventative and demand) completed in 2021.

Recent Awards



Distinguished Budget Presentation Award

2022 Budget and Business Plan
The Government Finance Officers Association of the United States and Canada



Canadian Award for Financial Reporting

2020 Annual Financial Report
Government Finance Officers Association of the United States and Canada



Greater Toronto's Top Employer Award 2022

Halton Region
Mediacorp Canada Inc.



Excellence in Municipal Systems Award 2022

COVID-19 Vaccine Appointment Booking System
Municipal Information Systems Association of Ontario (MISA) Awards



Ontario Public Works Association Project of the Year

Burloak Water Treatment Plant Membrane Replacement & Upgrade Project
Ontario Public Works Association

One click | One tap | One call | **One Halton**

Halton Region supports people living and working in the City of Burlington and the Towns of Halton Hills, Milton and Oakville. From clean drinking water to resilient infrastructure and public health programs, financial assistance and family supports, residents and businesses can rely on Halton to deliver programs and services that matter.

Halton Region Services

-  Business services and economic development
-  Children's services
-  Community safety and well-being planning
-  Emergency planning
-  Social assistance and employment supports
-  Housing services and the Halton Community Housing Corporation
-  Infrastructure and construction
-  Land use planning and growth management
-  Paramedic services
-  Public health
-  Regional roads and transportation
-  Long-term care and services for seniors
-  Waste management
-  Wastewater collection and treatment
-  Water purification and distribution

It's easy to access
Regional programs
and services



Go to [halton.ca](https://www.halton.ca)



Download the [OneHalton app](#)

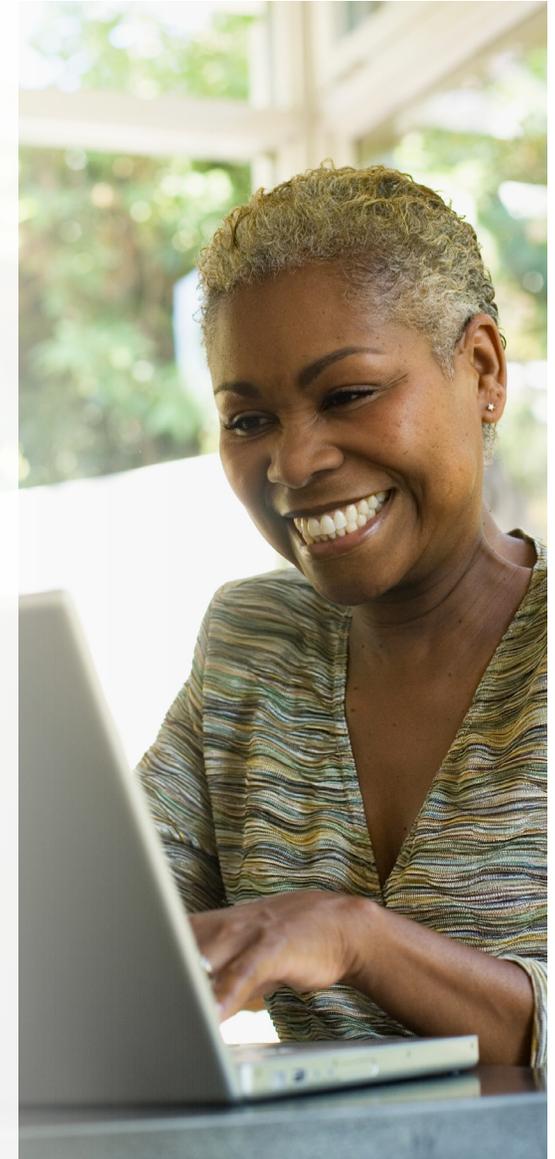


Visit a Regional facility*



Email accesshalton@halton.ca
or call 311

*Appointment may be required. Please email or call ahead. Visitors should follow public health measures and wear a non-medical mask or face covering, unless exempt.



Property Tax Impact

The 2023 combined impact of Regional and Police Services is a 3.4 per cent increase in property taxes, which is comprised of 3.0 per cent for Regional Services and 4.0 per cent for Police Services, after assessment growth. The property tax impact of Regional and Police Services per \$100,000 current value assessment (CVA) will increase from \$277.05 in 2022 to \$286.37 in 2023. The 2023 property tax impact for Regional Services is an increase of \$5.19 and the impact for Police Services is an additional \$4.12, resulting in a combined increase of \$9.31 per \$100,000 CVA.

For example, for a household with \$500,000 CVA, the Regional tax increase would be \$46.55 including Police Services. This is calculated based on dividing the assessed household value of \$500,000 by \$100,000 and multiplying the calculated value (5) by the total Regional tax increase per \$100,000 CVA of \$9.31.

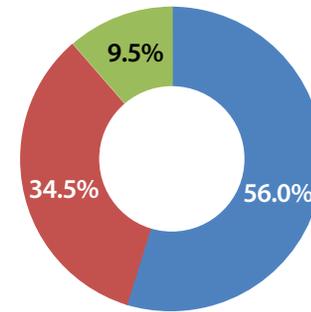
Property Tax Impact of Regional Government Services¹ (per \$100,000 CVA)

	2022 Actual	2023 Budget	\$ Change	% Change
Regional Services	\$173.28	\$178.47	\$5.19	3.0%
Police Services	\$103.77	\$107.89	\$4.12	4.0%
Regional Taxes¹	\$277.05	\$286.37	\$9.31	3.4%

Schedule may not add due to rounding.

¹ Based on projected 1.7 per cent assessment growth.

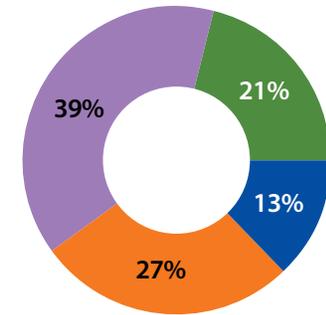
Average Ontario Family Tax Bill Breakdown²



Federal Provincial
Municipal

Figures may not add due to rounding.

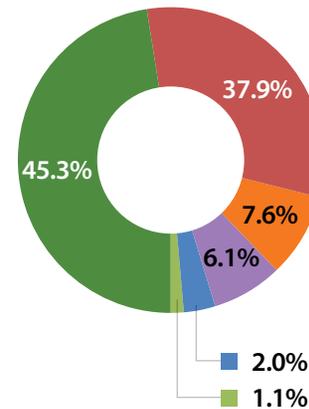
Percentage Share of 2022 Property Tax Bill



Local Education
Region Police

Figures may not add due to rounding.

2023 Tax-Supported Budget Revenues by Funding Source (\$000s)³



Figures may not add due to rounding.

Property taxes
\$306,927
Provincial subsidies
\$256,576
Investment income
\$51,383
Program & other revenue
\$41,535
Federal subsidies
\$13,297
Supplementary taxes
\$7,300

² Fraser Institute's Canadian Tax Simulator, 2022.

³ Figures exclude Halton Regional Police Services

Halton Region Budget and Business Plan

BUDGET REPORT 2023

EXECUTIVE SUMMARY



BURLINGTON AND MILTON IN AUTUMN

Executive Summary

The 2023 Budget Report focuses on Regional Services governed by Halton Regional Council. The Halton Regional Police Service (HRPS) budget is included in some of the summary tables as the *Police Services Act, 1990*, requires that Police Service Boards submit to Regional Council the operating and capital estimates of maintaining the police service and providing it with the necessary equipment and facilities. Also included in the Regional Services budget are the municipal levy requests from Conservation Authorities, whose budgets are approved by the relevant Conservation Authority's Board.

The 2023 Budget for Regional Tax-Supported services results in a **3.0% tax increase** in the Regional share of property taxes (excluding Police Services), after assessment growth. This is consistent with Regional Council's priority of maintaining tax rate increases at or below the rate of inflation while delivering high quality services to Halton residents. The 2023 Budget request for Police Services includes a net tax increase of **4.0%** resulting in a combined tax increase of **3.4%**. The 2023 HRPS Budget is subject to approval by the Halton Police Board which is scheduled to take place on December 22, 2022.

The 2023 Budget for Water and Wastewater Rate-Supported services has a **4.1% rate increase**, which is comprised of a 2.4% increase driven by capital financing required to support the State-of-Good-Repair capital program and a 1.7% increase to operate and maintain the water and wastewater system.

2023 Regional Property Tax Impact including Halton Regional Police Service

Regional property taxes fund Regional programs and services, including Social Services, Regional Road Operations, Housing Services, Waste Management, Public Health, Paramedic Services and other Regional services. Regional property taxes also fund Police Services, and provide funding for Conservation Authorities. Water and Wastewater Services are not funded by property taxes. These services are fully funded by water and wastewater rates, which are collected through electricity bills and are described in the Water and Wastewater Overview section.

The Regional 2023 Tax-Supported net expenditure budget is increasing by 4.7% and includes a 1.7% assessment growth assumption for a net tax rate increase of 3.0%. The Regional tax rate increase of 3.0% is in line with the guideline set out in Report No. **FN-26-22** (re: 2023 Budget Directions) on July 13, 2022 of a tax increase that does not exceed 3.0%. The 2023 Budget request for Police Services reflects a net expenditure increase of 5.7%, or 4.0% after assessment growth, over the 2022 approved budget, which is above the guideline provided by Regional Council of 4.7% as set out in the 2023 Budget Directions (**FN-26-22**). The increase is driven by resourcing requirements to address various demands and capital funding costs related to the Police Service's Facilities program. As shown in the table below, the 2023 combined impact of Regional Services and Police Services is a 3.4% increase in property taxes, which is comprised of 3.0% for Regional Services and 4.0% for Police Services.

2023 Budget Combined Tax Impact			
	Net Expenditure Increase	Assessment Growth	Tax Increase
Regional Services	4.7%	1.7%	3.0%
Police Services*	5.7%	1.7%	4.0%
Regional & Police Services	5.1%	1.7%	3.4%

* The 2023 Police Services Budget is subject to approval by the Halton Police Board which is scheduled to take place on December 22, 2022

For illustrative purposes, the property tax impact per \$100,000 current value assessment (CVA) is an increase of \$5.19 for Regional Services and the impact for Police Services is an additional \$4.12, resulting in a combined increase of \$9.31 per \$100,000 CVA. The Regional tax increase including Police Services for 2023 would be \$46.55 for a household with a CVA of \$500,000. This is calculated based on dividing the assessed household value of \$500,000 by \$100,000 and multiplying the calculated value (5) by the total Regional tax increase per \$100,000 CVA of \$9.31.

Property Tax Impact of Regional Government Services (Per \$100,000 CVA)*				
	2022	2023	Change	
	Actual	Budget	\$	%
Regional Services	\$ 173.28	\$ 178.47	\$ 5.19	3.00%
Police Services**	103.77	107.89	4.12	3.97%
Total Regional Taxes*	\$ 277.05	\$ 286.37	\$ 9.31	3.36%

Schedule may not add due to rounding

* Based on projected 1.7% assessment growth

** The 2023 Police Services Budget is subject to approval by the Halton Police Board which is scheduled to take place on December 22, 2022

There are significant cost pressures driven by the increased cost of goods, services, and construction due to high inflation that have impacted the 2023 capital and operating budgets. The 2023 Budget incorporates known inflationary impacts, and includes an inflationary assumption of 3.0%, however actual inflation experienced throughout 2022 has been much higher, with the latest CPI release for October at 6.9%. The latest forecast from the Bank of Canada's October Monetary Policy Report projects overall inflation of 6.9% for 2022 and 4.1% for 2023. The Bank of Canada (the Bank) closely monitors the effectiveness of its actions, along with the fiscal and other policy actions taken, to assess whether output and inflation are on paths towards their 2.0% inflation mid-range target. The Bank anticipates that inflation will begin to ease down into the target range in 2024, however continued periods of high inflation and cost escalations will put additional pressure on future years' budgets.

In addition, there are still many unknown variables related to the recovery and ongoing impacts of COVID-19. Throughout the development of the 2023 Budget, staff continued to monitor the impacts of COVID-19 and the projected recovery plan, identifying pressures that are anticipated to extend to 2023. Furthermore, there continues to be Provincial impacts that are still not known specifically related to funding models and programs that the Province has communicated will be changing or are currently under review including the Children's Services funding model, additional funding for the Canada-Wide Early Learning and Child Care System, service delivery of Employment Ontario programs, and the funding model for Public Health.

Bill 23, *More Homes Built Faster Act, 2022*, was introduced in the Ontario Legislature on October 25, 2022 and on November 28, 2022 received Royal Assent and is now law. As discussed in [LPS72-22/ FN-34-22](#) (re: Proposed Changes to the Provincial Planning Framework Bill 23 and More Homes, Built Faster: Ontario's Housing Supply Action Plan), this Act is the latest in a series of Provincial initiatives related to increasing the supply of housing in Ontario to support the creation of 1.5 million homes over the next 10 years. The bill includes sweeping and substantive changes to a range of legislation including the *Development Charges Act* (DCA), *Planning Act*, *Conservation Authorities Act* and *Ontario Land Tribunal Act* and will have a significant impact on existing taxpayers and the delivery of services. Given the timing of this announcement, and the current level of uncertainty at the time of writing, the 2023 Budget and forecast does not take into consideration any impacts.



Bill 23 contains considerable changes to the DCA that have drastic impacts to municipal finances, particularly in growing municipalities such as Halton Region. Although the full extent of the financial effects are not yet known, below is a summary of the key impacts:

- removing housing services as an eligible DC service (**loss of approximately \$50 million over 10 years**);
- removing certain studies, including DC Background Studies, as a DC capital expense that is chargeable (**loss of approximately \$9 million over 10 years**);
- removing cost to acquire land as a chargeable cost for certain services as prescribed (**magnitude unknown as this has not been prescribed. For example, if the Province was to prescribe land for roads services, the loss based on the current DC by-law would be approximately \$400 million over 10 years**);
- phasing in new DC rates over a 5-year period retroactive to DC by-laws passed after January 1, 2022 (**this will result in a funding gap of approximately \$131 million over 5 years**);
- exempting affordable, attainable, non-profit housing, and inclusionary zoning units from DCs and reducing DCs for purpose-built rental (**impact unknown as data is limited. For illustrative purposes, if 20% of residential development was affordable it would translate to approximately \$550 million over 10 years based on the 2023 budget**). At time of passing, the bulletin to determine average market rent and average purchase price are still required to determine affordability thresholds;
- increasing average service level calculation from 10 to 15 years (**extending the average service level to 15 years will potentially cap services at an even lower service level and increase costs to taxpayers**).

The enacted changes to the DCA will significantly eliminate and restrict DC collections limiting the Region's ability to fund capital works. Without alternate sources of funding, additional costs will fall to the existing taxpayers.

The legislation also contains several significant changes that will impact how the Region delivers land use planning services and how costs related to infrastructure for new growth can be recovered through development charges. The *More Homes Built Faster Act, 2022* makes changes to the *Planning Act* by identifying Halton Region as an "Upper-tier Municipality Without Planning Responsibilities", which in large part removes Regional Council's statutory responsibilities for land use planning and growth management. While Bill 23 has been passed, at the time of preparing the 2023 Budget and Business Plan, the date for which all components of the Bill come in to force and effect has not been proclaimed, including those related to Regional jurisdiction in respect of land use planning. The Region will remain responsible for the delivery of Planning Services as described throughout the Budget materials until the Bill takes effect. Regional staff will continue to monitor how the implementation of the *More Homes Built Faster Act, 2022* will result in changes to services and the corresponding financial and staff resourcing changes that need to be made as a result. Further updates will be provided to Regional Council throughout 2023.

Given these uncertainties, the 2023 Budget incorporates the latest information available while identifying risks and pressures. The 2023 Budget addresses significant pressures related to challenging economic conditions and high inflation impacting the cost of goods and services, while providing investments to support the health and well-being of Halton residents. In response to what was learned throughout the COVID-19 pandemic, the 2023 Budget includes investments in Public Health, Paramedic Services, Services for Seniors and Housing Services, ensuring the Region is well-positioned to move forward past the pandemic and continue to support the community. Investments are also included to stabilize operations impacted by growth and increased demand for services, manage risk and ensure assets are maintained in a state-of-good-repair, and support strategic priorities, including Halton's Digital Strategy. There has been a continued focus on core services, continuous improvement and finding efficiencies in all program areas to achieve the targets set.

2023 Water and Wastewater Rate Impact

Water and Wastewater Services are fully funded by water and wastewater rates that include a usage charge that is based on the volume of water consumed and a fixed charge based on meter size. The fixed charge is designed to ensure the recovery of expenditures that do not vary based on usage, such as the cost of maintaining the water and wastewater infrastructure in a state-of-good-repair. The fixed service charge is an important component of the fee structure to ensure there is a stable source of funding to maintain the water and wastewater system, whether the service is used or not. The combination of a fixed and variable fee structure is a recommended industry best practice to ensure a reliable, sustainable source of revenue while also providing customers control over spending and encouraging water conservation. In Halton, water and wastewater charges are billed on behalf of the Region on the electricity bills issued through the four Local Hydro Distribution Companies.

The 2023 Water and Wastewater Rate-Supported Budget has a 4.1% increase, which is mainly driven by capital financing required to support the State-of-Good-Repair capital program, as detailed in the Water and Wastewater Overview section. Of the 4.1% increase, 2.4% is driven by capital financing required to support the State-of-Good-Repair capital program and 1.7% is required to operate and maintain the water and wastewater system. The water and wastewater rate increase of 4.1% is in line with the guideline set out in the 2023 Budget Directions (**FN-26-22**). The 2023 Rate-Supported Budget includes the assumptions of 0.0% consumption growth and 1.5% customer growth.

2023 Budget Rate Increase				
	Net Expenditure Increase	Customer Growth	Consumption Growth	Rate Increase
Water & Wastewater Services	4.8%	1.5%	0.0%	4.1%

As shown in the following table, for a typical residential home using 226 cubic metres (m³) of water per year, this will result in an additional \$42 annually in 2023 for water and wastewater charges combined.

Rate Impact On a Typical Residential Customer (226 m ³ / Year)						
	2022		2023		Change*	
	Budget		Budget		\$	%
Water	\$	477	\$	496	\$ 20	4.1%
Wastewater		547		569	22	4.1%
Total	\$	1,023	\$	1,065	\$ 42	4.1%

Schedule may not add due to rounding

*Based on 0.0% consumption growth and 1.5% customer growth

2023 Budget Overview

The requested 2023 Gross Operating Budget is \$934.3 million for Regional Services and \$197.6 million for Police Services, resulting in \$1.1 billion for combined services. The \$934.3 million gross operating budget for Regional Services includes financing of \$229.8 million for the Region's capital program. The increase in the gross operating budget for Regional Services is \$28.9 million, comprised of \$17.8 million for tax-supported services and \$11.0 million for rate-supported services.

2023 Gross Operating Budget of Regional Government Services (\$000s)					
	2023			2022	
	Tax Budget	Rate Budget	Requested Budget	Approved Budget*	Change
Regional Services	\$ 677,018	\$ 257,264	\$ 934,282	\$ 905,401	\$ 28,881
Police Services**	197,603	n/a	197,603	186,522	11,081
Total	\$ 874,621	\$ 257,264	\$ 1,131,885	\$ 1,091,923	\$ 39,962

Schedule may not add due to rounding.

* Operating Budget for Regional Services restated as set out in FN-26-22

** 2023 Police Services Budget is subject to approval by the Halton Police Board, which is scheduled to take place on December 22, 2022

The requested 2023 Gross Capital Budget is \$749.2 million, consisting of \$697.2 million for Regional Services and \$52.0 million for Police Services. The Gross Capital Budget is financed by reserves, development charges, debt and other external recoveries. Included in the gross operating budget above are transfers to capital reserves to support the infrastructure programs.

2023 Gross Capital Budget of Regional Government Services (\$000s)					
	2023			2022	
	Tax Budget	Rate Budget	Requested Budget	Approved Budget	Change
Regional Services	\$ 394,423	\$ 302,781	\$ 697,204	\$ 442,045	\$ 255,159
Police Services**	51,984	n/a	51,984	11,752	40,231
Total	\$ 446,407	\$ 302,781	\$ 749,188	\$ 453,798	\$ 295,390

Includes financing costs, schedule may not add due to rounding

** 2023 Police Services Budget is subject to approval by the Halton Police Board, which is scheduled to take place on December 22, 2022

Further details on the Operating and Capital Budgets are provided later in this section, and in the Tax and Water & Wastewater Overview sections.

As part of the annual budget development process, the Region ensures continued financial sustainability through effective financial planning and risk management, which has resulted in maintaining a AAA/Aaa credit rating and tax rate increases at or below the rate of inflation. For the 2023 Budget, the Region has been successful

in delivering a property tax increase at or below the rate of inflation while maintaining or enhancing services. To achieve this objective, the 2023 Budget has been prepared based on the following budget principles:

- The annual budget is prepared in accordance with the financial plans, annual targets and policies approved by Regional Council.
- Halton’s strong financial position and financial planning principles will be continued to ensure the Region’s AAA/Aaa credit rating is maintained.
- Strategic investments in additional staff or other resources resulting from growth, program enhancements or additional Federal and Provincial funding will require a business case to be considered by Council as part of the annual budget process.
- The Annual Budget includes investment in the state-of-good-repair of the Region’s assets to maintain a good overall condition of the assets as the Region’s infrastructure continues to age and expand.
- Regional programs are funded from sustainable revenues to ensure ongoing expenditures are not funded from temporary or one-time revenues.
- 10-year Operating and Capital Budget forecasts are prepared.
- All growth-related capital costs that can be recovered under the *Development Charges Act* (DCA) will be recovered from growth in the Annual Budget.
- In order to proceed with growth in the Region, an acceptable financing plan must be approved by Council prior to development proceeding.
- Halton’s own debt limits are not exceeded throughout the 10-year forecasts.
- Reserves are maintained at levels to ensure financial sustainability to support the state-of-good-repair of Regional assets, tax and rate stabilization reserves targets, and to fund specific program requirements.
- The Budget that is presented to Halton Region tax and rate payers is clear and easy to understand, as evidenced by the annual receipt of the Distinguished Budget Presentation Award by the Government Finance Officers Association of the United States and Canada (GFOA).

The following chart highlights the process undertaken to prepare the 2023 Tax-Supported and Rate-Supported Budgets.

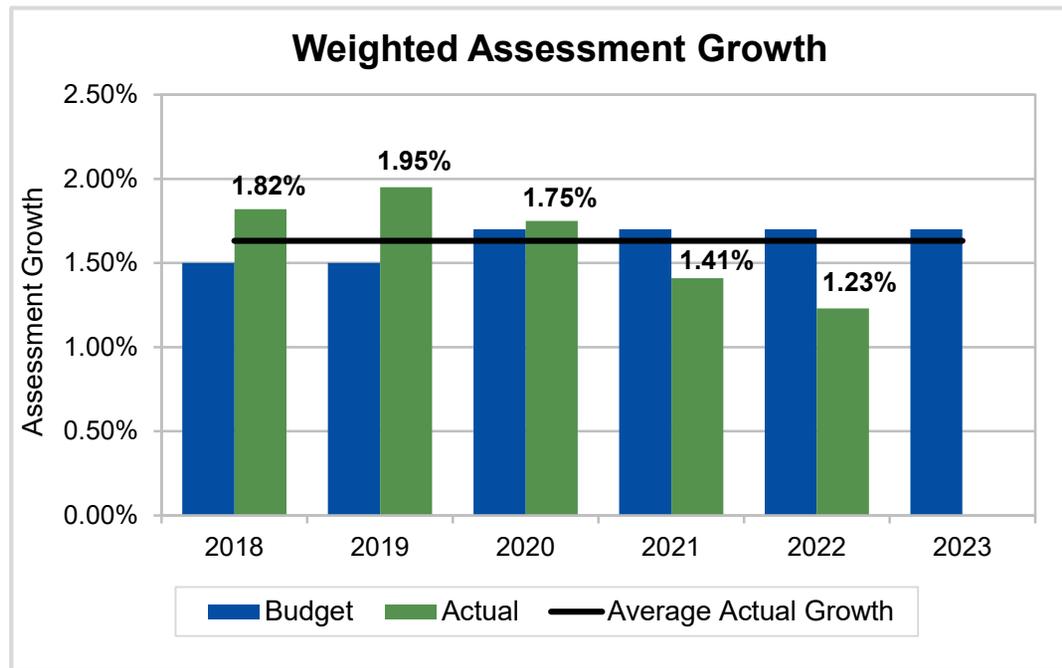
2023 Budget Process						
	Report	Date	Tax Increase	Assessment Growth	Rate Increase	Consumption / Customer Growth
2023 Forecast	FN-41-21	December 15, 2021	2.6%	1.7%	3.3%	0.0% / 1.5%
2023 Budget Directions	FN-26-22	July 13, 2022	3.0%	1.7%	4.1%	0.0% / 1.5%
2023 Budget	FN-06-23	January 25, 2023	3.0%	1.7%	4.1%	0.0% / 1.5%

Tax-Supported Budget

The 10-Year Operating Budget & Forecast in the 2022 Budget and Business Plan (**FN-41-21**) projected the tax increase for Regional programs (excluding Police Services) in 2023 to be 2.6%. The forecast was developed based on existing program financing plans, program-specific assumptions with respect to Provincial funding, and expected inflationary and growth factors. For the 2023 Budget Directions (**FN-26-22**), the tax forecast budget model assumptions reflected updated information, including adjusted program financing plans, assessment growth and Provincial funding announcements. Due to increased inflationary pressures experienced to date and forecasted over the next year, the target was increased to 3.0% from the 2.6% projection. Based on these factors, Council approved the 2023 Budget Directions with a tax rate increase not to exceed 3.0%. Through the development of the 2023 Budget, staff undertook a detailed review of program budgets, confirmed funding assumptions based on the latest information available, and identified strategies to incorporate savings into the budget. This has resulted in a tax rate increase of 3.0% for Regional Services, which aligns with the 2023 Budget Directions and Council’s priority of tax rate increases at or below the rate of

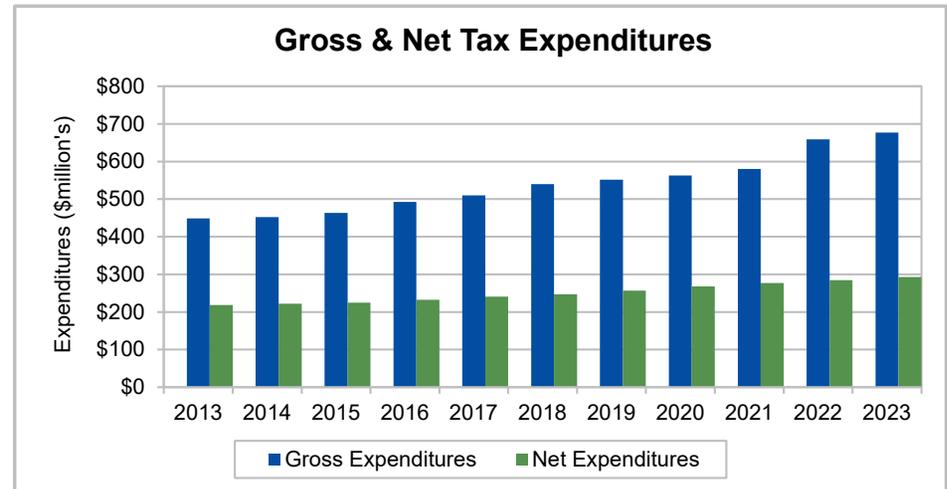
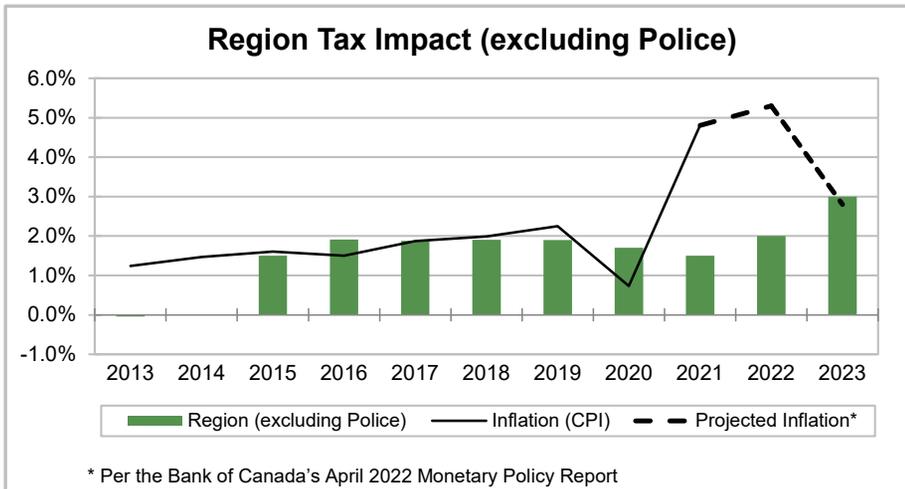
inflation. The 2023 Budget incorporates known inflationary impacts, and includes an inflationary assumption of 3.0%, however continued periods of high inflation and cost escalations will put pressure on future years' budgets.

When estimating assessment growth, it is important to look at historical data as well as implications of a development allocation program. As shown in the chart below, the actual assessment growth has fluctuated, with growth ranging from 1.23% to 1.95% over the past five years. Through the 2023 Budget Directions, based on the five-year average trend and consistent with the forecast, it was recommended that 1.7% assessment growth be used to prepare the 2023 Budget. Given the uncertainty around the impacts of COVID-19 on development, there is a risk of not achieving the 1.7% assessment growth target in 2023. Any potential shortfall in assessment growth is anticipated to be temporary in nature and would be funded through a one-time transfer from the Tax Stabilization reserve, as set out in Report No. **FN-06-23** (re: 2023 Budget and Business Plan and Disposition of the 2022 Surplus). Assessment growth is scheduled to be finalized with the final tax roll returned to municipalities on December 13, 2022. It is important to note that assessment growth is impacted by property tax write-offs resulting from successful assessment appeals to the Assessment Review Board (ARB) and MPAC.



The Region Tax Impact (excluding Police) chart below provides the history of property tax increases for Regional Services (excluding Police Services) in Halton for the last 10 years. The Region has successfully delivered an average property tax increase of 1.4% for Regional Services (excluding Police Services) from 2013 to 2022, while maintaining or enhancing core services as outlined in the Strategic Investments section. The Region has kept the average property tax rate increases at or below the rate of inflation even though gross expenditures have increased at an average rate of 4.2%, while net expenditures (after deducting subsidies and other revenues and recoveries) have increased at an average rate of 3.0%, as shown in the Gross & Net Tax Expenditures chart below. Net expenditure increases were offset by the increase in the Region's assessment base due to average growth of 1.7% over the same 10-year period, resulting in an average tax increase of 1.4%.

Halton has for many years identified savings and reallocated resources to priority areas to address program pressures and service levels. Many of these savings and efficiencies have been identified in the 2023 Budget and Business Plan, which has helped bring the tax increase down to the average of 1.4%.



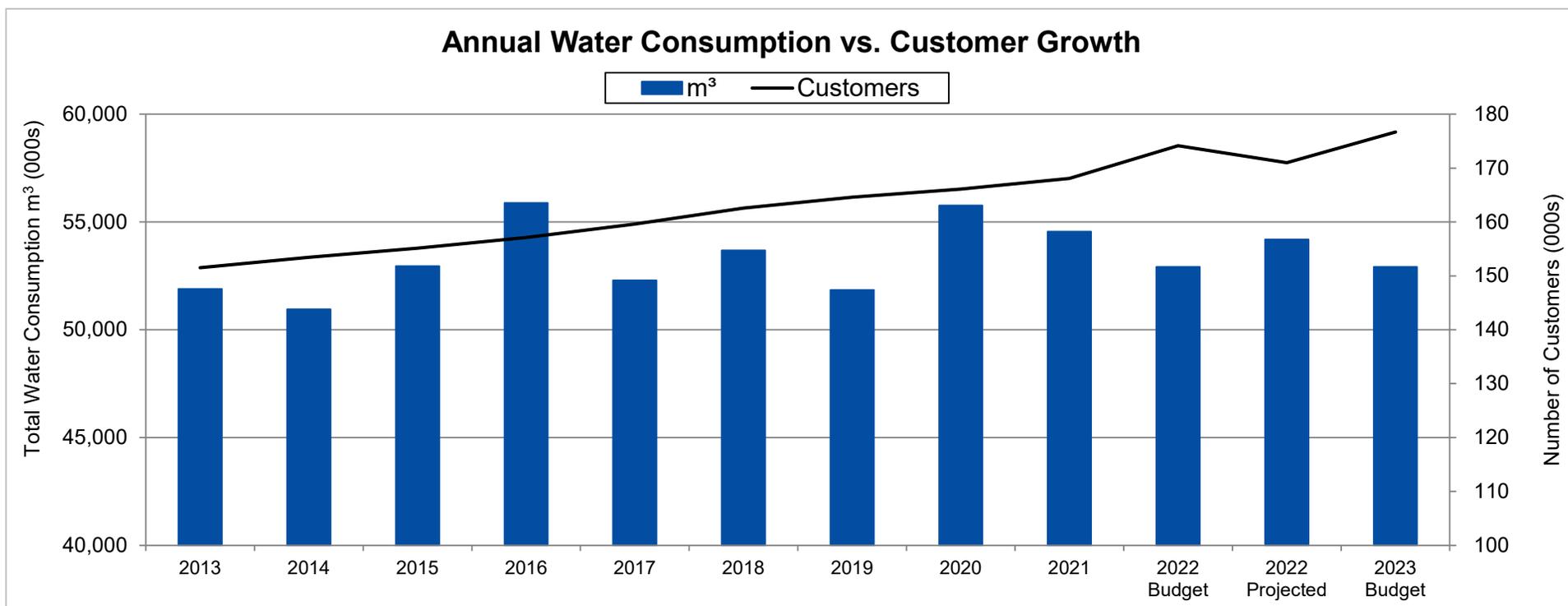
Rate-Supported Budget

The 10-Year Operating Budget & Forecast in the 2022 Budget and Business Plan (**FN-41-21**) projected a rate increase of 3.3% in 2023. The forecast was developed based on existing program financing plans and program-specific assumptions with respect to expected inflationary and growth factors. For the 2023 Budget Directions (**FN-26-22**), the rate forecast budget model maintained the water consumption (0.0%) and customer growth (1.5%) assumptions projected in the forecast and included capital financing based on the updated Asset Management Program and Lifecycle Models Update as set out in Report No. **PW-01-22/ FN-11-22/ DI-01-22**. The 2023 Budget Directions also recognized that some program enhancements would be needed to address growth and other program pressures in order to maintain service levels. Due to increased inflationary pressures experienced to date and forecasted over the next year, the target was increased to 4.1% from the 3.3% projection. Based on these factors, Council approved the 2023 Budget Directions with a rate increase not to exceed 4.1% for Water and Wastewater services, including operations and the State-of-Good-Repair capital program.

As shown below, Halton's average water and wastewater rate increase since 2010 has been 3.7%, while the average increases in other municipalities across the Greater Toronto and Hamilton Area have been higher over the same period of time. The increases in the water and wastewater rates are largely driven by requirements to support the State-of-Good-Repair capital program, with increases to support operations and maintenance costs at or below the rate of inflation.

Municipality	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Average
Halton	0.0%	4.1%	3.5%	4.8%	4.3%	4.9%	5.0%	5.1%	3.8%	3.7%	3.3%	2.6%	2.8%	3.7%
Toronto	9.0%	9.0%	9.0%	9.0%	9.0%	8.0%	8.0%	5.0%	5.0%	4.0%	3.0%	1.5%	3.0%	6.3%
Peel	5.0%	9.1%	8.0%	7.0%	7.4%	7.0%	9.0%	4.3%	6.5%	6.5%	7.2%	5.5%	5.8%	6.8%
Durham	7.2%	4.5%	6.4%	8.4%	6.5%	5.0%	5.0%	3.6%	4.0%	1.8%	2.3%	0.8%	1.8%	4.4%
Hamilton	4.0%	4.3%	4.3%	4.3%	4.0%	4.2%	4.7%	4.9%	4.5%	4.7%	4.1%	4.3%	5.0%	4.4%

Water consumption has varied over the years mainly due to changing seasonal conditions, as shown in the chart below. Throughout the COVID-19 pandemic, a slight increase in water demand has been observed arising from higher residential usage as more people work and attend school from home. This is not anticipated to be a long-term trend as demand is expected to normalize to pre-pandemic levels. As such, the 2023 Budget continues to reflect average historic consumption, which includes both dry and wet seasonal conditions, with 0.0% consumption growth projected for 2023. While there is no growth projected for water consumption, the number of water and wastewater customers continues to grow, and the 2023 Budget reflects this trend with a 1.5% increase in customer growth versus the 2022 Budget.



2023 Budget Key Drivers

The 2023 Budget continues to maintain service levels in the Region's core service areas and ensures the delivery of priorities identified by Regional Council.

COVID-19 Impacts

The COVID-19 pandemic has had an unprecedented impact in Halton Region and around the world. Throughout the COVID-19 pandemic, the Region continues to deliver essential services that support the safety and well-being of residents. In addition, there has been an immense impact on Public Health and Corporate resources related to the COVID-19 vaccine roll out. While the situation continues to evolve, and there are still many unknown variables including recovery from the pandemic and the ongoing impacts, the 2023 Budget plans for a continued COVID-19 response and recovery to allow for an agile approach. The 2023 Budget includes temporary staff support in Public Health, as well as costs related to personal protective equipment, technology, deep disinfection cleaning and other facility-related costs to continue providing essential services in 2023. These expenditures have been included as one-time items in the 2023 Budget unless an ongoing requirement has been confirmed.

As shown in the table below, the 2023 Budget includes \$5.2 million of COVID-19 related expenditures. Of this, \$1.2 million is offset through a transfer from the COVID-19 Recovery reserve, which is a reserve that was created to address future COVID-19 recovery requirements to support the community, funded with one half of the tax-supported Regional surpluses realized in 2020 and 2021 (FN-03-21, FN-03-22). In addition, \$3.2 million is funded from additional Provincial subsidies anticipated to be received from the Ministry of Health, and \$750,000 is included as a net Regional impact. The Ministry of Health has communicated that COVID-19 response costs will continue to be eligible for funding in 2023. While all other COVID-19 recovery one-time expenditures have not been funded as requested, it is anticipated that there may be a future opportunity to recover these costs. Staff continue to monitor expenditures, provide the Province with quarterly reports, and advocate for additional funding to support this essential additional service.

Additional COVID-19 related expenditures included in the 2023 Budget in Housing Services and Corporate Administration are expected to be at least partially offset through a transfer from the COVID-19 Recovery reserve as shown in the table below.

2023 Budget - COVID-19 (\$000s)				
	Gross Expenditures	COVID-19 Recovery Reserve	Provincial Funding	Net Regional Budget Impact
Public Health COVID-19 Response	\$ 1,187	\$ -	\$ (1,187)	\$ -
Public Health COVID-19 Recovery	2,051	-	(2,051)	-
Housing Services Rent Supplement Phase-In	1,492	(742)	-	750
Corporate Administration COVID-19 Response	493	(493)	-	-
Total	\$ 5,223	\$ (1,235)	\$ (3,238)	\$ 750

The following sections detail the one-time COVID-19 impacts, including funding, as well as permanent impacts and requirements due to COVID-19.

Public Health: The Public Health budget includes \$3.2 million in temporary costs required to support COVID-19 response and recovery in 2023 comprised of \$1.5 million for temporary staffing and operational costs for the Immunization Program, \$989,000 for six months of temporary staffing for the Outbreak Management and Case and Contract Management teams, \$517,000 to support the Vaccine Management team and \$198,000 in Public Health Resources to support one temporary Associate Medical Officer of Health for 12 months.

Due to the uncertainty around requirements related to the mass vaccination program in 2023, the 2023 Budget does not include any provisions for the COVID-19 Vaccination Program, however the Province has committed to continue to fund all costs related to the Vaccination Program in 2023 and it is anticipated that there will be no financial impact to the Region. The 2023 Budget also does not include a provision for the School-Focused Nurses Initiative. The program was initially expected to end on December 31, 2022; however, the Ministry of Health has indicated that the program will be extended to June 2023, with no net impact to the Region.

Housing Services: The 2022 Budget included a strategic investment for the Halton Rental Assistance Program (HRAP) and Provincially-mandated Housing Program (Commercial) to support an increased number of rent supplement units related to COVID-19 pandemic pressures and new housing units coming on stream in support of the Region's Comprehensive Housing Strategy (CHS). The HRAP strategic investment had a total budget of \$2.1 million, which included one-time funding of \$1.0 million through the Social Services Relief Fund and \$492,000 from the COVID-19 Stabilization reserve resulting in a net regional impact of \$573,000 in 2022. A multi-year plan has been developed to phase-in and sustainably fund this investment, with an impact of \$750,000 reflected in the 2023 Budget. The 2023 Budget includes the removal of the one-time funding provided through the Social Services Relief Fund and transfer from the COVID-19 Stabilization reserve, and includes a one-time transfer of \$742,000 from the COVID-19 Recovery reserve. The 10-Year Tax Operating Budget & Forecast includes the removal of this transfer in 2024, and reflects the full impact of the investment.

Corporate Administration: The 2023 Budget for Corporate Administration includes \$493,000 related to the COVID-19 pandemic to provide for technology, cleaning, security and other facility-related costs. It is anticipated that these costs will continue to be temporary in nature and have been funded through a one-time transfer from the COVID-19 Recovery reserve in 2023. A review of protocols and requirements will be undertaken as staff return to the office in 2023 to determine any future ongoing impacts.

Strategic Priorities

The following drivers of the 2023 Budget reflect Council priorities:

- Effective Government
- Planning and Growth Management
- Transportation and Infrastructure
- Community Well-Being
- Environmental Sustainability and Climate Change



Effective Government

Halton's future success is dependent on its strong financial foundation and its commitment to invest in the state-of-good-repair of Regional infrastructure and assets. Enhancing public engagement and awareness of Regional programs to promote transparency and accountability are key objectives of this priority as the Region transforms service delivery through innovation, technology and continuous improvements. The 2023 Budget continues to maintain service levels in the Region's core service areas and ensures delivery of the priorities identified by Regional Council. The Budget has been prepared consistent with Council-approved priorities to ensure the Region continues to maintain a strong financial position.

The following drivers are highlighted in the Effective Government section:

- Continuous Improvements
- Finance and Risk Management
- Digital and Workplace Transformation
- Provincial Funding
- Financing Growth
- Regional Investments in Economic Development

Continuous Improvements

A key priority set by Regional Council is to develop the tax-supported budget with an increase at or below the rate of inflation. Management Committee plays an active role in reviewing the base budget as well as proposed strategic investments to ensure service levels are maintained and Council priorities are achieved. A commitment to continuous improvement including increased use of technology, streamlining of business processes, reallocation of resources to address priorities, implementing efficiencies through all of the Region's programs, and cost savings have been identified in the operating budget as noted below. This was achieved while maintaining levels of service, enhancing customer service and responding to growth requirements.

Key initiatives completed or underway in 2022 include:

Health

- The Ministry of Health renewed Halton's license to operate an ambulance service for another three years after the Paramedic Services division successfully completed the Ministry's triennial ambulance service review.
- Implementation of electronic documentation for communicable disease and sexual health programs, including intake and on-call, with case and contact management underway.
- Enhancing cold chain inspections and creating new resources and tools to support improved vaccine storage and handling practices by community health care providers.
- New approaches for the Healthy Babies Healthy Children program, including an in-hospital liaison, updated screening criteria, new technology for appointment booking, tools for hybrid visits, and initiating a dashboard of monitoring indicators.
- Improvements to Oral Health services that include a new online form for clients and development of an improvement plan that will result in more efficient intake and claims processing and a plan to address waitlists.
- COVID-19 vaccination clinics have effectively adapted to frequent changes and multiple vaccines, while achieving maximum efficiencies and adhering to strict infection prevention and control standards to protect both staff and clients.
- The COVID-19 dashboard on [Halton.ca](https://www.halton.ca) continually provides the most accurate surveillance and reporting of COVID-19, by adapting to changes in testing practices, new variants, wastewater testing, and public demand.

Social & Community Services

- Process review and technology implementation (YARDI) for the Halton Community Housing Corporation resulting in streamlined service delivery, improved data management, and improved client service (complete)
- Addition of digital screens and Wi-Fi in the common spaces of multi-unit buildings in HCHC
- Long-Term Care (LTC) Visit Appointment Booking form implementation
- Implementation of a career board for early learning and child care professionals, along with resources to support interviewing and onboarding to help address recruitment challenges in the sector (complete)
- Implementation of emergency child care for school-age children during COVID-19 for remote learning while schools were closed (complete)

Public Works

- Continuing to implement Supervisory Control and Data Acquisition (SCADA) enhancements and upgrades to the water and wastewater systems to improve reliability, sustainability, resiliency and system security
- Continuing to improve and refine the Asset Management Program to improve programming of the State-of-Good-Repair capital program
- Continuing to implement the Reliability Centred Maintenance program to prolong the useful life of assets and reduce State-of-Good-Repair capital funding needs
- Implementing the American Water Works Association (AWWA) sponsored partnerships for clean and safe water to optimize and improve the operational efficiency of the wastewater and water treatment and systems
- Continuing to optimize the dead end watermain flushing program to address seasonal needs and improve efficiency
- Continuing to design and implement an Advanced Metering Infrastructure System to automate meter reading
- Continuing to implement an Advanced Traffic Management System to provide an efficient and safe Region-wide transportation network for all road users
- Continuing to implement light emitting diode (LED) streetlights resulting in savings, reduced maintenance and reduced carbon footprint

Legislative & Planning Services

- Review and refinement of key planning processes to ensure timely approvals – this includes implementing process supports such as a comprehensive development tracking system (DATS), as well as electronic application circulations
- Providing all small business programming and services virtually in 2022 to ensure no loss in customer service, including COVID-19 recovery and resiliency webinars, maintaining online COVID-19 resources for businesses and conducting a Business Conditions Survey in Q4, 2022
- Ongoing implementation of the employment land concierge program to advance new non-residential development

Corporate Administration

- Continued enhancements to Regional Enterprise systems, ensuring reliable and secure delivery of Financial, Customer Service and Work Order Management technology
- Continued implementation of technology enhancements to support the Regional Customer Access strategy
- Continued development of a Digital Strategy for Halton Region which will enhance the delivery of high-quality online digital services including offering 125 of its most frequently used customer-facing services, and the top 50 internal processes and staff experiences, as complete digital services by 2025
- Planning and delivery of the Halton Region Centre Redevelopment and Modernization Project
- Implementation of the new Public Sector Accounting Standards (i.e., Asset Retirement Obligations, Financial Instruments) effective January 1, 2023
- Continued enhancements to the Financial Statement and Financial Information reporting tool, Caseware (complete)
- Review of the Region's SAP Environment

In addition, the following strategic investments are included in the 2023 Budget to further implement and enhance continuous improvement initiatives:

- **Manager, Continuous Improvement - \$171,000:** is required to streamline processes, centralize and analyze data to optimize outcomes and drive efficiencies and modify processes through incremental and breakthrough improvements across the Energy, Fleet & Facilities division.
- **Project Manager III - \$154,000 (\$0 net rate impact):** is required to provide optimization and continuous improvement services for water and wastewater treatment plants, including finding solutions to optimize energy and chemical usage, implementing process control strategies to handle climate change driven impacts, and identifying opportunities to reduce or defer capital project costs through capacity development of treatment processes. This investment is fully offset by savings with no net rate impact.

Finance and Risk Management

The Region ensures continued financial sustainability through effective financial planning and risk management, which has resulted in maintaining a AAA/Aaa credit rating and tax rate increases at or below the rate of inflation. As a result of the growth in the operating budget, rising demand and increasing complexity in procurement activities, the number of FTEs and systems, and the volume and complexity of financial reporting and monitoring requirements, additional resources in Finance are required to provide capacity to support strategic priorities while meeting operational requirements and ensuring continued financial sustainability. In addition, as a result of unfavourable market conditions, securing insurance coverage has become increasingly challenging, and the increase in volume and complexity of claims, incidents, recoveries, subrogated claims, and the organization's need for general risk management support and advice has resulted in the requirement for additional resources to strengthen the Region's risk management program. The following strategic investments are included in the 2023 Budget to support these priorities:

- **Senior Financial Analyst - Financial Planning - \$134,000:** is required to support the Budgets & Tax Policy division in coordinating and consolidating the Tax-Supported Operating Budget, support the preparation of the annual Budget and Business Plan, provide backup and cross-training support for the Region-wide compensation budget, and support strategic priorities and financial planning needs across the organization.
- **Payroll Financial Analyst - \$122,000:** is required to support Payroll in the Financial Services & Payroll division as a result of the growth in the number of FTEs, and the related impacts such as OMERS compliance and reporting, and COMPASS time and attendance technical support. In addition, this position will support business continuity through secondary SAP HR Payroll system business support and payroll processing coverage for vacations and high volume periods, as well as support cross training opportunities.
- **Strategic Sourcing Specialist - \$124,000:** is required to lead and execute procurements in compliance with the Region's Purchasing by-law, support the rising demand of procurement requests, assist in the creation of improved processes and procedures, and conduct ongoing best practice reviews to incorporate risk mitigating strategies.
- **Claims & Risk Specialist - \$130,000:** is required to provide claims adjusting, subrogation, recovery, risk management, and insurance support, enabling streamlined file and claims management, proactive pursuit of financial recoveries, reduced claims adjusting expenses, and enhanced risk management.
- **Law Clerk - Risk & Insurance - \$115,000:** is required to provide risk management, insurance and litigation support which will allow for increased compliance from third party vendors and reduced risk of insurance gaps, streamlined file and claims management, and enhanced risk management.

Digital and Workplace Transformation

A key strategic objective approved by Regional Council includes the delivery of high-quality digital services to residents and businesses. To achieve this objective, the Region has developed “Digital First: A Digital Strategy for Halton Region” (Report No. **ST-07-21** (re: Digital Strategy and Audit and Accountability Fund Update)). The strategy provides the framework to enhance digital services by transforming business processes and services to ensure complete, high-quality online service delivery. To support the successful implementation of the Digital Strategy, a significant investment in digital technology services will be required. The 2023 Operating Budget includes \$600,000 to support the new Customer Relationship Management System (Salesforce), which will form the foundation to digitally deliver the most requested services. As reported through Report No. **DI-06-22**, the modern customer relationship management system will provide a consistent user experience for customers while accessing services fulfilled by a variety of Regional processes and software applications. In addition, the 2023 Capital Budget includes \$8.0 million to support Information Technology and the Digital Strategy. Included in this is \$3.7 million for SAP transformation which aims to modernize and automate Halton’s Human Resource Services and financial management processes, \$0.5 million to implement a modern, cloud-based collaboration suite using Microsoft 365, and \$0.45 million to transform Halton’s Customer Relationship Management System into the Salesforce platform.

As our workplace continues to transform in response to various pressures and opportunities, Human Resource Services will continue to ensure that the Region has the required number of employees with the correct skill sets in place to enable it to achieve its goals. The complexity and needs of the Region’s workforce has increased significantly since the onset of the COVID-19 pandemic. The pandemic fundamentally changed both how employees perform their work and what they expect of their employer. These factors have increased voluntary attrition from 5.4% to 6.9% and increased the number of annual hires from 300 to over 600 during the past four years. Consequently, the Region is addressing a diverse and complex set of staff needs that includes mental well-being, career growth and learning, total compensation, and providing an inclusive workplace. The following strategic investment is proposed to assist the Region to achieve its strategic objectives with a particular focus on advancing Equity, Diversity and Inclusion:

- **Human Resources Business Partners - \$333,000:** The Region’s Strategic Business Plan incorporates key human resource objectives and two Human Resources Business Partner positions will bridge the Region’s strategy and Human Resource Service’s network of expertise to provide advice on strategic issues pertaining to human resource services. The Business Partners will combine an understanding of the Region’s strategic objectives with in-depth line-of-business expertise. Business Partners will work with department leadership to ensure that the organization’s strategies for acquiring, developing, and retaining talent align with the overall strategic objectives for transformation and service excellence.

Provincial Funding

Provincial funding represents more than one third, or 38%, of the funding for the 2023 Tax-Supported Budget. The 2023 Budget was prepared with the most current information available at the time. However, there is uncertainty as there are still several programs and funding models currently under review by the Province that could affect 2023, including the Children’s Services funding model, additional funding for the Canada-Wide Early Learning and Child Care System, service delivery of Employment Ontario programs, and the funding model for Public Health.

As shown in the table below, the total increase in Provincial funding in the 2023 Budget is \$2.2 million or 0.8%. The 2023 base budget for Provincial subsidies is \$251.2 million. These base subsidies are budgeted to be augmented by \$3.2 million in one-time COVID-19 funding to support COVID-19 response and recovery efforts in Public Health. The Ministry of Health has communicated that COVID-19 response costs will continue to be eligible for funding in 2023. While all other COVID-19 recovery one-time expenditures have not been funded as requested, it is anticipated that there may be a future opportunity to recover these costs. Staff continue to monitor expenditures, provide the Province with quarterly reports, and advocate for additional funding to support this essential additional service. In addition, \$2.1 million in Provincial subsidies is included in the strategic investments. Of this amount, \$1.6 million is related to an increase in Direct Care Hours funding from the Ministry of Long-Term Care to provide more direct hours of care for residents of the Region’s Long-Term Care homes (**SS-03-22**). The remaining \$482,000 in Provincial subsidies included in the strategic investments for Public Health, Paramedic Services and Services for Seniors are anticipated based on current cost-share levels and funding models, but not yet confirmed.

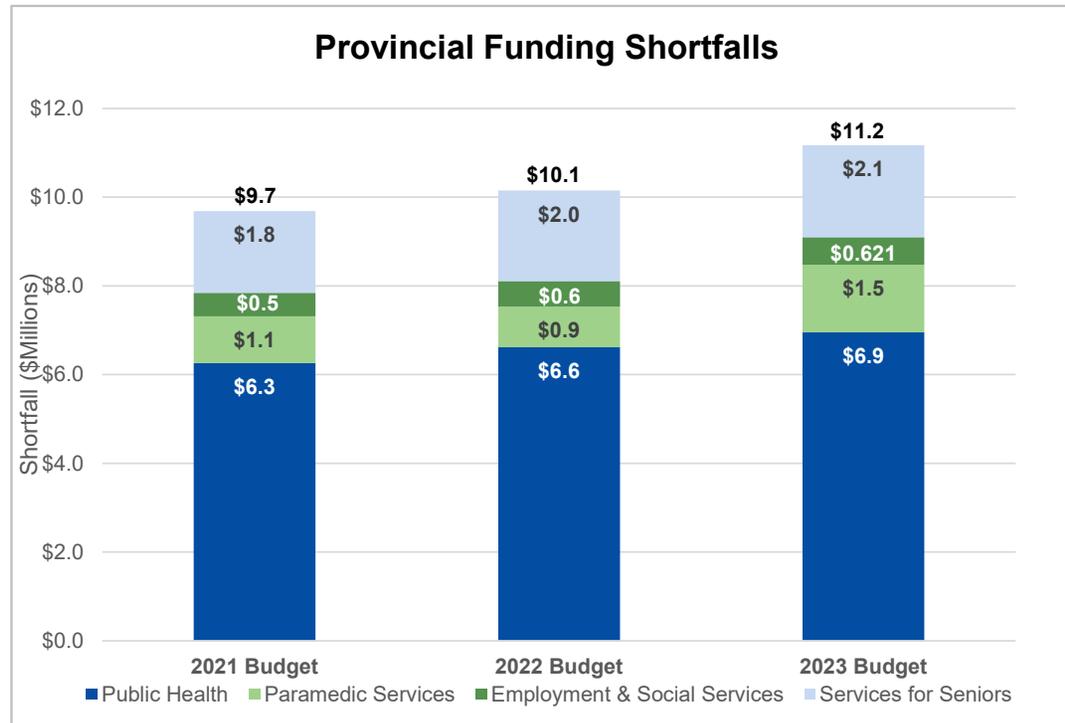
Provincial Subsidies By Program (\$000s)							
	2022 Total	2023				Change in Budget	
		Base	COVID-19 One-Time	Strategic Investments	Total	Total	
Public Health	\$ 32,262	\$ 29,599	\$ 3,238	\$ 142	\$ 32,979	\$ 717	2.2%
Public Health - School-Focused Nurses Initiative	1,798	-			-	(1,798)	-100.0%
Paramedic Services	23,727	24,312		271	24,583	856	3.6%
Children's Services	107,370	109,113			109,113	1,743	1.6%
Housing Services	16,021	14,705			14,705	(1,316)	-8.2%
Services for Seniors	45,999	46,500		1,707	48,207	2,208	4.8%
Employment & Social Services	26,936	26,632			26,632	(304)	-1.1%
Road Operations	100	150			150	50	50.0%
Economic Development	208	208			208	-	0.0%
Total	\$ 254,421	\$ 251,219	\$ 3,238	\$ 2,120	\$ 256,576	\$ 2,156	0.8%

Schedule may not add due to rounding

Provincial subsidies do not keep pace with increases in costs and growth, creating funding shortfalls which require increased Regional contribution in order to maintain service levels. Increased Provincial funding shortfalls are reflected in the 2023 Budget for the following program areas:

- The Provincial funding formula for Public Health is intended to reflect 70% Provincial funding for all cost-shared programs, however Public Health's 2023 Budget is funded based on 58% funding from the Province for cost-shared programs, and 42% from the Region, as the Province has not committed to additional funding to make up the current Provincial shortfall. In 2023, Halton will contribute \$6.9 million more than its cost share to compensate for shortfalls in Provincial funding to maintain essential services.
- Provincial funding for Paramedic Services is intended to support a cost-share between the Province and the Region of 50/50, however, the 2023 Budget is funded based on a cost-share of 47% funding from the Province, and 53% from the Region, which reflects the current funding model that supports program growth but not inflation, resulting in a shortfall of \$1.5 million.
- In Services for Seniors, the majority of Provincial funding is provided for the Long-Term Care (LTC) homes by the Ministry of Long-Term Care (MLTC) on a per bed, per day basis, with an adjustment to reflect the Case Mix Index (CMI) of the home, which is a numeric value assigned to a LTC home used as a measure of the care requirements of residents. While the calculated CMI has been increasing, the MLTC re-indexing factor has been decreasing, resulting in a gap between subsidy required and subsidy received. The projected shortfall resulting from the difference between the calculated CMI and the funded CMI is \$2.1 million in the 2023 Budget.
- In Employment & Social Services, Provincial funding is provided for Ontario Works (OW) benefits, OW cost of administration, and Employment programs. The cost of administering the OW program is intended to be cost-shared 50/50 with municipalities, however the 2023 Budget is funded based on 42% funding from the Province and 58% from the Region, resulting in a shortfall of \$621,000.

As shown in the chart below, the total shortfall continues to increase to a total of \$11.2 million in the 2023 Budget.



Financing Growth

On May 25, 2022, through Report No. **FN-12-22** (re: Final 2022 Water, Wastewater, Roads and General Services Development Charges (DC) Proposals), Council adopted By-law **25-22** which established the new DC rates and policies for water, wastewater, roads and general services that came into force on September 1, 2022. During the legislated 40-day appeal period, as presented in a memorandum to Council dated July 13, 2022, the Region received and registered two appeals with the Ontario Land Tribunal (OLT). The DC by-law issues identified in the appeal submissions (which were previously raised and responded to during the consultation process and reported in Report No. **FN-12-22**) include project costs, DC calculation, benefit to existing, post period benefit, growth forecast and land acquisition assumptions. The appeal hearings will be scheduled by the OLT in the future.

Growth Financing Principles

A key principle in accommodating the Region’s growth-related capital infrastructure program is that existing taxpayers are not affected, to the extent possible under the *Development Charges Act, 1997* (DCA), by the cost of growth-related capital requirements or the risks related to finance these costs. To achieve this objective, while accommodating Provincial growth targets, Council requires a financing plan be approved prior to the accommodation of new growth. The 2020 Development Financing Plan approved in Report No. **FN-46-19/ PW-50-19/ LPS112-19** (re: 2020 Allocation Program Options) and discussed in **LPS74-20** (re: 2020 Allocation Program Update) included the release of 18,743 Single Detached Equivalents (SDEs) in Halton, without financial impact to the existing taxpayers to the extent



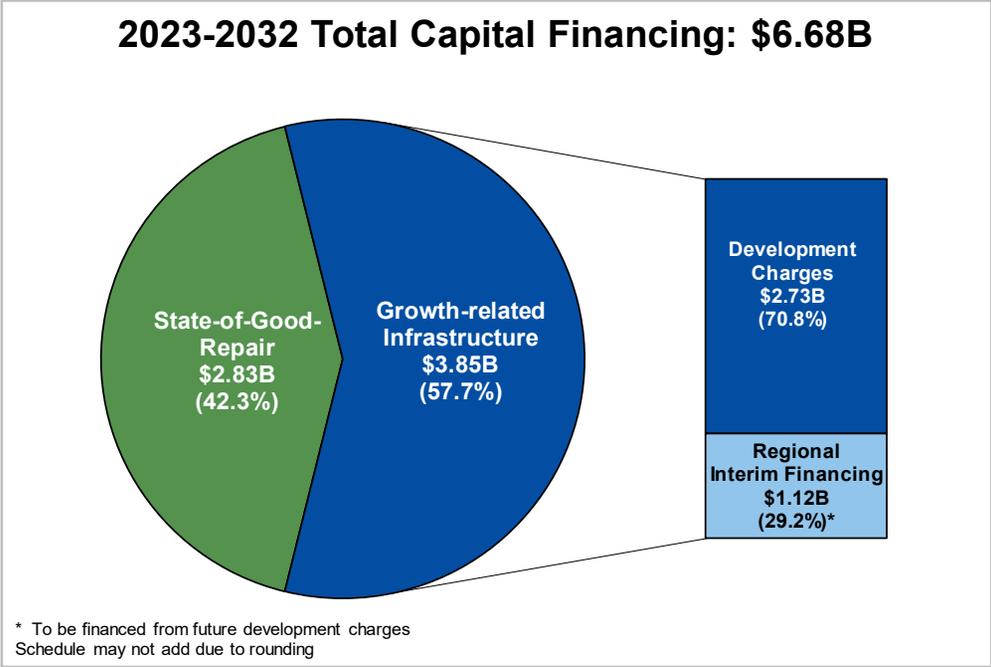
possible under the DCA. The 2020 program continues to increase in subscription due to the pool of 3,000 SDEs retained by the Region (1,500 for purpose-built affordable housing and 1,500 for public interest) being accessed and through the top-up provision in the Allocation Agreements.

The principles and financial measures established under the Development Financing Plan significantly limit the Region's exposure with respect to financing growth-related infrastructure. The key principles of this plan are:

- "Growth pays for growth" to the extent possible under DCA.
- Residential and non-residential growth identified in the Best Planning Estimates (BPEs) must be aligned to realistic growth projections.
- Infrastructure requirements must align to growth areas.
- Residential financing requirements must be solely supported from the Allocation Program.
- The repayment assumptions for Regional interim financing will assume a conservative "slow growth" scenario to ensure that economic conditions do not create unexpected impacts to the Region.
- Halton's strong financial position and financial planning principles will not be compromised.
- The Development Financing Plan will not affect the current or subsequent years' forecasted tax and rate increases.
- The Development Financing Plan will not require the Region to exceed its own debt capacity levels.

The Region's 2023 10-year capital program totalling \$6.7 billion incorporates \$3.9 billion of growth-related infrastructure and has been prepared based on the principles and financial measures established under the current Development Financing Plan (**FN-46-19/ PW-50-19/ LPS112-19**). The development-related infrastructure requirements for 2032 is estimated based on the 9-year average for comparison purposes. Estimates beyond 2031 will be required until there are updated best planning estimates and water, wastewater and transportation masterplans to support future growth. ROPA 49, which was adopted through **LPS50-22** (re: Recommendation Report - Regional Official Plan Amendment No. 49 – "An Amendment to Implement the Integrated Growth Management Strategy"), was approved by the Province with significant modifications in November 2022. In anticipation of the decision, best planning estimates and masterplan work commenced to develop the next DC forecast which will now need to be amended to accommodate growth to 2051 and the expansion of the urban boundary.

Under the 10-year capital program, the growth-related programs are financed based on DCs, combined with the Regional interim financing through the Capital Investment Revolving Fund and Tax Capital reserve for the non-residential share of the costs as shown below.



Despite Halton’s rigorous process to develop its Development Charges Background Study through its Master Plans, Growth Plans, developer consultations and consultant review, a significant amount of growth-related costs cannot be recovered under the current DCA as amended. As part of the current DC update process, staff identified and updated the capital costs that are not being recovered from growth based on the principle of “growth pays for growth”.

The DCA creates a significant financial challenge for municipalities, as it does not satisfy the “growth pays for growth” principle by not allowing municipalities to recover the full cost of growth. DCA limitations have resulted in an estimated funding gap of \$15.5 million per year and a tax impact of 5.4% on the Regional portion of property taxes to the residents of Halton. The funding gap consists of:

- \$7.4 million per year for Ineligible Services, including services such as waste management (excluding waste diversion), social services, acquisition of parkland, municipal administration buildings, museums and computer equipment are not covered, even though demand for these services directly relates to the level of growth.
- \$3.9 million in DC recoverable costs based on the average service level provided throughout the 10 years leading up to the DC background study as opposed to a forward-looking service level.
- \$4.2 million for a mandated 50% industrial expansion exemption.

DCA Limitations	Annual Cost (\$000s)
Exempt Services	\$ 7,393
Service Level Calculations	3,895
10% Discount	-
Mandatory Exemptions	4,215
Total	\$ 15,503

Bill 23, *More Homes Built Faster Act, 2022*, was introduced in the Ontario Legislature on October 25, 2022 and on November 28, 2022 received Royal Assent and is now law. As discussed in **LPS72-22/ FN-34-22**, this Act is the latest in a series of Provincial initiatives related to increasing the supply of housing in Ontario to support the creation of 1.5 million homes over the next 10 years. The bill includes sweeping and substantive changes to a range of legislation, including the DCA and associated regulations.

Bill 23 contains considerable changes to the DCA that will have drastic impacts to municipal finances, particularly in growing municipalities such as Halton Region. The majority of changes result in the reduction of DC revenue being collected which will likely delay the delivery of key infrastructure required to support growth. Specifically, this Bill proposes:

- removing housing services as an eligible DC service and certain studies, including the DC Background Studies, as a DC capital expense that is chargeable;
- removing land as a chargeable cost for certain services as prescribed;
- phasing in new DC rates over a 5-year period for By-laws passed after January 1, 2022;
- exempting affordable, attainable, non-profit housing, and inclusionary zoning units from DCs and reducing DCs for purpose-built rental. At the time of passing, the bulletin to determine average market rent and average purchase price are still required to determine affordability thresholds;
- extending DC by-law review timelines from 5 to 10 years;
- increasing average service level calculation from 10 to 15 years;
- capping maximum interest rates (e.g. for installment payments and DC determination date); and
- requiring 60% of DC reserves to be used or allocated each year.

Removing DC chargeable items, providing exemptions and discounts will reduce the amount of DC collection and the ability to fund capital works. Without alternate sources of funding, the changes to the DCA will significantly impact the timing of delivery of infrastructure required to deliver the Province's 1.5 million new homes target and will have a significant negative impact on existing taxpayers. Due to timing of Bill 23, the potential effects have not been considered for the 2023 Budget and forecast and the impacts will be incorporated into future budgets.

2020 Allocation Program

The 2020 Allocation Program Update as per **LPS74-20** includes the release of 18,743 Single Detached Equivalents (SDEs) in Halton and includes water, wastewater and roads projects approved in budgets between 2018 and 2022. As part of the development of the 2023 Capital Budget, the timing and costs estimates for projects within the 2020 Allocation Program were reviewed and updated where required. The changes were predominately driven by land acquisition, updated cost estimates as projects progress through detail design, inflation and supply constraints. The gross \$1.5 billion project list included in Report No. **FN-46-19/ PW-50-19/ LPS112-19**, and updated as part of the 2022 Capital Budget & Forecast, has been further adjusted and detailed in Appendix B in the Capital Report.

Appendix B identifies the total expenditure changes within the 2020 Allocation Program, including previously approved budgets for Tremaine Road requiring cost increases. The 2023 Budget increase identified in this appendix are included in capital cost budget approvals and can commence upon approval of the 2023 Budget.

The remaining growth-related capital projects for water, wastewater and roads, will not proceed until the next development financing plan and allocation program is approved by Council.

Below is a summary of the adjustments made to the 2020 Allocation Program, which is further detailed in Appendix B of the Capital Report. The changes to the projects have been incorporated into the 2023 Budget and the cost drivers are noted within the Capital Budget & Forecast summary sections.

Summary of 2020 Allocation Program (\$000s)				
Per FN-46-19/ PW-50-19/ LPS112-19	Cost Changes/ Cancelled	Reprogrammed Beyond 2022	Total Revised 2020 Program	Difference
\$ 1,488,849	\$ 780,573	\$ (393,106)	\$ 1,876,316	\$ 387,467

The overall impact of the adjustments to the 2020 Allocation Program is an increase of \$387.5 million. It is anticipated that there will be sufficient financing available through the Allocation Program including the pool of 3,000 SDEs and increases through the top-up provision in the agreement. Significant project cost increases including inflation and supply constraints are a concern and put pressure on the program, however, staff will continue to monitor project costs and implement strategies to mitigate future cost increases and ensure that the principles established under the financing plan are met.

Regional Investments in Economic Development

The 2023 Budget includes the Region’s continued investment in economic development through its interim financing for non-residential growth as set out in Report No. **FN-46-19/ PW-50-19/ LPS112-19**. The Region has historically provided interim funding in recognition of infrastructure development being driven by residential development and delivered well in advance of non-residential requirements. To ensure that this interim financing does not affect tax or water and wastewater rates, the Region uses internal borrowing for related non-residential employment growth and external debt for growth in key employment lands. The Capital Investment Revolving Fund is used for the water and wastewater growth program and the Tax Capital reserve is used for the Transportation program. The Region provides an annual operating contribution of \$14.3 million to the Capital Investment Revolving Fund in order to sustain the reserve fund capacity for interim financing. In addition, the Region provides an annual contribution of \$38.1 million to the Tax Capital reserve and Roads Resurfacing reserve for the state-of-good-repair Transportation capital cost, excluding Canada Community-Building Fund (CCBF) revenue (\$7.9 million).

By the end of 2022, the Region’s non-residential investment from the Capital Investment Revolving Fund is projected to be approximately \$294.2 million, while the investment from the Tax Capital reserve is projected to be \$243.2 million. In 2011, the Region also invested, through the issuance of debt, \$106.0 million in water and wastewater infrastructure for the key employment areas (Milton Business Park 2, Oakville Winston Park West, and Halton Hills Premier Gateway Employment Area - 401 Corridor). These Regional investments will be fully reimbursed (including interest) from the collection of DCs as non-residential development proceeds in the future.



Planning and Growth Management

Based on the Provincial Growth Plan, Halton is expected to grow to a population of 1.1 million people and employment of 500,000 jobs by 2051. While planning for and balancing residential and employment growth, the Region will continue to ensure that the necessary infrastructure and services are in place to maintain a high quality of life for Halton residents. Planning for this growth to create complete, active and healthy communities served by high quality infrastructure, including a comprehensive transportation system, is a high priority for the Region. Halton’s distinct approach to planning and funding growth and commitment to support intensification in identified areas are key to Halton’s long-term success.

The following drivers are highlighted in the Planning and Growth Management section:

- Regional Official Plan

Regional Official Plan

The Regional Official Plan Review (ROPR) is underway and is a multi-year project, which is currently accommodated within capital project T8021 – Regional Official Plan. The initial stages of the ROPR consisted of an overall Directions Report and a series of Discussion Papers which addressed and enabled public consultation on Climate Change, Integrated Growth Management, Natural Heritage, Agricultural and Rural Systems, and the North Aldershot Planning Area.

An important part of the ROPR process was the development of an Integrated Growth Management Strategy (IGMS) to guide how Halton would accommodate future growth. The IGMS was implemented through two amendments to the Regional Official Plan: ROPA 48 and ROPA 49.

The first amendment – ROPA 48 – was adopted by Regional Council in July 2021 and approved by the Province with modifications in November 2021. ROPA 48 identified components of the Regional Urban Structure and established a hierarchy of Strategic Growth Areas in the Regional Official Plan where a significant amount of growth will be accommodated. The second amendment – ROPA 49 – was adopted by Regional Council in June 2022 and approved by the Province, with significant modifications, in November 2022. ROPA 49, as modified by the Province, identifies a growth strategy for Halton to 2051, including the addition of new urban lands within the Regional Urban Boundary, among other things.

The Region will now initiate an update to the Best Planning Estimates, which are a planning tool used to identify the anticipated timing and location of growth with specific geographic areas of the Region. Following the approval of the new Best Planning Estimates, the Region will also advance updates to the infrastructure master plans and development charges in accordance with the Region’s longstanding integrated planning approach.

Work has also continued on the other theme areas being addressed as part of the ROPR. In June 2022, Regional Council directed staff to develop draft Regional Official Plan policies that address Climate Change, the Rural and Agricultural System, the Natural Heritage System, Indigenous Peoples, Communities and First Nations, the North Aldershot Planning Area, and General Plan Implementation, as set out in a Policy Directions Report. Another amendment to the Regional Official Plan is planned to update these policy areas.

As discussed above, on November 28, 2022, the Provincial government passed the *More Homes Built Faster Act, 2022* (Bill 23) which makes changes to the *Planning Act* by identifying Halton Region as an “Upper-tier Municipality Without Planning Responsibilities”, which in large part removes Regional Council’s statutory responsibilities for land use planning and growth management. While Bill 23 has been passed, at the time of preparing the 2023 Budget and Business Plan, the date for which all components of the Bill come in to force and effect has not been proclaimed, including those related to Regional jurisdiction in respect of land use planning. Regional staff will continue to monitor how the implementation of the *More Homes Built Faster Act, 2022* will result in changes to services and further updates will be provided to Regional Council throughout 2023.



Transportation and Infrastructure

The Region is committed to expanding transportation options throughout Halton while promoting safety, minimizing environmental impact, optimizing traffic flows and ensuring state-of-good-repair of core infrastructure. Providing timely, accessible and consistent information on construction activity and engaging residents throughout construction projects will continue to be priorities in 2023.

The following drivers are highlighted in the Transportation and Infrastructure section:

- Asset Management Plans
- Water and Wastewater State-of-Good-Repair Capital
- Capital Project Delivery
- Roads State-of-Good-Repair Capital
- Corporate Facilities State-of-Good-Repair Capital
- Social Housing State-of-Good-Repair Capital
- Water and Wastewater Maintenance Program
- Road Maintenance

Asset Management Plans

Maintaining Regional assets and infrastructure in a state-of-good-repair is a key priority. To ensure assets continue in good condition and meet desired levels of service, Halton updates the Asset Management Plan on a regular basis. Updating the plan guides investment decisions that get presented in the budget ensuring Halton's State-of-Good-Repair capital program is financially sustainable. The 2023 Budget and Business Plan includes a 10-year capital plan at a projected cost of \$6.7 billion. Of the \$6.7 billion, \$3.9 billion is projected to address growing infrastructure needs, and \$2.8 billion to address the State-of-Good-Repair capital program for existing infrastructure.

Guided by Halton Region's Corporate Asset Management Policy, and in accordance with O. Reg. 588/17, Halton Region updated its Asset Management Plan through Report No. **PW-01-22/ FN-11-22/ DI-01-22** (re: Asset Management Program and Lifecycle Models Update). The updated Asset Management Plan describes the infrastructure the Region owns, operates and maintains to support services to the community and identifies what has been achieved, what is being done and what needs to be done to ensure services provided to residents, businesses and institutions continue to be delivered based on desired levels of services while maintaining financial sustainability. As outlined in the plan update, Halton Region has demonstrated commitment to continuous improvement in asset management practices for more than a decade, which includes data improvements, project costing, project documentation, decision-making optimization, and strategic planning.

To guide future improvement initiatives and identify any gaps, an asset management capability review was conducted in 2021 to provide an objective state of each Regional program's current and target asset management capabilities. Halton Region's asset management competence compares favourably with established asset management best practices. The next steps will be to improve current practices around technology management, operations and maintenance master planning and developing staff asset management competencies.

In 2023, the following priority action items below will be initiated to update the Asset Management Roadmap:

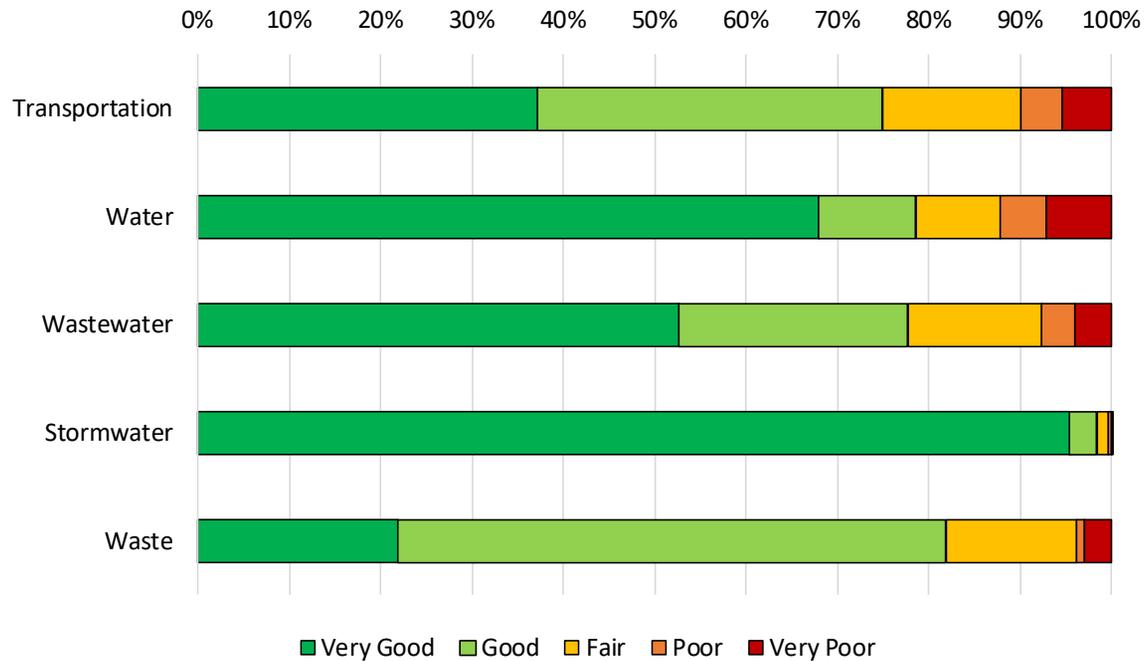
1. Capital Project Programming: to enable optimized asset renewal decisions by identifying the most economical renewal solution and capturing/assessing lifecycle costs towards service level improvement opportunities.
2. Operations and Maintenance Master Planning: Operations and Maintenance Master Plan details the strategies necessary to achieve optimized maintenance and reliability practices.
3. Stakeholder Engagement/Training: to develop the Governance Model for asset management across Public Works; and to enhance asset technical skills and concepts by all stakeholders.

- 4. Technology Management: to enhance decision support systems that provide input to the Digital Strategy; and also leverage enterprise resource planning (ERP) tools capabilities.

Asset management planning for social housing, long-term care facilities and corporate facilities assets has been enhanced through Building Condition Assessments and energy audits, which form the basis of the Energy, Fleet & Facilities division condition reporting. Halton Region’s Energy, Fleet & Facilities staff continue to coordinate their preventative maintenance plan as part of the monitoring of the annual capital funding requirements for social housing, long-term care facilities and corporate facilities assets.

The update to Halton Region’s Asset Management Plan was initiated in May 2020. The update to the Asset Management Plan provides for compliance with the requirements of the O. Reg. 588/17 and is in alignment with industry best practices and asset management standard ISO 55000. The update enables a line of sight between capital/operating investments and Halton Region’s strategic priorities and provision of services to residents and businesses.

Through Report No. **PW-01-22/ FN-11-22/ DI-01-22**, the condition of each category of assets was assessed using several different methodologies and reported using industry standard condition scales (1-Very Good to 5-Very Poor).



Halton’s Asset Management Program has resulted in most infrastructure assets being rated in very good to good condition and meeting desired service levels. Infrastructure assets have significant value and are the key resources used to provide services to the public and improve the quality of life for residents. Halton

Region endeavours to reduce construction impacts on residents and businesses and achieve the lowest project delivery costs by bundling water, sewer, and road replacement components as large contracts where practical.

In addition to the asset condition summary noted above, another indicator that has been used by municipalities to assess the adequacy of the financing for the state-of-good-repair infrastructure is the ratio of operating contributions to the amortization expense for these assets in the financial statements. A ratio of 1 indicates that the budgeted operating contributions are equivalent to the annual amortization expense in the financial statements. The target for this ratio should generally be greater than 1, as the amortization expense is based on historical costs, and therefore does not reflect the replacement costs of the assets or changes in standards, technology or legislation. For 2023, projected ratios for Water, Wastewater and Roads are as follows:

2023 Reserve Contributions for State-Of-Good-Repair vs. Annual Amortization (\$000s)				
	Operating Transfers * (A)	Estimated Annual Amortization (B)	2023 Ratio (A)/(B)	2022 Ratio
Water & Wastewater	\$ 136,275	\$ 91,981	1.5	1.4
Roads	\$ 61,767	\$ 28,689	2.2	2.4

* Includes transfers relating to CCBF.

The 2023 operating contributions of \$136.3 million (including interest earnings) for the Water and Wastewater State-of-Good-Repair capital program result in a ratio of 1.5, and the \$61.8 million (including interest earnings) for the Roads State-of-Good-Repair capital program result in a ratio of 2.2. These ratios are based on the significant growth in assets that Halton has been experiencing as a growing community, and additional operating contributions provided, as discussed further below.

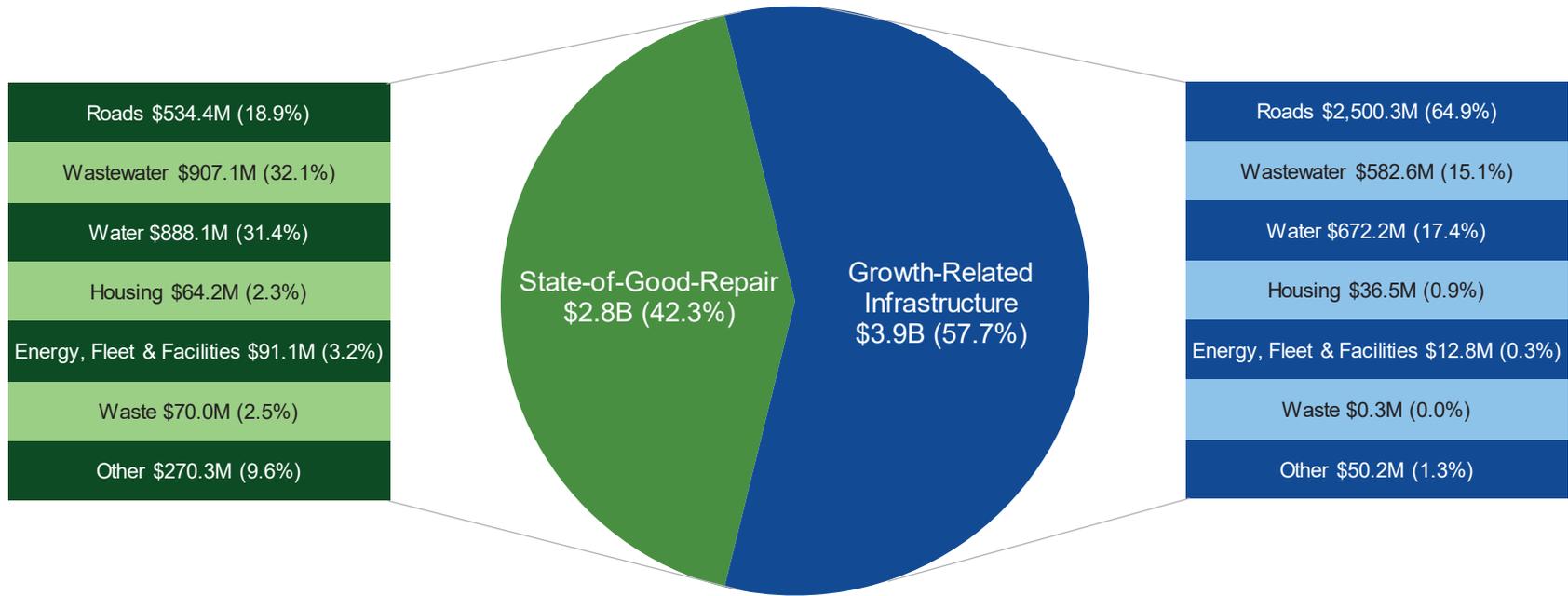
The Region has significant assets particularly in water, wastewater, roads, and waste management that are highlighted below. As of December 31, 2021, the total net book value of these assets was \$5.2 billion. The replacement value of these assets would be significantly higher.

Assets - Net Book Value (\$ Millions)			
	2020	2021	Change
Water and Wastewater	\$ 3,536	\$ 3,588	\$ 52
Roads	1,024	1,097	72
Waste Management	75	73	(2)
Other*	435	436	1
Total	\$ 5,071	\$ 5,194	\$ 123

* Includes Corporate Facilities, Social Housing, etc

The following chart summarizes the State-of-Good-Repair capital requirements by program area, which will be financed by reserves.

2023-2032 Total Capital Expenditures: \$6.7B



Schedule may not add due to rounding

As shown in the table below, the operating contributions to fund reserves included in the 2023 Budget in support of the entire State-of-Good-Repair capital program (excluding Police) totals \$196.9 million.

Transfer to Reserves (\$000s)			
	2022	2023	Change
Public Works			
Water & Wastewater*	\$ 110,650	\$ 118,504	\$ 7,854
Roads*	45,026	46,026	1,000
Waste Management	7,389	7,431	42
Sub-Total	\$ 163,065	\$ 171,962	\$ 8,896
Non-Public Works			
Energy, Fleet & Facilities	5,906	6,813	908
Health	3,032	3,199	167
Social & Community Services	2,315	2,315	-
Digital & Information Systems	4,458	4,817	359
Vehicles	1,625	1,685	60
Planning Services	2,330	2,615	285
Economic Development & CAO	19	22	3
Waterfront Master Plans	3,459	3,459	0
Sub-Total	\$ 23,142	\$ 24,925	\$ 1,783
Total	\$ 186,208	\$ 196,887	\$ 10,679

* Excludes Vehicles, Digital & Information Systems related costs, and interest earnings

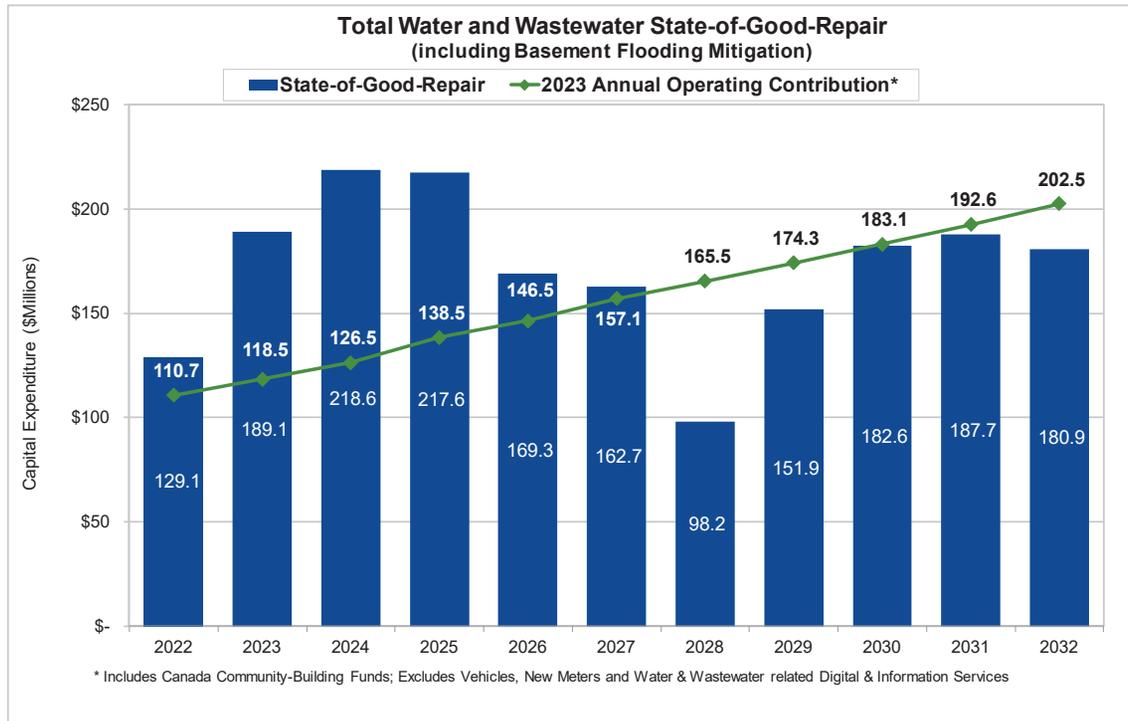
Schedule may not add due to rounding

The \$196.9 million in operating contributions to reserves (including Canada Community-Building Fund) is a \$10.7 million increase compared to the 2022 transfers, driven primarily by a \$7.9 million increase to support the Water and Wastewater State-of-Good-Repair capital program. The remaining operating transfer increases are primarily driven by Roads (\$1.0 million) and Energy, Fleet & Facilities (\$0.9 million) of which \$0.3 million is related to the Regional Accommodation Plan and \$0.6 million is related to increases to support corporate facility projects. It is projected that the operating contributions will continue to increase throughout the forecast as the Region's infrastructure continues to expand, and the Region continues with a pay-as-you-go financing strategy for its State-of-Good-Repair capital program. The State-of-Good-Repair capital program remains a significant driver of the tax-supported and rate-supported programs throughout the 10-year forecast.

Water and Wastewater State-of-Good-Repair Capital

The operating contributions included in the 2023 Budget in support of the Water and Wastewater State-of-Good-Repair capital program total \$118.5 million. These contributions are a \$7.9 million increase over the 2022 transfers to support the growing infrastructure base. As discussed above, based on the Region's pay-as-you-go strategy and increasing asset base, it is projected that the operating contributions will continue to increase throughout the forecast. The State-of-Good-Repair capital program is a significant driver of the rate-supported program throughout the 10-year forecast requiring a 2.4% to 2.6% rate increase each year.

The following chart shows the projected operating contributions to reserves, compared to the expenditures required for the State-of-Good-Repair capital program.



As detailed in the Water and Wastewater Overview section, the 2023 10-year State-of-Good-Repair capital program has increased by \$217.1 million from the 2022 10-year program to a total of \$1.6 billion revised through the annual budget process based on the updated Asset Management Program and Lifecycle Models Update (PW-01-22/ FN-11-22/ DI-01-22). As a result, the total operating contributions over the forecast period increase from \$118.5 million in 2023 to \$202.5 million in 2032.

The appropriate level of operating contribution will continue to be refined based on the Halton Region Asset Management Roadmap Implementation Plan to ensure the proper maintenance of the Region’s existing aging assets as well as the new assets constructed as part of the Region’s Development-Related Capital Budget.

Capital Project Delivery

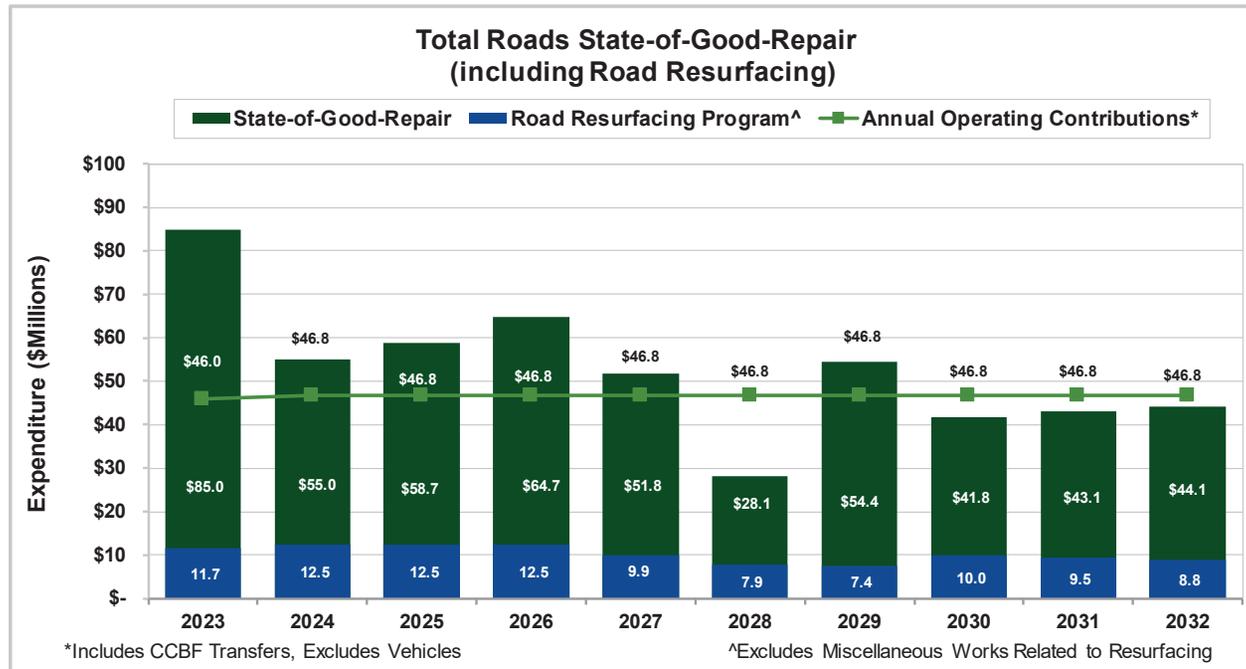
To support the capital programs the following strategic investments are included in the 2023 Budget:

- Construction Ambassador - \$114,000 (\$0 net rate impact):** With the Region’s capital program continuing to grow in size and complexity, an additional Construction Ambassador is required to offer extended services including communication and engagement activities, the facilitation of third party claims, proactive identification of project/site issues, and to be the single point of contact for stakeholder inquiries and issues. This investment will be funded through the capital program, with no net rate impact.

- **Project Manager III - \$308,000 (\$0 net rate impact):** With continued growth in the Region and the increasing size and complexity of capital projects, two additional Project Managers are required to help stabilize existing and future capital workloads and increase focus on the quality of capital delivery while maintaining a high level of service to internal and external stakeholders. This investment will be funded through the capital program, with no net rate impact.
- **Senior Strategic Sourcing Specialist - \$136,000 (\$0 net tax impact):** is required in the Supply Chain Management division to provide support for complex and high valued Region-wide capital construction-specific services, and related procurement initiatives. This position will lead and execute procurements in compliance with the Region's Purchasing by-law, support the rising demand of procurement requests, assist in the creation of improved processes and procedures, and conduct ongoing best practice reviews to incorporate risk-mitigating strategies. This position is fully funded from the capital budget with no net tax impact.
- **Project Manager II - \$139,000 (\$69,000 net rate impact):** is required to support the delivery of key growth related infrastructure including managing the execution of Municipal Class Environmental Assessment (MCEA) studies and the review of development applications in support of the Water and Wastewater Capital Program. This investment will be funded 50% through the capital program and 50% through the Water and Wastewater Operating Budget.
- **Project Manager II - \$139,000 (\$69,000 net tax impact):** is required to support the delivery of key growth-related infrastructure including managing the execution of Municipal Class Environmental Assessment (MCEA) studies and the review of development applications in support of the Transportation Capital Implementation Plan. This investment will be funded 50% through the capital program and 50% through the Roads Operations program.
- **Project Manager II – Asset Management \$139,000 (\$69,000 net rate impact):** is required to support asset management and capital programming, including coordination with local municipal partners. This investment will be funded 50% through the capital program and 50% through the Water and Wastewater Operating Budget.

Roads State-of-Good-Repair Capital

The 2023 Budget includes \$46.0 million in operating contributions to support the Roads State-of-Good-Repair capital program, including road resurfacing. The \$46.0 million includes operating transfers to reserves (including Canada Community-Building Fund) of \$36.7 million for roads capital projects and \$9.3 million for road resurfacing (excluding related miscellaneous works). The \$46.0 million of operating transfers increased by \$1.0 million from the 2022 Budget. This \$1.0 million increase is due to a \$0.5 million increase for transfers to Roads Resurfacing and a \$0.5 million increase to accommodate the revised expenditure of the State-of-Good-Repair capital program through the Asset Management Plan (AMP). As detailed in the Tax Overview section, the 2023 10-year Roads State-of-Good-Repair capital program totals \$526.7 million.



Corporate Facilities State-of-Good-Repair Capital

The 2023 Budget includes \$9.3 million to support the corporate facilities State-of-Good-Repair capital program, an increase of \$5.6 million from the 2022 Budget. The Building Condition Assessments (BCAs) completed in 2021/2022 were used to inform the 2023 Budget, as detailed in the Tax Overview section. The 2023 Corporate Facilities 10-year State-of-Good-Repair capital program totals \$103.9 million, with \$9.3 million in 2023. The building components for the corporate facilities were assessed in 2021/2022 and it was identified that 79% of the assets are in Good Condition, 17% are in Fair Condition, 3% are in Poor Condition and none are in Critical Condition. The needs have been prioritized through a five-point scale (Essential, Necessary High, Necessary Medium, Necessary Low, and Desirable). The 2023 10-year capital program incorporates \$18.1 million in the short-term forecast (years 1-2), \$52.8 million in the mid-term (3-5 years), and \$33.1 million in the long-term (years 6-10). The following strategic investments are proposed to support the state-of-good-repair of Corporate Facilities:

- **Facilities Maintenance Operator - \$87,000:** is required to support the increasing maintenance requirements of the Region's three Long-Term Care homes, three additional paramedic stations, emergency shelter in Burlington, and the increased square footage resulting from the Halton Regional Centre Redevelopment and Optimization project
- **Maintenance Coordinator – Corporate - \$126,000:** is required to support the increase in demand maintenance scheduling and reactive projects for the Corporate and Long-Term Care portfolios, and provide support for all insurance and risk management incidents.

Social Housing State-of-Good-Repair Capital

In 2018, the Region undertook BCAs for 54 social housing properties in Halton, representing 3,790 units, including HCHC-owned housing assets as well as the assets of other community housing providers and supportive housing environments under the Region's funding purview. In order to ensure that Halton is financially sustainable in meeting the capital requirements of the Social Housing providers over the next 25 years, staff reviewed the results of the BCAs and developed a social housing capital needs financing plan in 2018. The BCA identified priority ratings of the building systems and components ranging from 1 - (Essential), 2 - (Necessary High), 3 - (Necessary Medium), 4 - (Necessary Low), to 5 - (Desirable). The analysis indicated that the overall housing stock was in good condition and there is sufficient financing to account for expenditures in ratings 1 – (Essential) and 2 – (Necessary High). However, on an individual provider basis, there are six providers with greater building system and capital needs identified in the BCAs that could affect the Regional reserve balances unfavourably. The Region's Energy, Fleet & Facilities staff worked with property managers of these buildings regarding their capital spending needs to keep these properties in a state-of-good-repair. Any additional funding required will be the responsibility of the Region. The Region will continue to closely monitor the annual capital funding requirements of the social housing providers to ensure the housing stock is maintained in a state-of-good-repair. Updated BCA's for all of the facilities will be undertaken in 2023.

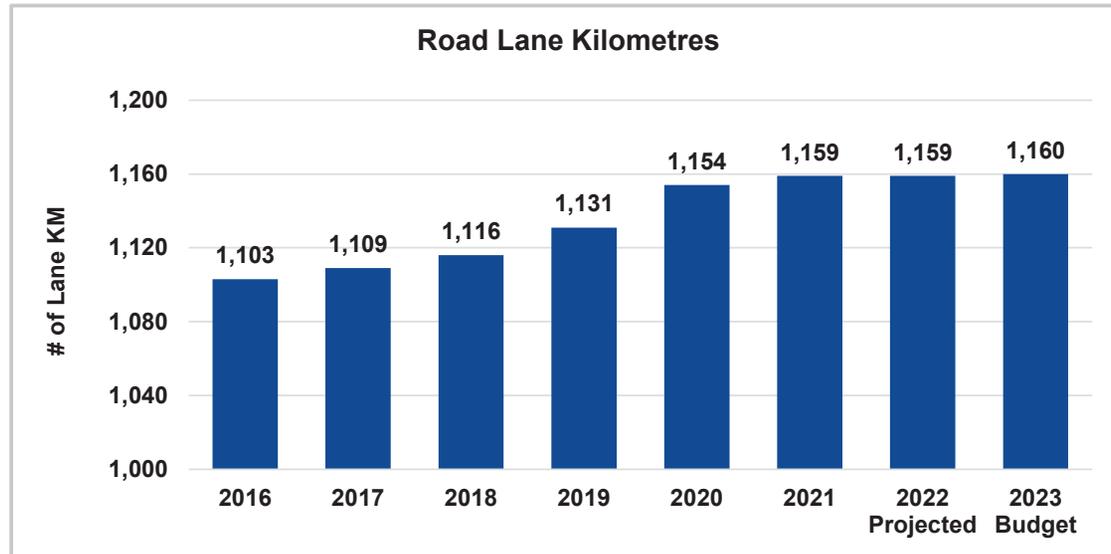
Water and Wastewater Maintenance Program

The 2023 Rate-Supported Operating Budget provides \$21.6 million for the ongoing repair and maintenance of the water and wastewater system, which is an increase of \$704,000 or 3.4%, from the 2022 Budget. Throughout 2022, staff are continuing to optimize the Reliability Centred Maintenance program to provide an optimum maintenance program that strives for zero unplanned operational interruptions, with a focus on planning and scheduling to efficiently and effectively realize the value of Halton Region's Water Treatment critical assets. This focus on maximizing asset life cycle through refurbishments will continue to have a favourable impact on mitigating the cost increases for the 10-year State-Of-Good-Repair capital budget for the treatment plants. The following strategic investments are proposed to optimize and continuously improve the delivery of the maintenance program:

- **Team Supervisor, Plant Maintenance - \$143,000:** is required to oversee the asset refurbishment program and help maintain proactive maintenance work in the plants in order to avoid additional pressures on the State-of-Good-Repair capital program.
- **Maintain, Repair & Overhaul Material Coordinator - \$127,000:** is required to proactively develop supply chain strategies and inventory management systems. This will result in reduced maintenance delays and plant downtime, and will reduce the risk of regulatory non-compliance and plant interruptions.
- **Project Manager III – Maintenance Capital - \$154,000 (no net rate impact):** is required to perform condition needs assessments on water and wastewater stations, which are required to identify necessary emergency repairs, maintain the stations in a state-of-good-repair, avoid unnecessary operational service disruptions and meet regulatory requirements. This investment will be funded through the capital program, with no net rate impact.
- **Operators – Water and Wastewater Stations - \$313,000 (\$183,000 net rate impact):** Three operators are required to operate and maintain new and expanded stations infrastructure and ensure that regulatory obligations are being met. This investment is partially offset by savings with a net rate impact of \$183,000.

Road Maintenance

The 2023 Road Operations Budget includes a total of \$15.0 million, an increase of \$528,000 from the 2022 Budget, in road maintenance contracts with the local municipalities and Regional contracts to address growth in the Regional road network. A major driver of the increased road maintenance cost since 2016 is the increase in lane kilometres to support growth in the Region. Between 2016 and 2023, the Region's transportation network system has been in a state of accelerated growth with an estimated increase of 57 lane kilometres. The following table shows the growth in the Regional road network over the past several years.



Halton Region's municipal stormwater system has grown significantly through urbanization, road widening, road transfers, and increased Provincially-mandated environmental protection requirements. This increase in the amount of stormwater assets and program demands is expected to continue to grow with road network expansion. In 2022, a comprehensive inventory of the municipal stormwater system was updated including: storm sewers, culverts, ditches, swales, catch basins, maintenance holes, oil and grit separators, super pipes, stormwater management ponds, infiltration trenches, and pumping stations. This inventory supports lifecycle management to enable asset management, developing a 10-year capital plan, and was integral to the approval of Halton Region's first Consolidated Linear Infrastructure Environmental Compliance Approval by the Ministry of the Environment, Conservation, and Parks in July 2022. With the growth of Halton Region's road network expected to continue, maintaining state-of-good-repair of stormwater assets through the implementation of monitoring, inspections, and maintenance programs to ensure optimal performance while complying with Provincial regulations will be critically important.



Community Well-Being

The Region contributes to the health and safety of our community by providing programs and services that continue to respond to the changing demographics and diversity of Halton residents. This includes creating partnerships and programs to respond to the needs of older adults, the need for additional assisted and affordable housing, and collaborating on initiatives to support the health, safety and well-being of the community.

The following drivers are highlighted in the Community Well-Being section:

- Comprehensive Housing Strategy (CHS)
- Community Safety and Well-Being Plan and Halton Region Community Investment Fund
- Prevent and Respond to Homelessness
- Special Needs Child Development
- Paramedic Services

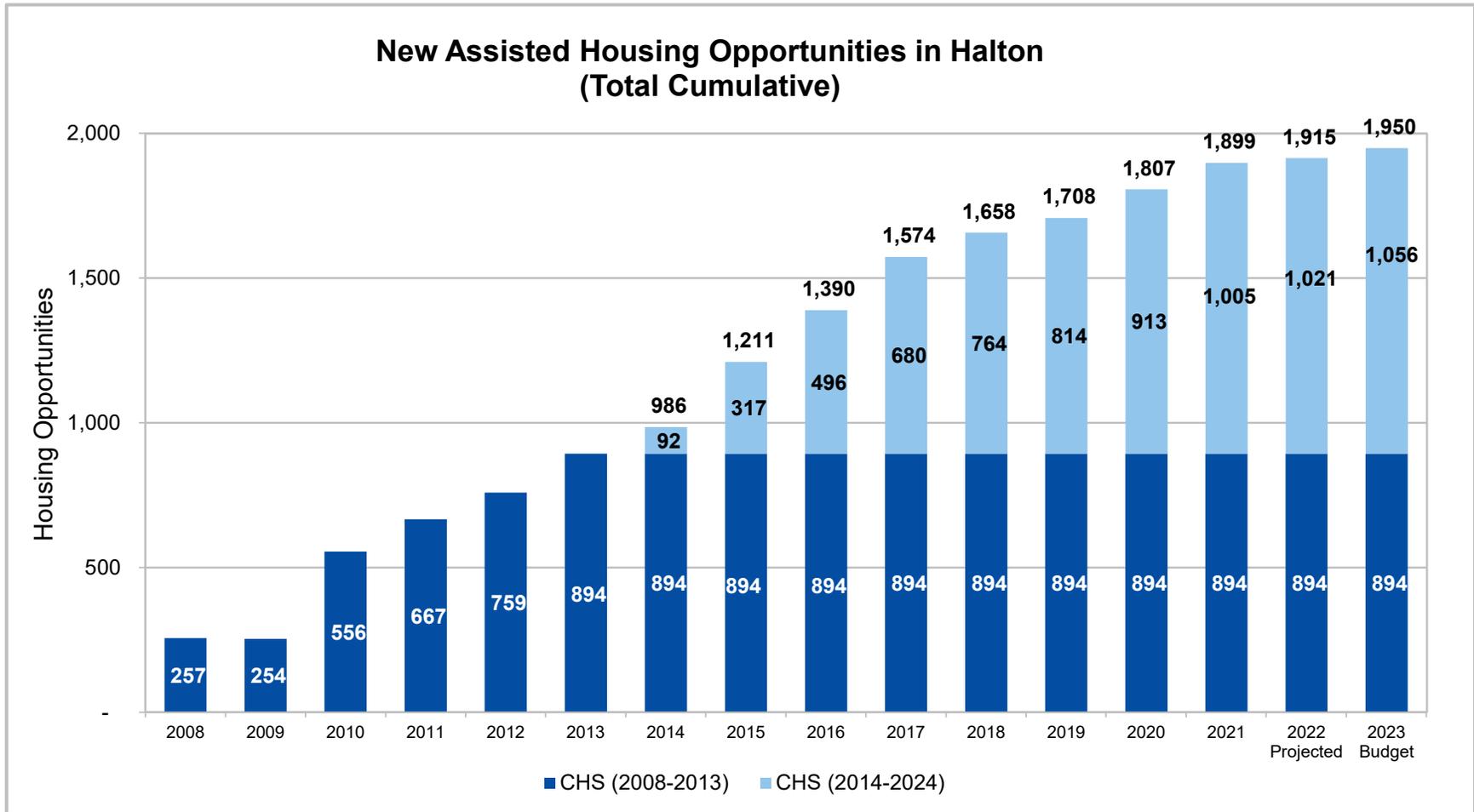
- Public Health Services
- Older Adult Needs

Comprehensive Housing Strategy (CHS)

As approved by Council in Report No. **SS-19-19/ LPS86-19** (re: Comprehensive Housing Strategy 2014 – 2024 – Five Year Review), the Region refreshed its CHS to reflect current housing priorities and the supporting financial plan. The *Housing Services Act* requires that the CHS be reviewed and updated at least once every five years. Halton’s housing program has expanded based on continued contribution from the Region and funding allocated from the Provincial and Federal governments. The Regional funding for new assisted housing will continue at \$7.8 million annually, as set out in the CHS. Of this amount, \$6.5 million will be transferred to the Regional Housing New Units reserve, and the remaining \$1.3 million will remain in the operating budget to support the Halton Rental Assistance Program (HRAP). Funding will continue at the same level in order to continue to respond to the increasing demand for assisted housing. In addition, the following strategic investments are included in the 2023 Budget to help support the goals of the CHS for the creation of new assisted housing units:

- **Maintenance Coordinator – HCHC - \$126,000 (no net tax impact):** is required to support the Halton Community Housing Corporation (HCHC) with portfolio changes and manage the increase in insurance-related reactive projects. This position is fully funded from HCHC.
- **Project Manager I – HCHC - \$251,000 (no net tax impact):** Two Project Managers are required to support the HCHC portfolio to improve processes and increase the efficiency of unit turnovers and completion of work orders. These positions are fully funded from HCHC.

Halton Region creates assisted housing opportunities for residents by acquiring new rental units through construction, the preservation of existing stock and the provision of Regional subsidies to make rental costs more affordable. Funding related to acquiring or developing new units is in the Planning Services division Capital Budget. All new housing opportunities created contribute towards Halton Region’s Comprehensive Housing Strategy (CHS) Update: 2014-2024 target of creating up to 900 new housing opportunities over the 10-year life of the strategy. In 2020, Halton Region exceeded this target with 913. Through the Region’s significant investment and the Provincial government’s previous Investment in Affordable Housing-Extension (now Ontario Priorities Housing Initiative (OPHI)), Investment in Affordable Housing-Social Infrastructure Fund (IAH-SIF) and Home for Good (capital component) programs, Halton has been successful in the delivery of additional new assisted housing opportunities through the Regional CHS since 2014. As reported through **LPS84-21/ SS-25-21** (re: Portfolio Approach to Achieving Comprehensive Housing Strategy Objectives), Halton Region recently implemented a portfolio approach to create up to 600 additional housing opportunities through both capital and operating programs by 2031, if funding support from senior levels of government is made available. This multi-year approach is consistent with the objectives of the CHS. As shown in the following graph, progress has been made towards this interim target with 16 additional new housing opportunities created in 2022 increasing the total number of assisted housing opportunities created since 2014 to 1,021. An additional 35 assisted housing opportunities are projected to be created in 2023 increasing this number to 1,056.



The following table shows the updated housing program plan that has been incorporated in the 2023 Budget and Forecast based on the projected funding contributions, with further details provided in the Tax Overview section.

Halton Region 10-year Housing Program - New Units (\$000s)											
Program - Delivered by Halton	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast	2032 Forecast	2023-2032 Total
Expenditures:											
Rental Component (new units)	\$ 9,450	\$ 11,200	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 100,650
Rental Component (HFG)	45	45	45	45	45	45	45	45	45	45	450
Rental Assistance	167	39	-	-	-	-	-	-	-	-	205
Support Services	129	-	-	-	-	-	-	-	-	-	129
Homeownership/Renovation	917	-	-	-	-	-	-	-	-	-	917
Admin fees	129	-	-	-	-	-	-	-	-	-	129
Total	\$ 10,836	\$ 11,284	\$ 10,045	\$ 102,479							
Funding:											
Regional Reserve (New Housing Units)	\$ 6,650	\$ 8,400	\$ 6,700	\$ 6,700	\$ 6,200	\$ 6,200	\$ 6,200	\$ 5,700	\$ 5,700	\$ 5,700	\$ 64,150
Regional DC Reserve	2,800	2,800	3,300	3,300	3,800	3,800	3,800	4,300	4,300	4,300	36,500
Prov/Fed IAH-SIF	167	39	-	-	-	-	-	-	-	-	205
Prov/Fed OPHI	1,174	-	-	-	-	-	-	-	-	-	1,174
Prov/Fed HFG	45	45	45	45	45	45	45	45	45	45	450
Total	\$ 10,836	\$ 11,284	\$ 10,045	\$ 102,479							

Delivered & Funded by Province											
Housing Allowance (OPHI)	\$ 1,063	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,063

Expenditures are in Operating and Capital Budgets

As discussed above, the enactment of Bill 23 eliminated housing services as an eligible expense for which the Region can collect DCs. Municipalities, the Province and the Federal Government have all identified assisted housing as a priority and contribute to the delivery of new units. The Region has been very successful over the last 15 years in delivering new units consistent with the Region's Housing Strategy. The revenues collected through the Housing Services DC are an important source of funding in the delivery of assisted housing for vulnerable populations. The 2023 Budget and forecast does not take into account the funding loss; however, the impact of the loss of DC revenue will be incorporated into a future budget and forecast to identify alternate sources of funding or a reduction in the programs.

Community Safety and Well-Being Plan and Halton Region Community Investment Fund

The Region works with community partners on a wide range of issues to support residents who are vulnerable to negative social, economic or health outcomes. Two primary vehicles through which this occurs are the Halton Region Community Investment Fund (HRCIF) and the Halton Community Safety and Well-Being (CSWB) Plan, both of which serve as mechanisms to identify and respond to human service issues in a collaborative manner. The HRCIF enhances the health, safety and well-being of Halton residents by providing funding to non-profit social service and community health programs and initiatives. This includes programs that strengthen mental health, prevent homelessness, and support vulnerable individuals, older adults, children and youth. Since 2012, the HRCIF has committed \$21.7 million through 398 grants for organizations in the areas of community health and social services to respond to current and emerging needs of Halton residents. In 2022, a wide range of programs have been funded to support the well-being of children, youth and older adults; strengthen food security among low-income residents; enhance mental health, and address small capital needs of community organizations. In addition, the HRCIF continues to play an essential role in meeting the needs of vulnerable populations during the COVID-19 pandemic. The following strategic investment is included in the 2023 Budget:

- **Halton Region Community Investment Fund - \$250,000:** The HRCIF enhances the health, safety and well-being of Halton residents through \$3.75 million in annual funding to non-profit human service programs and initiatives. A \$250,000 increase in HRCIF funding will provide increased capacity to meet new and emerging community needs and priorities including strengthening equity, diversity and inclusion in Halton.

Prevent and Respond to Homelessness

With the launch of the National Housing Strategy, the Provincial and Federal governments have highlighted their commitment to reducing homelessness and ensuring that Canadians have access to affordable housing that meets their needs. The Federal and Provincial governments have invested in one-time, time sensitive funding to support homeless populations, especially during the pandemic, however Halton Region requires increased Provincial funding to support vulnerable populations on a permanent, sustained basis. COVID-19 has highlighted that this population group in particular is at a higher risk than most, and congregate living environments continue to present a high risk for COVID-19 transmission during the pandemic. Achieving safe physical distancing in congregate environments is a priority. The Region will continue to utilize hotels to pre-emptively reduce shelter populations to a safe level and house a higher number of vulnerable individuals and families. In 2021, Regional Council approved a modified emergency shelter program that saw the acquisition of a facility in Burlington to serve families with children, couples and single women, while the Lighthouse Shelter in Oakville was converted to a men's only shelter with on-site supports. In 2022, transformation of Halton Region's emergency shelter program continued with the completion of a renovation at the Lighthouse Shelter increasing the capacity to 40 beds while improving resilience to COVID-19 like transmissible viruses. The 2023 Budget includes the following strategic investment to support homelessness prevention programming:

- **Quality and Compliance Coordinator - \$97,000 (no net tax impact):** is required to provide strategic and operational implementation oversight for homelessness prevention programming. This strategic investment is fully funded through the Federal Reaching Home program and will stabilize staffing by converting a temporary position into a permanent position, with no net tax impact.

Special Needs Child Development

Children's Services delivers programs that assist children with, or who are at risk for, developmental needs in Halton. Services are provided for children from birth to age 21 in different settings. Halton Region has seen an increase in the number of children in licensed child care with developmental needs since the beginning of the COVID-19 pandemic. More children are presenting with social, emotional and developmental needs, and it is anticipated that the demand for inclusion services will increase as the number of licensed child care spaces grows under the Canada-Wide Early Learning and Child Care System. The 2023 Budget includes the following strategic investment to stabilize staffing in the Special Needs Child Development program:

- **Development Consultant and Occupational Therapist - \$255,000 (no net tax impact):** are required to provide early intervention for children and families registered with the Ontario Autism Program. This investment will convert 2.0 temporary positions into permanent positions, utilizing funding provided through ErinoakKids from the Ministry of Children, Community and Social Services, resulting in no net tax impact.

Paramedic Services

As outlined in Report No. **MO-05-22** (re: Paramedic Services Division Annual Update), over the past 10 years, overall call volume has increased by 53%. The number of paramedics and the size of the Paramedic Services fleet has also grown, requiring additional critical supports to ensure effective operations. The following strategic investments are proposed in the 2023 Budget to address pressures related to growth in the Paramedic Services division:

- **Paramedics - \$769,000 (\$38,000 net tax impact):** As call volumes have increased in 2022 compared to pre-pandemic levels, and are projected to increase by 11% in 2023, additional resources are required in Paramedic Services to maintain response times. The addition of 6.0 Paramedic FTEs will be created through a conversion of 13,152 relief hours to address pressures related to call volumes and challenges experienced in the recruitment of part-time paramedics. This investment includes Provincial funding based on the current funding model, for a net tax impact of \$38,000.
- **Logistics Fleet Coordinator - \$132,000 (\$70,000 net tax impact):** The Paramedic Services division's vehicle fleet has grown from 17 vehicles in 2000 to 59 vehicles in 2022, without a dedicated resource to manage fleet operations. This has put pressure on existing staff to manage the procurement, acquisition, commissioning and maintenance of the vehicles. A Fleet Coordinator is required to address pressures resulting from the growth of the fleet, and ensure operational readiness of the vehicles. This investment includes Provincial funding based on the current funding model, for a net tax impact of \$70,000.

- **Leased Storage Facility - \$373,000 (\$197,000 net tax impact):** With the growth experienced within the division, there is currently a shortage of storage and functional space required to support frontline Paramedic Operations. Additional storage is critically needed for multiple ambulances and logistic vehicles, medical supplies and equipment, personal protective equipment, uniforms, preventative equipment maintenance and cleaning supplies. Leasing a larger storage facility will enable the centralization of logistics operations and provide space to maintain adequate stock for supplies, as well as provide an adequate area to perform regular equipment preventative maintenance and uniform order assembly. This investment includes Provincial funding based on the current funding model, for a net tax impact of \$197,000.

Public Health Services

Halton Region Public Health is mandated to provide core services under the Ontario Public Health Standards. This includes working with partners to reduce chronic diseases, preventable injuries and substance misuse in Halton acknowledging the significant unintended impacts of the COVID-19 pandemic. Other services highlighted below include oral health through the administration of Provincial programs and the delivery of sexual health clinic services to priority populations in the community.

The following strategic investments are proposed in the 2023 Budget to support emerging health needs in the community:

- **Health Promoter - \$124,000 (\$53,000 net tax impact):** Alcohol consumption is a leading risk factor for disease, disability, and premature death in Canada. In 2020 alone, alcohol was linked to 7,000 new cancers in Canada, including 24% of breast cancer cases and 20% of colon cancer cases. During the COVID-19 pandemic, up to one quarter of Canadians increased their alcohol consumption. Several recommendations were presented through Report No. **MO-09-22** to reduce the alcohol use of Halton residents. A Health Promoter is required in order to implement those evidence-informed interventions to reduce alcohol consumption in Halton residents. Provincial funding is included based on the current cost-share level, for a net tax impact of \$53,000.
- **Health Promoter - \$124,000 (\$53,000 net tax impact):** One of the most significant incidental impacts of the COVID-19 pandemic is on mental health. In the fall of 2020, 52% of Halton adults surveyed reported their overall mental health and well-being worsened due to the pandemic, and national level data suggests that the mental health of Canadians continues to decline as the pandemic endures. Several recommendations were presented through Report No. **MO-09-22** to promote the mental health of Halton residents. A Health Promoter is required in order to implement those evidence-informed interventions to promote mental health across the lifespan. Provincial funding is included based on the current cost-share level, for a net tax impact of \$53,000.
- **Supervisor, Oral Health - \$54,000 (\$0 net tax impact):** The Oral Health program has grown in complexity and staffing, with currently only a 0.5 FTE Supervisor in the Oral Health program (non-Ontario Seniors Dental Care Program mandatory programs) which is insufficient to meet the needs of the program which includes implementing the Healthy Smiles Ontario program locally and conducting regular oral health screening in elementary schools. An additional 0.5 FTE is required to provide a full 1.0 FTE Supervisor for these programs, in order to provide the required level of operational oversight. This investment is fully offset through a conversion of budget allocated for casual Dental Recorders which is no longer required, resulting in no tax impact.
- **Sexual Health Clinic – Mobile Service Delivery - \$42,000 (\$0 net tax impact):** The Ontario Public Health Standards stipulate that Boards of Health must implement a program to prevent and control sexually transmitted and blood-borne infections, and promote healthy sexuality and safer sex practices for priority populations, cases and contacts. The programs and service delivery models vary based on local needs. As reported through Report No. **MO-02-22** (re: Update on Sexual Health Clinic Services), in north Halton fixed clinic sites are underutilized and the timing of lease renewals provided an opportunity to close the Acton Sexual Health clinic and transition to a mobile service delivery model in north Halton. The purchase of a medical van with the associated annual operating costs will be fully offset by the occupancy cost savings due to the closure of the Action Sexual Health Clinic resulting in no overall net impact to the Region.

Older Adult Needs

As reported in Report No. **SS-03-22**, on October 6, 2021 the Ministry of Long-Term Care announced new funding to Long-Term Care (LTC) homes across the Province to increase staffing levels to provide more direct hours of care for residents. This funding will enable the Region's three LTC homes to hire additional FTEs with associated relief hours for resident care and support services and enable the Region to meet the Provincial requirement of an overall average of 4 hours of care per day by the 2024-25 fiscal year. Funding for Halton Region is confirmed for the 2022-23 fiscal year, and notional funding is committed by the Province until the 2024-25 fiscal year. The following strategic investment is included in the 2023 Budget to utilize this funding which will increase staffing levels and provide more direct care hours to residents:

- **Personal Support Workers - \$1.6 million (\$0 net tax impact):** 19.8 Personal Support Worker FTEs and associated relief hours are required to increase the direct care hours provided to residents in the Region's three Long-Term Care homes, utilizing the Direct Care funding provided by the Ministry of Long-Term Care with no net tax Impact.

In addition, with growth in the Services for Seniors division and across the organization, the administration and management of contracts for goods and services requires an additional resource to provide a coordinated approach, with consolidated oversight within the division. The following strategic investment is included in the 2023 Budget to address these pressures:

- **Contracts Administration Coordinator - \$98,000 (\$29,000 net tax impact):** is required to develop, maintain and monitor contract documents and activities for the Services for Seniors division, ensuring mitigation of supply chain disruptions in the supply of goods and services. Subsidy has been included based on the current cost-share level, but has not yet been confirmed, for a net tax impact of \$29,000.



Environmental Sustainability and Climate Change

The Region continues its effort to reduce the carbon footprint of Regional operations to mitigate the impacts of climate change. The Region also continues to ensure that Halton infrastructure and services are resilient and that risks associated with severe weather events are mitigated where possible. The Region is committed to protecting the natural and agricultural areas and natural heritage system of Halton. Key objectives include a permanently secure, economically viable agricultural industry, assessing the health of the natural heritage system, determining required restoration and remediation, and developing policies and approaches which seek to balance the natural heritage system interests with those of agricultural areas.

The following drivers are highlighted in the Environmental Sustainability and Climate Change section:

- Climate Change Response
- Waterfront Master Plans
- Emerald Ash Borer
- Floodplain Mapping
- Alternate Energy Technologies
- Long-Term Water Meter Strategy
- Basement Flooding Mitigation Program
- Supervisory Control and Data Acquisition (SCADA)
- Solid Waste Management Strategy and Master Plan

Climate Change Response

On September 11, 2019, Regional Council approved a motion to declare a climate emergency for the purposes of deepening the Region's commitment to protecting and improving the resiliency of the economy, environment and community from climate change. Through this declaration, Regional Council asked staff to develop a climate change strategy, including short and long-term actions to address climate change mitigation and adaptation across Halton Region. At its meeting held on February 17, 2021, through Report No. **PW-15-21/ ST-03-21/ LPS26-21** (re: Climate Change Response Update), staff provided Regional Council with an update on Halton Region's planned response to climate change including reductions in greenhouse gas (GHG) emissions. This report included the formalization of a partnership between Halton Region and the Halton Environmental Network (HEN) through a Memorandum of Understanding. The HEN is a community entity that has been coordinating environmental initiatives in Halton Region, including through the Halton Climate Change Collaborative, since its inception in 2017. As such, the HEN is well positioned to continue to support coordination of climate change initiatives in Halton and enhanced community engagement. As reported through Report No. **CA-05-22** (re: Halton Region Strategic Plan 2019-2022 Report), key achievements have been made over the past four years in the priority area of environmental sustainability and climate change, including:

- Declaring a Climate Change Emergency and committing to the establishment of long and short-term goals for the organization and further engagement of the community;
- Entering into a Memorandum of Understanding with the HEN to assist in coordinating climate change initiatives in Halton and enhance community engagement;
- Achieving a 5.1% decrease in Corporate GHG emissions since 2019, a 9.3% decrease in hydro consumption per square foot and a 17.5% decrease in heating consumption per square foot;
- Saving more than \$3 million annually in energy costs related to LED streetlights, treatment plants and other initiatives; and
- Updating Halton Region's Solid Waste Management Strategy with a focus on increasing diversion rates from the current 58% to between 64% and 70% over the next 10 years.

Waterfront Master Plans

Council approved the Burlington Beach Waterfront Master Plan and the related financing plan in 2015 as outlined in Report No. **LPS54-15** (re: Burlington Beach Regional Waterfront Park - 2015 Master Plan) and Report No. **LPS59-15** (re: Burlington Beach Acquisition Implementation/Strategy (T5800D)), committing approximately \$51.8 million of Regional investment between 2015 and 2035. Through the 2019 Budget and Business Plan, the financial plan was adjusted to \$62.0 million to reflect revised market conditions and support an accelerated property acquisition strategy allocated as follows: \$23.8 million for park development, \$12.2 million for hydro tower relocation and \$26.0 million for property acquisition. As identified in **LPS88-20** (re: Burlington Beach Regional Waterfront Park Update), feasibility studies are required prior to initiating the detailed design and construction drawings for Burlington Beach in order to identify and mitigate potential construction and long-term maintenance risks, inform the preparation of detailed design documents, and position the project to obtain the relevant permits and approvals for construction. The Hydro relocation costs were increased in the 2021 Budget and Business Plan by \$10.8 million to the mid-level cost estimate provided by Hydro One's Initial Class 5 Estimate. In 2021, a consultant was obtained to provide expertise in transmission design in order to better inform discussions with Hydro One Networks Inc. and support Council's future decision-making with respect to hydro line burial or relocation. The technical study for transmission line relocation options was finalized in 2022 which informed a preferred hydro line relocation route. A decision on the preferred relocation route is anticipated to be made in early 2023. Additional consulting has been added to 2023 in the amount of \$250,000 to advance the feasibility analysis and design of the preferred option.

The Halton Region Waterfront Parks program was designed to recognize the significant environmental, economic, cultural, and recreational importance of the Lake Ontario (and Burlington Bay) shoreline to the residents of Halton and Ontario. The program will provide an opportunity to maximize public access to the Halton Waterfront by increasing the amount of well-distributed public space and a variety of recreational, cultural and tourism opportunities along the Halton waterfront. The operating contribution is \$3.6 million in the 2023 Budget. Implementation of Phase 2 of the Burloak Waterfront Master Plan as set out in Report No. **LPS108-19** (Burloak Regional Waterfront Park 2019 Update) is substantially completed, and this phase is expected to be completed by the end of 2022. The approved Master Plan for Burloak Regional Waterfront Park identifies amenities in the western limits of the park including a permanent washroom facility and splash pad for

implementation as part of Phase 3. The budget for Phase 3 of this project includes a permanent washroom facility and splash pad. The design stage of Phase 3 will commence in 2023. Construction is planned to begin in 2024 and will be addressed in a future Budget and Business Plan.

Emerald Ash Borer

Emerald Ash Borer (EAB) is a non-native invasive insect species to Canada, first identified in 2002, that kills healthy, native North American ash trees. In 2015, Council approved **FN-26-15** (re: Emerald Ash Borer Funding Request from Credit Valley Conservation) to address the EAB issue within the Terra Cotta and Silver Creek Conservation Areas in Halton Region. As reported through Report No. **FN-38-21** (re: 2022 Budget Overview – Credit Valley Conservation), no additional funds are being requested by Credit Valley Conservation as the main goal of the EAB management program has been met. Through Report No. **FN-19-17** (re: Emerald Ash Borer Funding Request from Conservation Halton), Council approved Conservation Halton's Forestry Business Case which set out a 10-year EAB management program on Conservation Halton lands within Halton Region at an estimated cost of \$8.4 million. The funding required in the forecast period is considered as part of the Region's annual budget process. In 2023, it is expected that the Region will fund a total of \$834,000 from the Tax Stabilization reserve for the Conservation Halton EAB program. The 2023 operating transfer from the Region's Non-Program budget will be increased by \$40,000 to \$1.1 million to replenish the Tax Stabilization reserve.

Floodplain Mapping

Floodplains are areas of low-lying land next to water, which allow for the natural dispersion of water during periods of overflow. Mapping and the associated hydrologic and hydraulic models are important tools for both conservation authorities and municipalities to support flood forecasting and warning, emergency planning and response, prioritization and planning for infrastructure renewal and flood mitigation works as well as land use planning. Floodplain mapping was funded 50% from the municipal levy and 50% from the National Disaster Mitigation Program (NDMP). The NDMP ended in March 2020 and at that time, Conservation Halton requested that the remaining costs for this project be funded by the Region. This project will be undertaken from 2018 to 2026 at a total cost of \$4.1 million. In spring 2021, Conservation Halton was notified that they would be receiving additional NDMP funding of \$475,000 for 2021-2022 to assist with the East Burlington Floodplain Mapping project. Though the work to be undertaken with NDMP funding is within the scope of the original project, based on the work completed to date, Conservation Halton staff anticipate that the cost and scope of work to complete the balance of floodplain mapping will exceed what was estimated in the original Business Plan. Hence Conservation Halton's request to the Region for funding of \$550,000 in 2023 remains as budgeted. The structure is similar to the EAB project where the funding required in the forecast period is considered as part of the Region's annual budget process and funded from the Tax Stabilization reserve with repayments to the reserve over a five-year period. The 2023 operating transfer from the Region's Non-Program budget will be increased by \$110,000 to \$380,000 to replenish the Tax Stabilization reserve. NDMP has not provided a commitment to Conservation Halton that funding will continue beyond the additional grant intake provided in 2021.

Alternate Energy Technologies

The Region continues to investigate alternative energy technologies to reduce Regional energy costs and further reduce GHG emissions. A strategic priority for the Region is to reduce the carbon footprint related to Regional services by reducing energy consumption and GHG emissions. In order to accurately track and monitor critical energy consumption data, the 2023 Budget includes the following strategic investment to meet the growing needs of energy management and reporting:

- **Energy Data Clerk - \$82,000:** is required to support the Energy Management team with data entry and reporting of the Region's energy information, and meet the growing needs to support database maintenance, liaise with stakeholders, and provide data quality assurance.

As reported in Report No. **PW-29-22** (re: 2021 Transportation Progress Report), the retrofit program to convert the Region's high pressure sodium street lights to LED technology is now complete. In total, approximately 5,900 high-pressure sodium (HPS) streetlights were replaced with more energy efficient LED streetlights.

Long-Term Water Meter Strategy

As reported to Council in Report No. **PW-28-21/ FN-30-21** (re: Long-Term Water Meter Strategy – Implementation Plan Update), Halton Region awarded the Advanced Metering Infrastructure (AMI) System and Meter Replacement contract in 2021. Installation of the Region-wide AMI system began in summer 2022. Through the utilization of AMI technology, the water and wastewater system will become more efficient through improved system performance monitoring, which is projected to result in less water being wasted, resulting in additional revenue protection and positive environmental impacts. Improved access to data will allow staff to proactively identify leaks and other issues, and is anticipated to result in enhanced customer service and a reduction in the number of meter reading issues and service calls to which meter technicians respond. The proactive maintenance program for large meters (40 mm and greater) will continue in 2023, prolonging the life of the meters and ensuring that the proper volume of water is being recorded. Based on the results of meter testing, the meter replacement program will be optimized to ensure that larger meters are scheduled for replacement when their accuracy in measuring volume degrades.

Basement Flooding Mitigation Program

The 2023 Budget includes \$120,000 for the Region's Ex-Gratia Grant program and for the Basement Flooding Prevention subsidy program. In addition, the Budget includes the continued implementation of the Region-wide Basement Flooding Mitigation program as set out in Report No. **PW-18-16** (re: Region-Wide Basement Flooding Mitigation Program). This program was expected to require \$85.3 million between 2016 and 2025 in support of the grants for the Basement Flooding Prevention program (i.e., voluntary downspout/weeping tile disconnections and lateral lining and repair) (\$24.9 million) and the 10-year capital program (\$60.4 million). As reported in Report No. **PW-08-22** (re: Basement Flooding Mitigation Program), significant progress has been made to date in the sewer system optimization capital program, weeping tile, and downspout disconnection programs. As a result, the budget for grants is being reduced by \$350,000 to a total of \$1.3 million to reflect the projected program requirements in 2023 including decreased projected uptake of the flooding subsidy programs. The 2023 Budget includes capital project funding of \$6.0 million.

Supervisory Control and Data Acquisition (SCADA)

SCADA is a critical component of water treatment and distribution and wastewater collections and treatment which maintains high quality service levels and regulatory compliance through enterprise-wide monitoring and process control. In 2018, the Region completed a SCADA Systems Master Plan which provides a 10-year plan to maintain the reliability of the SCADA system while establishing new initiatives to meet emerging needs in the areas of climate change and cybersecurity while further optimizing operations. As reported in Report No. **PW-04-22** (re: Update on the Implementation of the SCADA System Master Plan), staff are continuing to implement the SCADA System Master Plan on schedule, with the majority of the work underway to date in the area of Asset Management.

Solid Waste Management Strategy and Master Plan

As reported in Report No. **PW-10-22** (re: Recommended Solid Waste Management Strategy 2023-2030), public engagement was undertaken during the fall of 2021 to obtain input and feedback on the proposed Solid Waste Management Strategy. Based on results of the Public Engagement and level of community support for the proposed initiatives, Regional Council endorsed the Solid Waste Management Strategy and the recommended key initiatives. The recommended Solid Waste Management Strategy provides the framework to develop policy directions that meet the environmental, economic and social outcomes that established the key initiatives. Once implemented, the key initiatives have the ability to increase the total diversion of waste generated in Halton from landfill from the current 58% to between 64% and 70% by the year 2030. In addition, the Strategy proposes to reduce GHG emissions by over 13,000 tonnes per year and extend the lifespan of the landfill out to 2050-2054. Staff are undertaking a comprehensive analysis of costs and will incorporate financial impacts into annual budgets for Council's consideration based on the timing of the implementation plan for the various initiatives.

2023 Budget Summary

The requested 2023 Gross Operating Budget is \$934.3 million for Regional Services and \$197.6 million for Police Services, resulting in \$1.1 billion for combined services. The \$934.3 million gross operating budget for Regional Services includes financing of \$229.8 million for the Region's capital program. The increase in the Gross Operating Budget for Regional Services is \$28.9 million, comprised of \$17.8 million for tax-supported services and \$11.0 million for rate-supported services.

2023 Gross Operating Budget of Regional Government Services (\$000s)					
	2023			2022	
	Tax Budget	Rate Budget	Requested Budget	Approved Budget*	Change
Regional Services	\$ 677,018	\$ 257,264	\$ 934,282	\$ 905,401	\$ 28,881
Police Services**	197,603	n/a	197,603	186,522	11,081
Total	\$ 874,621	\$ 257,264	\$ 1,131,885	\$ 1,091,923	\$ 39,962

Schedule may not add due to rounding.

* Operating Budget for Regional Services restated as set out in FN-26-22

** 2023 Police Services Budget is subject to approval by the Halton Police Board, which is scheduled to take place on December 22, 2022

The requested 2023 Gross Capital Budget is \$749.2 million, consisting of \$697.2 million for Regional Services and \$52.0 million for Police Services. The Gross Capital Budget is financed by reserves, development charges (DCs), debt and other external recoveries. Included in the gross operating budget above are transfers to capital reserves to support the infrastructure programs.

2023 Gross Capital Budget of Regional Government Services (\$000s)					
	2023			2022	
	Tax Budget	Rate Budget	Requested Budget	Approved Budget	Change
Regional Services	\$ 394,423	\$ 302,781	\$ 697,204	\$ 442,045	\$ 255,159
Police Services**	51,984	n/a	51,984	11,752	40,231
Total	\$ 446,407	\$ 302,781	\$ 749,188	\$ 453,798	\$ 295,390

Includes financing costs, schedule may not add due to rounding

** 2023 Police Services Budget is subject to approval by the Halton Police Board, which is scheduled to take place on December 22, 2022

As shown in the table below, the Capital Budget for 2023 includes \$417.5 million for growth-related infrastructure and \$331.7 million for maintaining the State-of-Good-Repair capital program and is discussed in detail in the Capital Budget & Forecast section. The development-related infrastructure requirements for 2032 were estimated based on the 9-year average for comparison purposes and will be refined once the water, wastewater and transportation master plans are updated to reflect the new planning period. Financing for the Capital Budget varies significantly each year depending on the nature of capital projects planned and is based on a 10-year financing plan to ensure the State-of-Good-Repair capital program is financially sustainable and there is sufficient financing for the growth-related program.

Capital Financing Sources (\$000s)				
	2022		2023	
	\$	%	\$	%
Development Related				
Development Charges - Residential	\$ 153,490	33.8%	\$ 252,997	33.8%
Development Charges - Non-Residential	511	0.1%	684	0.1%
Capital Investment Revolving Fund*	18,802	4.1%	27,612	3.7%
Tax Capital Reserves (Operating Contributions)*	53,344	11.8%	93,334	12.5%
Debentures	3,060	0.7%	42,840	5.7%
Subtotal	\$ 229,207	50.5%	\$ 417,466	55.7%
State-of-Good-Repair				
Tax Capital Reserves (Operating Contributions)	\$ 91,018	20.1%	\$ 129,918	17.3%
Rate Capital Reserves (Operating Contributions)	132,280	29.1%	192,811	25.7%
External Recovery/Other	1,292	0.3%	8,992	1.2%
Subtotal	\$ 224,590	49.5%	\$ 331,721	44.3%
Total	\$ 453,798	100.0%	\$ 749,188	100.0%

* Interim Financing of Development related expenditures
Schedule may not add due to rounding

Development Related

For the growth-related capital program, a key principle of the financing plan is that growth must pay for growth to the extent allowed in the DC legislation. The financing of the 2023 capital program reflects the principles approved as part of Report No. **FN-46-19/ PW-50-19/ LPS112-19**. Under the Development Financing Plan, all capital costs related to servicing residential development are funded from DCs. The Region provides interim financing for capital costs related to non-residential development through the Capital Investment Revolving Fund, Tax Capital reserve and debt. This interim financing is a planned investment for economic development in the Region and will be fully recovered (including interest) from the collection of DCs as non-residential development proceeds in the future. As discussed above, it is unclear how the proposed changes in Bill 23 will impact the 2023 Budget and forecast.

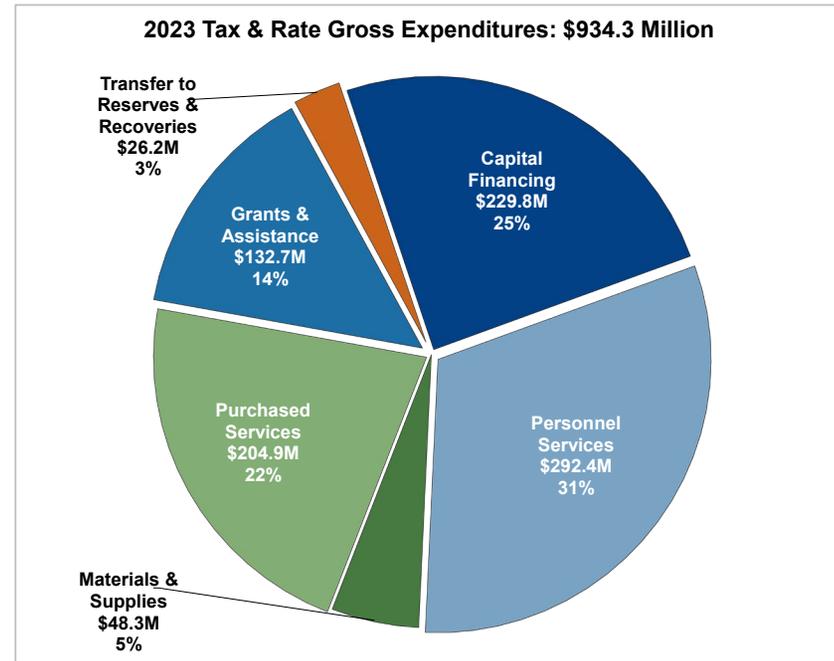
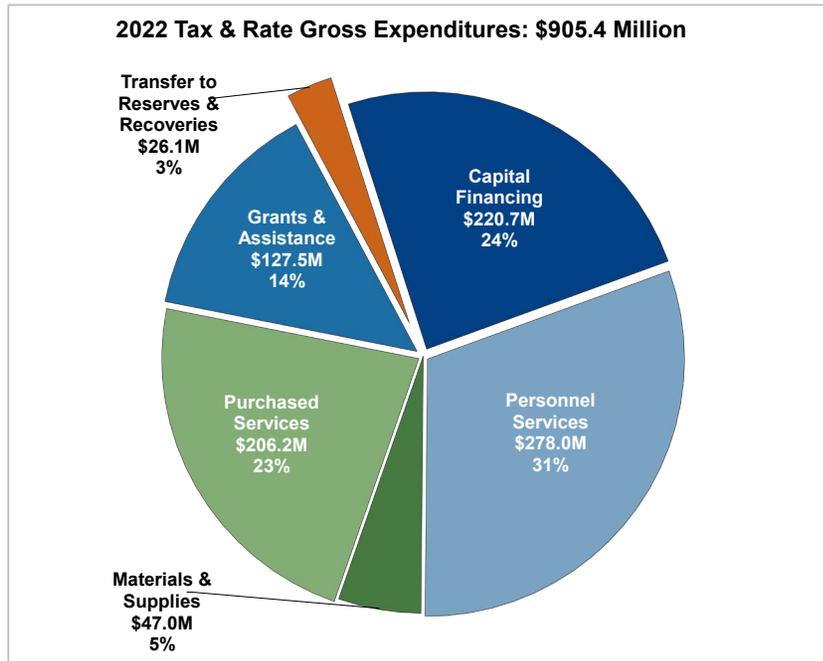
Since the approval of the current Development Financing Plan, a number of projects have progressed through the design stage and are projecting an increase in costs. It is anticipated that there will be sufficient financing available through the Allocation Program from the pool of 3,000 SDEs and the top-up provision in the agreement. Staff will continue to monitor project costs and implement strategies to mitigate future cost increases and ensure that the principles established under the financing plan are met. The development-related projects that can proceed in 2023 are identified in Appendix B, all other projects will not proceed until the next development financing plan and allocation program is approved by Council.

State-of-Good-Repair

The State-of-Good-Repair capital program is funded through the Capital Reserves and External Recoveries. The Capital Reserves are funded by operating contributions, Canada Community-Building Fund (CCBF) revenue and interest earnings from the respective Tax-Supported and Rate-Supported operating budgets. The CCBF revenue of \$17.4 million in 2023 is an important source of funding included in the Tax and Rate Capital reserve financing.

Gross Operating Budget – Regional Services Expenditures

The following chart shows the breakdown of the gross expenditures in the total 2023 operating budget for Regional tax-supported and rate-supported services of \$934.3 million by cost category. This distribution of expenditures is consistent with the 2022 Budget.



Personnel Services

The total budgeted compensation for Regional employees is \$292.4 million, accounting for 31% of the total gross operating expenditures (excluding Police Services). The breakdown of these costs is shown in the following table.

2023 Compensation Summary - Regional Total (Excluding Police Services)									
	Salary		Fringe Benefits & Other		Total	FTE	Relief Hours		
2022 Approved Budget	\$	211,533,993	\$	66,428,995	\$	277,962,988	2,325.5	206,594.0	
2023 Increase		5,788,453		2,037,085		7,825,538			
Subtotal		217,322,446	2.74%	68,466,080	3.07%	285,788,526	2.82%	2,325.5	206,594.0
In Year Adjustments		454,260		65,650		519,910		-	-
2023 Base Budget		217,776,706	2.95%	68,531,730	3.17%	286,308,436	3.00%	2,325.5	206,594.0
Strategic Investments		4,767,100		1,309,140		6,076,240		61.3	(6,052.8)
2023 Requested Budget	\$	222,543,806	5.20%	\$ 69,840,870	5.14%	\$ 292,384,676	5.19%	2,386.8	200,541.2
Total Change		11,009,813		3,411,875		14,421,688		61.3	(6,052.8)

As shown above, compensation costs are proposed to increase by \$14.4 million, or 5.19%, which consists of an \$11.0 million, or 5.20%, net increase in salaries and a \$3.4 million, or 5.14%, increase in fringe benefits and other compensation expenditures.

- The 5.20% increase in salaries includes a 2.5% grid increase in the non-union pay band based on a pay-for-performance merit system and anticipated increases in union agreements for union employees, and strategic investments in 61.3 full-time equivalents (FTEs) partially offset by a net reduction of 6,052.8 relief hours for a total of \$4.8 million.
- The increase of \$3.4 million in fringe benefits and other compensation expenditures primarily relates to an increase of \$1.3 million in strategic investments and the corresponding benefits associated with the salary increases outlined above.

The 2023 Budget includes an additional 61.3 FTE staff positions requested as strategic investments. Of the 61.3 FTEs, 48.3 FTEs will be either fully or partially funded by subsidies, a conversion of relief hours, through the capital & HCHC budgets, or reallocated base budget provisions as follows:

- 19.8 FTEs and 7,099.2 relief hours include Provincial funding to fully fund the cost to provide increased direct care hours for residents in Long-Term Care
- 8.0 FTEs will support capital programs and will therefore be partially or fully recovered from the capital budget
- 7.5 FTEs will be funded partially for fully through reallocated base budget provisions
- 6.0 FTEs are funded through a conversion of 13,152.0 relief hours in Paramedic Services, and include Provincial funding based on the current cost-share levels to further fund the cost
- 4.0 FTEs include Provincial funding based on the current cost-share levels to partially fund the cost
- 3.0 FTEs will provide maintenance support for the HCHC housing portfolio, and will therefore be recovered from the HCHC budget

The remaining 13.0 FTEs will be funded through property taxes and water and wastewater rates, and will support strategic priorities and address pressures driven by growth and increased demand for services.

As discussed in more detail in the Tax Overview section, in the event that full-time staff who provide direct client care in areas such as Paramedic Services and Services for Seniors are absent from work for various reasons, there is a requirement to replace these staff with casual relief employees in order to maintain service levels. The hours required for backfilling these positions are budgeted as relief hours. The relief resources are budgeted based on the number of hours required in order to better reflect the nature of the resource needs. The 2023 Budget includes 200,541.2 relief hours, which reflects a net decrease of 6,052.8 from the 2022 Budget resulting from the conversion of 13,152.0 relief hours to FTEs in Paramedic Services proposed as a strategic investment, partially offset with an increase of 7,099.2 relief hours proposed as a strategic investment to support Long-Term Care which is fully offset with Provincial funding. A pool of relief resources will be maintained which will then be allocated based on the number of hours required to provide the appropriate coverage.

Materials & Supplies

The 2023 Budget for Materials & Supplies is \$48.3 million, which is a \$1.3 million, or 2.8%, increase from the 2022 Budget, largely driven by a significant increase in the cost of water and wastewater treatment chemicals as a result of supply chain and inflationary pressures, increased costs for natural gas and fuels due to increased market rates, and increased contract costs for food and other supplies. These increases are partially mitigated with savings in hydro costs due to the participation of various facilities in the Industrial Conservation Initiative, which helps the Region manage its global adjustment costs by reducing demand during peak periods, and Provincial regulatory changes relating to the recovery of renewable energy costs. This cost category is largely comprised of expenditures related to hydro, natural gas and other commodities, food and medical supplies, telephone, data line and cell phones, laboratory supplies and materials from stores.

Purchased Services

The 2023 Budget for Purchased Services is \$204.9 million, which is a \$1.4 million, or 0.7% decrease from the 2022 Budget largely driven by a reduction in temporary costs related to the COVID-19 response including a reduction of temporary support anticipated in Public Health. This cost category also includes contracts and services such as waste management contracts, road maintenance contracts, fee subsidies provided through Children’s Services, insurance, property taxes, janitorial, landscaping, snow removal and building maintenance contracts.

Grants & Assistance

As shown in the table below, the 2023 Budget for Grants & Assistance is \$132.7 million, and largely includes grants provided through Housing Services, Children’s Services, Employment & Social Services, and the municipal levies provided to the Boards & Agencies. The 2023 Budget is increasing by \$5.2 million, or 4.1%, due to increases in Children’s Services and Housing Services to align with funding allocations, an increase of \$1.0 million in Human Services Planning & Program Support related to the Building Safer Communities Fund (**SS-21-22**) and the strategic investment for the Halton Region Community Investment Fund (\$250,000), and an increase of \$512,000 in municipal funding to the Boards & Agencies. These increases are partially offset with a decrease of \$800,000 in Non-Program due to the removal of one-time funding for by-law enforcement support, a decrease of \$350,000 in Water and Wastewater Services resulting from a reduction in grants in the Basement Flooding Prevention program driven by the significant progress made to date, and decreases of \$48,000 in Waste Management and \$12,000 in Public Health to reflect trends.

Tax & Rate Grants & Assistance (\$000s)				
	2022	2023	Change	
Housing Services	\$ 44,879	\$ 45,615	\$ 737	1.6%
Children's Services	34,292	38,434	4,143	12.1%
Employment & Social Services	25,245	25,245	-	0.0%
Boards & Agencies	12,327	12,839	512	4.2%
Non-Program	4,001	3,201	(800)	-20.0%
Human Services Planning & Program Support	4,160	5,208	1,048	25.2%
Water & Wastewater Services	1,863	1,513	(350)	-18.8%
Waste Management	266	219	(48)	-17.8%
Planning Services	132	132	-	0.0%
Corporate Administration	71	71	-	0.0%
Public Health	89	77	(12)	-13.0%
Economic Development	144	144	-	0.0%
Total Grants & Assistance	\$ 127,469	\$ 132,699	\$ 5,230	4.1%

Schedule may not add due to rounding

Capital Financing

The 2023 Budget includes capital financing transfers of \$229.8 million, accounting for 25% of the total tax and rate gross operating expenditures (excluding Police Services). The breakdown of these costs is shown in the following table.

Transfer to Reserves (\$000s)			
	2022	2023	Change
Transfer to Reserves			
Public Works			
Water & Wastewater*	\$ 110,650	\$ 118,504	\$ 7,854
Roads*	45,026	46,026	1,000
Waste Management	7,389	7,431	42
Sub-Total	\$ 163,065	\$ 171,962	\$ 8,896
Non-Public Works			
Energy, Fleet & Facilities	5,906	6,813	908
Health	3,032	3,199	167
Social & Community Services	2,315	2,315	-
Digital & Information Systems	4,458	4,817	359
Vehicles	1,625	1,685	60
Planning Services	2,330	2,615	285
Economic Development & CAO	19	22	3
Waterfront Master Plan	3,459	3,459	0
Sub-Total	\$ 23,142	\$ 24,925	\$ 1,783
Total Transfer to Reserves	\$ 186,208	\$ 196,887	\$ 10,679
Net Debt Charges	11,168	9,446	(1,723)
Social Housing	6,500	6,500	-
Non-Program Transfers	16,795	16,946	151
Total Capital Financing	\$ 220,671	\$ 229,778	\$ 9,107

* Excludes Vehicle, Digital & Information Systems related costs, and interest earnings

Schedule may not add due to rounding

As outlined in the table above, \$196.9 million is to support the State-of-Good-Repair capital program (excluding Police Services) and \$32.9 million in other transfers is primarily related to net debt charges (\$9.5 million), operating contributions provided to the Regional Housing New Units reserve (\$6.5 million) and non-program related transfers (\$16.9 million). The Region updates the Corporate Asset Management Plan on a regular basis, which guides investment decisions in the Budget to ensure assets continue to be in good condition and meet desired levels of service. As the Region continues to transition to pay-as-you-go financing, the net debt charges have decreased from 2022 by \$1.7 million.

Gross Operating Budget – Regional Services Revenues

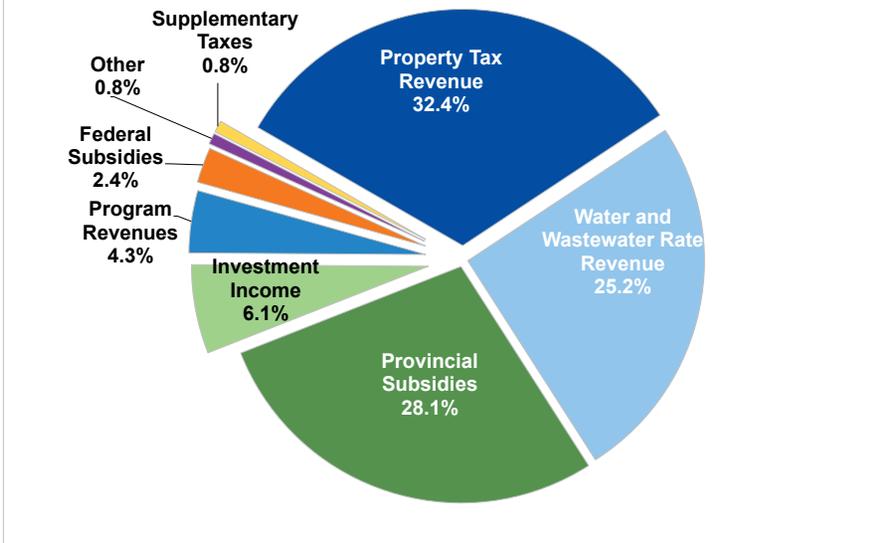
The \$934.3 million gross operating budget for Regional Services (excluding Police Services) will be funded from a variety of sources as shown in the table below.

Tax & Rate Gross Operating Revenues by Funding Source (\$000s)				
	2022	2023	Change	
Property Tax Revenue	\$ 293,010	\$ 306,927	\$ 13,917	4.7%
Water and Wastewater Rate Revenue	228,503	239,435	10,932	4.8%
Provincial Subsidies	254,421	256,576	2,156	0.8%
Federal Subsidies	21,872	22,779	907	4.1%
Program Revenues	38,497	39,167	670	1.7%
Other	6,799	7,099	300	4.4%
Investment Income	55,000	55,000	-	0.0%
Supplementary Taxes	7,300	7,300	-	0.0%
Total Revenue	\$ 905,401	\$ 934,282	\$ 28,881	3.2%

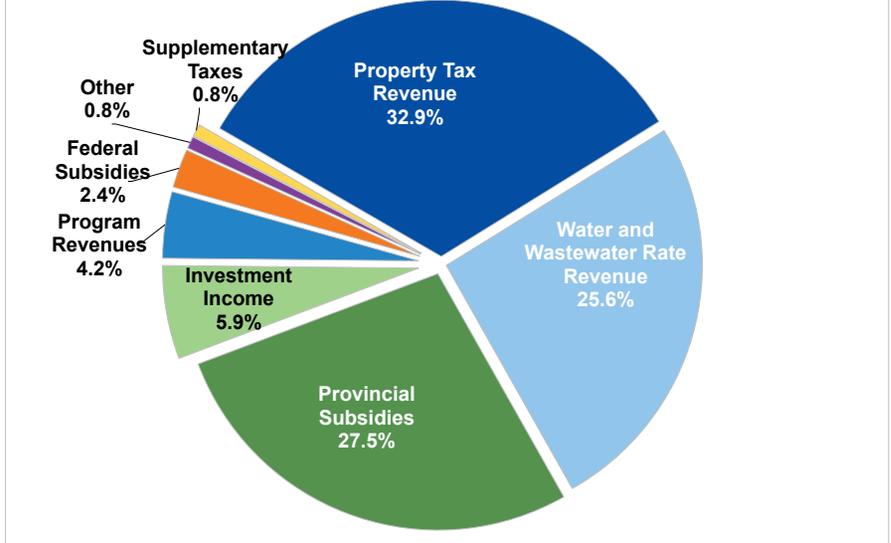
Schedule may not add due to rounding

Gross operating revenues are increasing by \$28.9 million in 2023, and the distribution is in line with 2022.

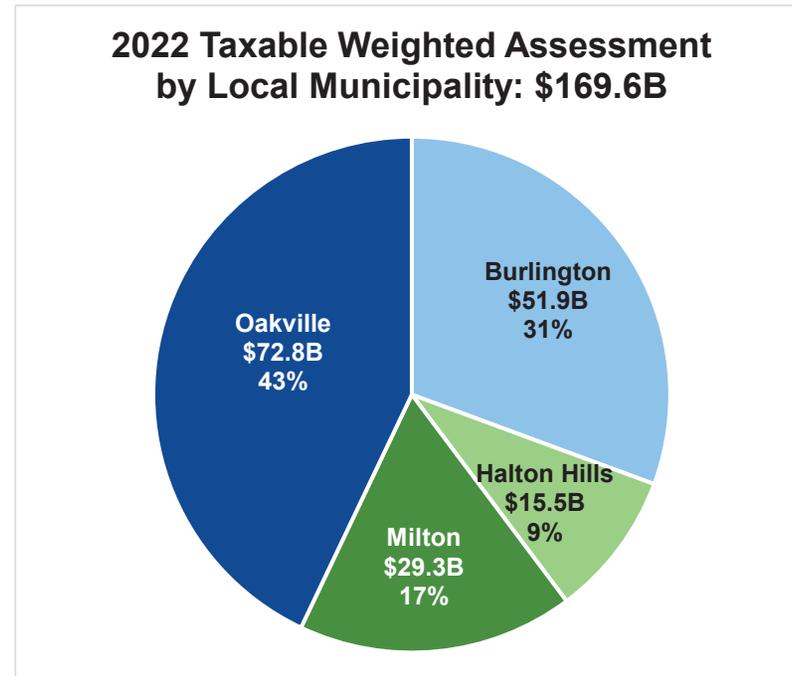
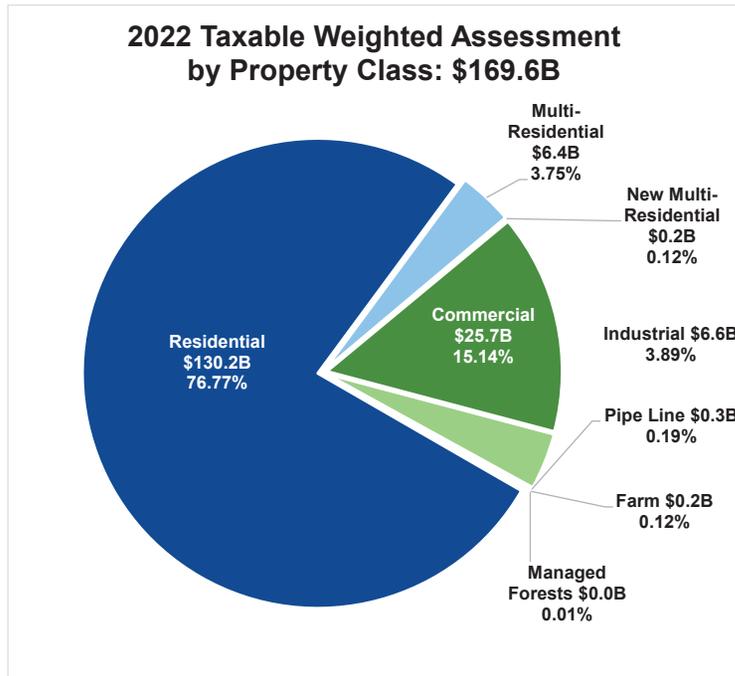
2022 Tax & Rate Gross Operating Revenues by Funding Source: \$905.4 Million



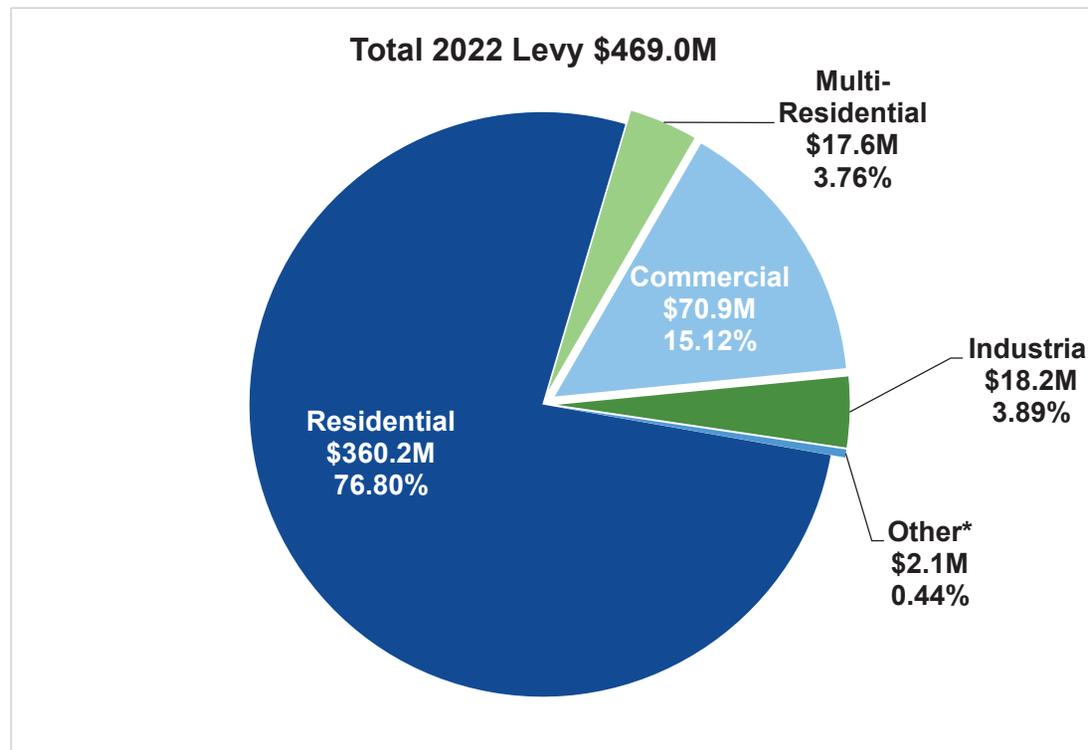
2023 Tax & Rate Gross Operating Revenues by Funding Source: \$934.3 Million



- Property Tax Revenue** funds approximately 32.9% of gross expenditures for Regional Services, the increase for which is generated from a 3.0% tax rate increase and 1.7% assessment growth. Property tax rates are calculated by taking the Regional levy requirement and dividing it by the taxable weighted assessment. For the 2022 taxation year, Halton Region had a total of \$169.6 billion in taxable weighted assessment. The following pie charts show the breakdown of the 2022 taxable weighted assessment by property class as well as local municipality.



As shown in the chart below, the total 2022 levy of \$469.0 million is derived primarily from the residential property class, followed by the commercial, industrial and multi-residential property classes.



*Other includes: New Multi-Residential, Pipe Line, Farm, and Managed Forests

- **Water and Wastewater Rate Revenue** funds 25.6% of gross expenditures, the increase for which is generated from a 4.1% rate increase and 1.5% customer growth.
- **Provincial Subsidies** fund 27.5% of gross expenditures and are primarily used to fund cost-shared Health and Social & Community Services programs. As shown in the table below, there is an increase of \$2.2 million, or 0.8%, anticipated in the 2023 Budget. Provincial subsidies are expected to be \$256.6 million in total, which includes \$3.2 million in additional funding to support the Region's COVID-19 response and \$2.1 million in funding anticipated in the strategic investments that support cost-shared programs.

Change in Provincial Subsidies 2022-2023 (\$000s)		
Program	Funding	2022-2023 Change
Public Health	School-Focused Nurses Initiative*	(1,798)
	COVID-19 Response*	(882)
	Base Funding*	783
	Ontario Seniors Dental Care Program**	673
	Strategic Investments*	142
	Subtotal	(1,081)
Paramedic Services	Base Funding	585
	Strategic Investments	271
	Subtotal	856
Children's Services	Wage Enhancement Grant (WEG)	132
	Base Funding	(1,937)
	Early Learning and Child Care (ELCC)	699
	EarlyON	308
	One-Time Transitional Grant	2,540
	Subtotal	1,743
Housing Services	Federal Block Funding**	250
	Investment in Affordable Housing (IAH-SIF)**	(67)
	Homelessness Prevention Program (HPP)	698
	Social Services Relief Fund (SSRF) Phase 4**	(2,196)
	Subtotal	(1,316)
Services for Seniors	Community Support Services**	640
	Per Diem funding at the Long-Term Care Homes**	305
	Strategic Investments: Direct Care Funding**	1,638
	Strategic Investments: LTC funding based on current cost-share*	69
	Minor Capital Program**	(96)
	COVID-19 Infection, Prevention & Containment**	(347)
	Subtotal	2,208
Employment & Social Services	Ontario Works Employment Assistance**	(304)
	Subtotal	(304)
Road Operations	Aggregate Resource Trust	50
	Subtotal	50
Total Change in Provincial Subsidies		\$ 2,156

*Funding not confirmed.

**Funding confirmed.

All other funding is based on current funding models or allocations

- **Federal Subsidies** are increasing by \$907,000 or 4.1%, comprised of new funding allocations of \$1.3 million received in Human Services Planning & Program Support for the Building Safer Communities Fund (**SS-21-22**) and \$163,000 in Employment & Social Services for the Canada Connects Program, partially offset with a reduction of \$585,000 in Housing Services due to the removal of a time-limited funding enhancement in the Reaching Home program.
- **Program Revenues** are increasing by \$670,000, or 1.7%, mainly due to an increase in HCHC administration fees of \$569,000 driven by strategic investments proposed in Energy, Fleet & Facilities for 3.0 FTEs to provide maintenance support for the HCHC housing portfolio, and an increase in bulk water revenues based on trends.
- **Other Revenue** is comprised of *Provincial Offences Act*, payment-in-lieu of taxes, railway right-of-way, and local improvement revenues. The 2023 Budget includes an increase of \$300,000 for payment-in-lieu of taxes revenues based on the 7-year actual trend.
- **Investment Income** continues to include \$55.0 million of investment income as a source of revenue in the 2023 Budget. Of this revenue, \$43.0 million will be used to finance the Region's State-of-Good-Repair capital programs, and the remaining \$12.0 million will support the tax (\$8.4 million) and rate (\$3.6 million) supported services, unchanged from the 2022 Budget. The gross revenue budget for investment earnings is based on general economic trends, the mix of investments in the Region's portfolio, and the fluctuating balances in reserves, reserve funds and the capital fund.
- **Supplementary Taxes** have been maintained at the 2022 level for the 2023 Budget, which is in line with the actual average revenues over the past 7 years (2015-2021). Throughout the year, the Municipal Property Assessment Corporation (MPAC) provides the Region with additions to the assessment roll for supplementary and/or omitted assessment, which generates supplementary tax revenue. This revenue is difficult to predict, as it is dependent on the quantity of properties assessed by MPAC, general economic conditions, and the level of development within each local municipality. For this reason, many municipalities choose not to budget for supplementary tax revenue as a recurring source of revenue. Staff will continue to monitor supplementary tax revenues for future budgets.

Net Operating Budget

The gross expenditures less revenues (other than property tax revenue and water and wastewater rate revenue) are the net expenditures. The net expenditures are the amounts that must be collected from property taxes or water and wastewater rates.

Tax-Supported Services

The following table outlines the net expenditures by program for the 2023 Tax-Supported Budget (excluding Police Services).

Net Operating Budget for Tax-Supported Services (Excluding Police Services)								
Levy Requirement by Program (\$000s)								
	2022	2023			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved	
Healthy Families	\$ 4,876	\$ 5,037	\$ 106	\$ 5,143	\$ 162	3.3%	\$ 267	5.5%
Health Protection	3,698	3,794	-	3,794	95	2.6%	95	2.6%
Healthy Schools & Communities	4,266	4,477	-	4,477	211	4.9%	211	4.9%
Infectious Disease Control	3,426	3,548	42	3,590	122	3.6%	164	4.8%
Public Health Resources	2,311	2,455	(42)	2,413	144	6.2%	102	4.4%
Paramedic Services	23,131	24,927	305	25,233	1,796	7.8%	2,102	9.1%
Children's Services	12,725	13,087	-	13,087	362	2.8%	362	2.8%
Employment & Social Services	7,477	7,475	-	7,475	(2)	0.0%	(2)	0.0%
Housing Services	36,953	39,304	-	39,304	2,351	6.4%	2,351	6.4%
Human Services Planning & Program Support	8,741	8,888	250	9,138	147	1.7%	397	4.5%
Services for Seniors	21,322	23,991	29	24,020	2,669	12.5%	2,698	12.7%
Planning Services	12,867	13,546	-	13,546	679	5.3%	679	5.3%
Economic Development	3,796	3,719	-	3,719	(76)	-2.0%	(76)	-2.0%
Waste Management	45,624	47,842	-	47,842	2,218	4.9%	2,218	4.9%
Road Operations	58,571	60,413	69	60,483	1,843	3.1%	1,912	3.3%
Non-Program	30,710	29,210	1,424	30,634	(1,500)	-4.9%	(76)	-0.2%
Boards & Agencies	12,516	13,030	-	13,030	514	4.1%	514	4.1%
Net Regional Impact	293,010	304,743	2,184	306,927	11,733	4.0%	13,917	4.7%
Assessment Growth							(4,981)	1.7%
Regional Levy Requirement	\$ 293,010	\$ 304,743	\$ 2,184	\$ 306,927	\$ 11,733	4.0%	\$ 8,936	3.0%

Schedule may not add due to rounding

The requested 2023 net expenditure budget for tax-supported services (excluding Police Services) is increasing from \$293.0 million to \$306.9 million, an increase of \$13.9 million, or 4.7%, before assessment growth. Of this increase, the base budget is increasing by \$11.7 million, or 4.0%, related to inflation and other cost increases. In addition to the base budget increase, the 2023 Budget proposes strategic investments of \$2.2 million, or 0.7%, that support Regional Council's strategic priorities, as well as critical program enhancements to support the health and well-being of Halton residents, and investments that address pressures driven by growth and increased demand for services. The net expenditures shown above incorporate the cost of Corporate Administration in order to reflect the full cost of service delivery.

The combined base budget (\$11.7 million) and strategic investments (\$2.2 million) result in a \$13.9 million increase in net expenditures for 2023. The assessment growth (primarily related to new properties) in 2022 is estimated to be 1.7%, or \$5.0 million. This results in a net tax increase of 3.0% for the 2023 Budget. The key changes from the 2022 Budget to the 2023 Budget for a net tax impact of \$8.9 million, or 3.0% are:

- **Public Health**, which is comprised of Healthy Families, Health Protection, Healthy Schools & Communities, Infectious Disease Control, and Public Health Resources, includes strategic investments for an additional 2.5 FTEs to support the healthy living and oral health programs, and a strategic investment to transition to a mobile service delivery model for sexual health services in north Halton.
- **Paramedic Services** includes strategic investments for 6.0 Paramedic FTEs, largely funded through a conversion of relief hours, to provide critical support to address pressures related to growth resulting from increased call volumes, a Logistics Fleet Coordinator to address pressures resulting from the growth of the Paramedic Services vehicle fleet, and a new leased storage facility to accommodate vehicle and medical supply storage pressures.
- **Housing Services** includes a \$1.2 million net increase in assisted housing provider grants based on the Provincial indices, and an increase of \$750,000 to continue to phase-in and sustainably fund the 2022 investment in the Halton Rental Assistance Program (HRAP) and Provincially-mandated Housing Program (Commercial). A strategic investment is also included to convert a temporary position (Quality and Compliance Coordinator) into a permanent position, with no net Regional impact, to provide support to homelessness prevention programming.
- **Human Services Planning & Program Support** includes an additional investment of \$250,000 for the Halton Region Community Investment Fund (HRCIF) to provide increased capacity to meet new and emerging community needs and priorities including strengthening equity, diversity and inclusion in Halton.
- **Services for Seniors** includes an investment for 19.8 Personal Support Worker FTEs and associated relief hours to provide increased direct care hours to residents in the Region's three Long-Term Care homes, utilizing funding provided through the Ministry of Long-Term Care, and an investment to support contract administration and coordination as a result of growth within the division and across the organization.
- **Planning Services** includes an increased capital financing transfer to support the OLT & Other Hearings.
- **Waste Management** includes increases for waste management contracts based on inflationary contract increases and a 1.0% increase in budgeted tonnages.
- **Road Operations** includes increases for road maintenance based on inflationary contract increases and to support growth in the Regional road network, and increased capital financing transfers to fund the road resurfacing and State-of-Good-Repair capital programs.
- **Non-Program:** The 2023 Budget reflects a net decrease of \$0.1 million, or 0.4%, over the 2022 Budget mainly due to a decreased allocation of governance-related costs, which are charged to Non-Program for tax-supported services, and an increase in other revenues for payments-in-lieu of taxes

(PIL) to reflect actual trends. The decrease is partially offset by increases for the capital financing transfers to fund the HRC Accommodation Strategy, the Floodplain Mapping payback to the Tax Stabilization reserve, and tax write-offs to reflect actual trends.

- **Boards & Agencies** include the Conservation Authorities, Royal Botanical Gardens, and the North Halton Mental Health Clinic. Council set guidelines through Report No. **FN-26-22** which have been achieved as follows:
 - Conservation Halton 4.7% increase in the municipal general levy request
 - Credit Valley Conservation 4.5% increase in the municipal general levy request
 - Grand River Conservation Authority 4.1% increase in the municipal levy request
 - Royal Botanical Gardens has been provided a 3.0% increase as per the guideline
 - North Halton Mental Health Clinic funding of \$1.2 million is in line with the 2022 Budget.

- The 2023 Tax-Supported Budget includes the following savings and revenues of \$590,000 which were used to fund priority areas in the tax-supported programs:
- Decrease of \$115,000 in Economic Development for Toronto Global’s annual fee for foreign direct investment attraction services to reflect the new funding and governance model
 - Decrease of \$92,000 in professional consulting and temporary agency costs in Waste Management
 - Decrease of \$40,000 in hydro costs due to lower projected rates
 - Increase of \$43,000 in external recoveries for damage to Regional property based on trends
 - Increase of \$300,000 for payment-in-lieu of taxes revenues based on the 7-year actual trend

Rate-Supported Services

The 2023 net expenditure budget for Water and Wastewater Services is increasing from \$228.5 million to \$239.4 million, an increase of \$10.9 million, or 4.8% as shown in the table below. This includes the base budget increase of \$10.3 million, or 4.5%, and net strategic investments of \$592,000 that address operational and strategic priorities. Customer growth is estimated to be 1.5%, or \$1.5 million, while consumption growth is 0.0%. This results in a net water and wastewater rate increase for the 2023 Budget of \$9.4 million, or 4.1%. The net expenditures shown below incorporate the cost of Corporate Administration in order to reflect the full cost of service delivery.

Net Operating Budget for Water & Wastewater Services (\$000s)									
	2022		2023			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved		
Water Treatment and Distribution	\$ 52,097	\$ 54,215	\$ 256	\$ 54,471	\$ 2,118	4.1%	\$ 2,374	4.6%	
Wastewater Treatment and Collection	62,205	64,156	336	64,492	1,950	3.1%	2,287	3.7%	
Infrastructure Management	114,201	120,472	-	120,472	6,271	5.5%	6,271	5.5%	
Net Program Impact	\$ 228,503	\$ 238,843	\$ 592	\$ 239,435	\$ 10,340	4.5%	\$ 10,932	4.8%	
Consumption Growth (0.0%)							-	0.0%	
Customer Growth (1.5%)							(1,546)	-0.7%	
Net Increase Requirement							\$ 9,385	4.1%	

Schedule may not add due to rounding.

As shown in the following table, gross operating expenditures are increasing by \$4.8 million driven by inflationary costs and other projected increases mitigated with savings and efficiencies, which are discussed in detail in the Water and Wastewater Overview section.

2023 Budget Summary (\$000s)						
	2022		2023		Change in Budget	
	Approved Budget		Requested Budget		2023 Requested / 2022 Approved	
Gross Operating Expenditures	\$	122,537	\$	127,310	\$	4,773 3.9%
Capital Financing Expenditures		123,683		129,954		6,271 5.1%
Gross Expenditures	\$	246,220	\$	257,264	\$	11,044 4.5%
Other Revenues		(17,717)		(17,829)		(112) 0.6%
Net Program Impact	\$	228,503	\$	239,435	\$	10,932 4.8%
Consumption Growth*						- 0.0%
Customer Growth*						(1,546) -0.7%
Rate Increase					\$	9,385 4.1%

Schedule may not add due to rounding.

* Includes 0.0% consumption growth and 1.5% customer growth

As shown in the table below, of the \$9.4 million (4.1%) net increase after customer growth, \$5.4 million (2.4%) is needed to provide sustainable funding for state-of-good-repair of existing water and wastewater assets based on the Public Works' Asset Management Plan ([PW-01-22/ FN-11-22/ DI-01-22](#)), and the remaining \$4.0 million (1.7%) is required to operate and maintain the water and wastewater systems.

2023 Budget: Operating and Capital Financing Impact (\$000s)					
	Change in Budget				
	Net Program Impact	Customer Growth*	Customer Growth*	Rate Impact	
Gross Operating Expenditures	\$	4,773			
Other Revenues		(112)			
Net Operating Expenditures	\$	4,660	\$	(659)	\$ 4,001 1.7%
Capital Financing Expenditures		6,271		(887)	5,384 2.4%
Net Program Impact	\$	10,932	\$	(1,546)	\$ 9,385 4.1%

Schedule may not add due to rounding.

* Includes 0.0% consumption growth and 1.5% customer growth

The key driver of the 2023 Budget net rate impact is the \$6.3 million increase in capital financing expenditures, which will fund the Water and Wastewater State-of-Good-Repair capital program. The operating contributions for the existing State-of-Good-Repair capital program have increased by \$7.9 million based on the Public Works' Asset Management Plan, which is an increase of \$600,000 from the 2023 Forecast included in the 2022 Budget as discussed in more detail in the Water and Wastewater Overview section of the 2023 Budget and Business Plan.

The 2023 Rate-Supported Budget also incorporates savings in the base budget through efficiencies and the redeployment of resources to priority programs. The following savings and revenues of \$6.2 million have been identified which will be used to fund priority areas in the water and wastewater program:

- Reduction in debt charges of \$4.7 million resulting from the retirement of debt
- Decrease of \$600,000 in hydro costs due to the participation of five treatment plants and two pumping stations in the Industrial Conservation Initiative, which helps the Region manage its global adjustment costs by reducing demand during peak periods, as well as Provincial regulatory changes relating to the recovery of renewable energy costs
- Decrease of \$350,000 in the Basement Flooding Mitigation program enabled through significant progress made to date in the Sewer System Optimization capital program, Weeping Tile and Downspout Disconnection programs
- Decrease of \$337,000 in various materials & supplies to align with historical spending trends and reduced needs
- Savings of \$102,000 in consulting costs due to more project work being completed with internal resources
- \$75,000 increased bulk water revenues due to increased demand based on historical trends

2023 Budget Risks

The 2023 Budget includes a number of potential risks that continue to be monitored by staff through the variance reporting to Council three times per year. Several significant risks, including the impact of inflation and COVID-19, are included in the 2023 Budget, and summarized as follows:

Expenditure Risks

The 2023 Budget includes an assumption for inflation of 3.0%, however actual inflation experienced throughout 2022 has been much higher, with the latest CPI release for October at 6.9%. The latest forecast from the Bank of Canada's October Monetary Policy Report projects overall inflation of 6.9% for 2022 and 4.1% for 2023. The Bank of Canada (the Bank) closely monitors the effectiveness of its actions, along with the fiscal and other policy actions taken, to assess whether output and inflation are on paths towards their 2% inflation mid-range target. The Bank anticipates that inflation will begin to ease down into the target range in 2024, however continued periods of high inflation will put additional pressure on the forecast.

The 2023 Budget includes \$5.2 million of COVID-19 related expenditures based on anticipated COVID-19 response and recovery needs. If these needs increase, the additional costs would not be reflected in the budget and there is a risk of unfavourable variances as a result. In addition, the 2023 Budget does not include a provision for the COVID-19 Mass Vaccination Program, due to the uncertainty around requirements in 2023. However the Province has committed to continue to fund costs related to the program in 2023 and it is anticipated that there will be no financial impact to the Region.

Subsidy Risks

The 2023 Budget includes \$3.2 million of temporary one-time COVID-19 related Provincial subsidies in Public Health that are anticipated to be received, however not yet confirmed. The 2023 Budget also anticipates ongoing Provincial funding to support strategic investments in Public Health (\$142,000) and Services for Seniors (\$69,000), and an ongoing subsidy increase of \$783,000 in Public Health's 2023 base budget in order to maintain the current cost-share level, however confirmation for this funding has not been received.

In addition, any important announcements by the Province or significant changes in budget assumptions will be reported to Council. The following chart highlights some of the major assumptions underpinning the 2023 Budget and the sensitivity of these assumptions.

2023 Budget Risks and Sensitivities (excluding Police)			
Key Budget Components	Budget Assumptions	Sensitivities	
		\$ Impact	% Tax/Rate Impact
Tax			
Provincial Subsidies:			
Public Health (Cost-Shared Base Funding)	3.4% increase	1.0% change in Provincial Subsidy = \$230,000	0.08%
Public Health (Strategic Investments)	Based on the current cost-share level	\$142,000 is anticipated based on the current cost-share level, but is not confirmed	0.05%
Paramedic Services	3.6% increase	1.0% change in Provincial Subsidy = \$246,000	0.08%
Community Support Services	12.9% increase	1.0% change in Provincial Subsidy = \$56,000	0.02%
Services for Seniors (LTC base funding - per diem & CMI)	0.6% increase	1.0% change in Provincial Subsidy = \$351,000	0.12%
Services for Seniors (Strategic Investments)	Based on confirmed allocation / current cost-share level	\$1.7 million is included in the 2023 SIFs; \$1.6 million is confirmed Direct Care Hours funding, and \$69,000 is based on the current cost-share level	0.58%
Children's Services - excluding CWELCC	3.1% increase	1.0% change in Provincial Subsidy = \$585,000	0.20%
Children's Services - CWELCC	0% increase	1.0% change in Provincial Subsidy = \$506,000	0.17%
Housing Services	9.4% decrease	1.0% change in Provincial Subsidy = \$183,000	0.06%
Ontario Works Employment Assistance funding	19.3% decrease	1.0% change in Provincial Subsidy = \$13,000	0.00%
Waste Management Contracts	3.0% CPI increase 1.0% tonnage growth	1.0% CPI increase = \$298,000 1.0% increase in tonnages = \$272,000	0.10% 0.09%
Corporate COVID-19 Expenditures	Assumed to be temporary, funded from COVID-19 Recovery Reserve	\$493,000 in COVID-19 related technology, cleaning, security and other facility-related costs assumed to be temporary	0.17%
Halton Rental Assistance Program (HRAP)	Remaining impact of \$742,000 funded from COVID-19 Recovery Reserve	The 10-Year Tax Operating Budget Forecast includes the removal of this transfer in 2024, and reflects the full impact of the investment	0.25%
Provincial Offences Act Revenues	0% increase	1.0% change in revenues = \$23,000	0.01%
Resource Recovery and Productivity Authority Funding (Formerly Waste Diversion Ontario)	48.2% recovery of costs	1.0% change in recovery rate = \$106,000	0.04%
Investment Income	2.6% rate of return	0.1% change in rate of return = \$2.1 million in total investment income	0.72%
Supplementary Taxes	Based on 7-year average	1.0% change in supplementary taxes = \$73,000	0.02%
Tax Write-Offs	Based on 7-year average	1.0% change in tax write offs = \$49,000	0.02%
Assessment Growth	1.7%	1.0% change in budget (excluding Police) = \$2.9 million	1.00%
Rate			
Consumption Growth	0.0% consumption growth	1.0% change in consumption growth = \$1.5 million	0.65%
Customer Growth	1.5% customer growth	1.0% change in customer growth = \$1 million	0.43%

2023 Operating Budget & Forecast

Looking forward to 2023 and beyond, the unprecedented impact of the COVID-19 pandemic, geopolitical risks, and global economic conditions continue to be very challenging and present risks to the 2023 Operating Budget & Forecast.

While the 2023 Budget includes measures to mitigate the risks to the extent possible, the 2023 Operating Budget & Forecast continues to have areas of risk exposure including the following:

Bill 23

Bill 23, *More Homes Built Faster Act, 2022*, was introduced in the Ontario Legislature on October 25, 2022 and on November 28, 2022 received Royal Assent and is now law. As discussed in **LPS72-22/ FN-34-22**, this Act is the latest in a series of Provincial initiatives related to increasing the supply of housing in Ontario to support the creation of 1.5 million homes over the next 10 years. The bill includes sweeping and substantive changes to a range of legislation including the *Development Charges Act (DCA)*, *Planning Act*, *Conservation Authorities Act* and *Ontario Land Tribunal Act* and will have a significant impact on existing taxpayers and the delivery of services. Given the timing of this announcement, and the current level of uncertainty at the time of writing, the 2023 Budget and forecast does not take into consideration any impacts related to Bill 23.

Bill 23 contains considerable changes to the DCA that will have drastic impacts to municipal finances, particularly in growing municipalities such as Halton Region. Although the full extent of the financial effects are not yet known, below is a summary of the key impacts:

- removing housing services as an eligible DC service (**loss of approximately \$50 million over 10 years**);
- removing certain studies, including DC Background Studies, as a DC capital expense that is chargeable (**loss of approximately \$9 million over 10 years**);
- removing cost to acquire land as a chargeable cost for certain services as prescribed (**magnitude unknown as this has not been prescribed. For example, if the Province was to prescribe land for roads services, the loss based on the current DC by-law would be approximately \$400 million over 10 years**);
- phasing in new DC rates over a 5-year period retroactive to DC by-laws passed after January 1, 2022 (**this will result in a funding gap of approximately \$131 million over 5 years**);
- exempting affordable, attainable, non-profit housing, and inclusionary zoning units from DCs and reducing DCs for purpose-built rental (**impact unknown as data is limited. For illustrative purposes, if 20% of residential development was affordable it would translate to approximately \$550 million over 10 years based on the 2023 budget**). At time of passing, the bulletin to determine average market rent and average purchase price are still required to determine affordability thresholds;
- increasing average service level calculation from 10 to 15 years (**extending the average service level to 15 years will potentially cap services at an even lower service level and increase costs to taxpayers**).

The changes to the DCA will significantly eliminate and restrict DC collections limiting the Region's ability to fund capital works. Without alternate sources of funding, additional costs will fall to the existing taxpayers.

Cost Increases

The impact of inflation has placed significant pressure on the 2023 Operating Budget & Forecast. In January 2022, Canadian inflation surpassed 5% for the first time since September 1991, and has remained high throughout 2022 with the latest CPI inflation release for October at 6.9%. As reported through **FN-26-22**, the Bank of Canada's April 2022 Monetary Outlook Report forecasted overall inflation of 5.3% for 2022 before easing down to the target range by the end of 2023. The

latest forecast from the Bank's October Monetary Policy Report projects overall inflation of 6.9% for 2022 and 4.1% for 2023, before beginning to ease down into the target level in 2024. As reported in Report No. **FN-30-22** (re: Purchasing Activity Report for January 1, 2022 to August 31, 2022), the Region continues to be impacted by the increased cost of goods, services, and construction due to high inflation, and this trend is expected to continue for the remainder of the year and continue into 2023. The impact of inflation and resulting diminished purchasing power has put increased pressure on the forecast, and it is expected that inflationary pressures will require tax rate increases at the mid to high-end of the Bank of Canada's target range for the first 4 years of the forecast, before returning to the midpoint of 2.0% in the later years. It is expected that it will take a number of years to recover from the high impacts of inflation experienced throughout 2022 and projected to continue into 2023.

Growth Assumptions

Given continued uncertainty around the impacts of COVID-19 on development, there is a risk of not achieving the 1.7% assessment growth target in 2023, however, any potential shortfall in assessment growth is anticipated to be temporary in nature. Current assessment growth in the 2023 Budget is estimated to be 1.7% with 1.7% assessment growth included in the 2024 to 2032 forecast period. Any growth realized over or under the provision in the budget (1.7%) will be transferred to or from the Tax Stabilization reserve. Moderate growth will also affect supplementary taxes, which are budgeted at \$7.3 million.

Throughout the COVID-19 pandemic, an increase in water demand has been observed due to higher residential usage as more people work and attend school from home. This is not anticipated to be a long-term trend as demand is expected to normalize to pre-pandemic levels. Accordingly, the 2023 10-year rate forecast takes a conservative approach to the consumption projection based on the trends observed in the past five years. It is expected that water conservation efforts and growing environmental awareness will continue to affect water consumption per household, however this decline is anticipated to be offset by customer growth, resulting in no consumption change during the forecast period.

Provincial Subsidies

There continues to be Provincial impacts that are still not known specifically related to funding models and programs that the Province has communicated will be changing, or are currently under review including the Children's Services funding model, service delivery of Employment Ontario programs, and the Public Health funding model. Continued support from the Provincial Government is essential for Halton Region to continue responding to the COVID-19 pandemic and support recovery efforts. There are still many unknown variables related to the COVID-19 trajectory and the continuing vaccination needs/requirements and the economic recovery plan. It is anticipated that pressures related to COVID-19 will continue in 2023. One-time funding is anticipated to offset costs related to the COVID-19 vaccine program and other extraordinary costs related to Public Health's COVID-19 response, however it is not known at this time if the Ministry of Health will provide funding for these costs in future years.

As discussed earlier, the subsidy budgeted for many programs does not keep pace with the increase in costs and demands for services. For Public Health, the funding model changed in 2020 from the previous 100% and 75% cost-share model to 70% Provincial funding for all cost-shared programs (excluding the Ontario Seniors Dental Care Program). The subsidy funding does not keep pace with the increase in costs and demand for services. From 2014 to 2022, Public Health has only received a total funding increase of 4% for cost-shared programs, comprised of a 3% increase in 2018 and a 1% increase in 2022. In Paramedic Services, the current funding formula provides an increase for program growth, but not inflation. Funding for the cost administration of the Ontario Works program has been frozen, and is expected to continue to be frozen, or possibly reduced in future years. The increased cost for providing services for seniors at the Region's Long-Term Care homes, with increasing medical and behavioural complexities, is not met with equivalent increases in funding, with funding for Case Mix Index (CMI) provided at only 92.1% of the calculated care needs of residents in 2022. Using the latest information available during the preparation of the budget, these funding assumptions have been reflected in the 2023 Budget and Forecast.

COVID-19 Long-Term Impacts

It is anticipated that many pressures related to COVID-19 will continue in 2023 such as maintaining the most essential services and resumption of the broader set of core services in Public Health while continuing to respond to and recover from COVID-19, maintaining increased infection control measures in Long-Term Care, and providing sustainable funding to support the increased need in the Halton Rental Assistance Program. In addition, it is anticipated that there will be ongoing costs for personal protective equipment, technology, and additional cleaning and disinfecting materials. While there are still many unknown variables, the 2023 Budget plans for a continued COVID-19 response and recovery. These costs have been largely offset in the 2023 Budget through anticipated additional Provincial COVID-19 funding, as well as the utilization of transfers from the COVID-19 Recovery reserve, which is a reserve created to address future COVID-19 recovery requirements to support the community, funded with one half of the tax-supported Regional surpluses realized in 2020 and 2021.

Due to the uncertainty around requirements related to the COVID-19 Mass Vaccination Program in 2023, the 2023 Budget does not include any provisions for the Program, however the Province has committed to continue to fund costs related to the program in 2023 and it is anticipated that there will be no financial impact to the Region.

As reported in Report No. **PW-17-22** (re: 2021 Year End Waste Management Report), the COVID-19 pandemic has had a significant impact on the amount of solid waste material generated in Halton Region. This has resulted in increased costs of \$1.7 million and \$1.6 million in 2020 and 2021, respectively, as reported in the Year-end Variance Reports (**FN-07-21**, **FN-06-22**). As reported through the August Variance Report (**FN-32-22**), this trend is anticipated to continue in 2022 with a projected impact of \$1.7 million driven by higher waste tonnage trends experienced year-to-date in 2022. It is not yet certain if the tonnage increase is temporary in nature or related to permanent changes in resident behaviour. Staff will continue to monitor tonnages in the various collection streams to determine if an adjustment to growth assumptions will be required to address this operating pressure.

Provincial Offences Act (POA) Revenue

Net revenues generated from POA offences administered by Halton Court Services are shared between the Region and the Municipal Partners (City of Burlington, Town of Halton Hills, Town of Milton and Town of Oakville), with the Region's share being 50%. POA revenues dropped significantly as a result of the COVID-19 pandemic and related lockdowns. The 2020 year-end revenue allocation to the municipal partners included a material draw on Halton Court Services' Stabilization reserve to offset the shortfall in net revenues. In 2021, the shortfall in revenues was not funded through the Stabilization reserve, and consequently the Region reported an unfavourable variance of \$1.3 million through the 2021 Year-End Variance Report (**FN-06-22**). As reported through the August Variance Report (**FN-32-22**), the shortfall in revenues has continued in 2022, however these impacts are expected to be transitory due to the pandemic, and therefore the 2023 Budget and forecast is being maintained at the 2022 Budget level of \$2.3 million. This is a measured risk in the 2023 Budget. If the shortfalls continue, an adjustment would need to be reflected in the budget in future years.

Performance of the Region's Investment Portfolio

The Region's investment portfolio is expected to generate \$55.0 million, or 5.9% of total revenues in 2023. This is a key source of funding for the Region's State-of-Good-Repair capital program. Although interest rates are rising slightly in the short-term, long-range forecasts continue to be low in order to align with slowing economic growth, which makes it challenging for the program to generate interest revenues to support the \$55.0 million budget.

Future Liabilities

With the requirement to implement the Public Sector Accounting Board (PSAB) financial reporting standards in 2009, in addition to reporting Tangible Capital Assets and the associated amortization, municipalities were also required to report on future liabilities including post-employment benefits and solid waste landfill closure and post-closure expenses. The Province requires municipalities that do not budget for these expenses to report on the implications of these liabilities separately. Since the Region budgets for reserve transfers to fund these future liabilities, separate reporting is not required. These liabilities are assessed periodically and the

Region adjusts the contribution to reserves accordingly. The Region budgets reserve transfers for Tangible Capital Assets based on anticipated future capital replacement requirements in accordance with the Region's Asset Management Plan. The total annual transfers to capital reserves currently exceed amortization.

The 10-Year Operating Forecast has been prepared to maintain the tax impact for Regional Services within the target range of inflation set by the Bank of Canada, and the rate increase related to operations at or below the rate of inflation for rate-supported services. The forecast reflects current services and service levels. Any change in service or service level will affect the forecast. In addition, if general inflation rates increase, the tax and rate impacts will also increase. The forecast includes financing plans to address currently identified capital requirements. Any new capital requirements can affect the forecast. The 10-Year Operating Forecast prepared for the 2023 Budget was based on the following key assumptions:

- General inflation of 2.0% to 3.0%, where applicable
- Interest on reserves of 3.0%
- Debt financing rate of 5.0%
- Capital expenditures based on the financing plan for the Capital Budget
- Assessment growth of 1.7% per year
- Provincial subsidies to follow current funding formulas
- Long-term impacts related to COVID-19 will need to be assessed
- Water customer growth of 1.2% to 1.5%
- Water consumption growth of 0.0%

Tax-Supported Services

As shown in the following table, the tax forecast has been prepared based on current financing plans approved by Council to maintain levels of service. The financing plans will be further refined through the annual budget process to achieve tax increases at or below the rate of inflation for Regional Services consistent with Council priorities.

Ten Year Operating Budget Forecast For Tax Supported Services (\$000s)										
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Requested Budget	Forecast								
Region:										
Net Expenditures	\$ 306,927	\$ 321,423	\$ 336,800	\$ 351,215	\$ 366,013	\$ 379,532	\$ 393,560	\$ 408,235	\$ 423,290	\$ 439,299
Net Expenditure Change	4.7%	4.7%	4.8%	4.3%	4.2%	3.7%	3.7%	3.7%	3.7%	3.8%
Region Tax Impact (after assessment growth)	3.0%	3.0%	3.0%	2.5%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%
Halton Regional Police Service:										
Net Expenditures	\$ 186,039	\$ 194,825	\$ 204,019	\$ 213,651	\$ 223,713					
Police Net Expenditure Change	5.7%	4.7%	4.7%	4.7%	4.7%					
Police Tax Impact (after assessment growth)	4.0%	3.0%	3.0%	3.0%	3.0%					
Region Including Police:										
Net Expenditures	\$ 492,966	\$ 516,248	\$ 540,819	\$ 564,864	\$ 589,726					
Regional Net Expenditure Change (Includes Police)	5.1%	4.7%	4.8%	4.4%	4.4%					
Region Including Police Tax Impact (after assessment growth)	3.4%	3.0%	3.0%	2.7%	2.7%					
Assessment Growth Assumption	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%
Tax Budget Forecast as projected in the 2022 Budget										
Region Tax Impact (after assessment growth)	2.6%	2.4%	2.0%							

Rate-Supported Services

The Water and Wastewater Rate Forecast has been prepared to maintain the operating cost increases at or below the rate of inflation and to ensure that the funding for the repair and replacement of the water and wastewater infrastructure is financially sustainable.

As shown in the following table, the rate forecast anticipates increases in a range between 3.8% and 4.1%, with over half of the increase (2.4% to 2.6%) required to support the capital expenditure financing to maintain the State-of-Good-Repair capital program. The 2023 rate increase is higher than the rate increase projected in the 2022 forecast due to increased capital financing expenditures to support the State-Of-Good-Repair capital program, as well as ongoing operating pressures related to supply chain issues, inflation, and growth of the system.

Ten Year Operating Budget Forecast For Rate Supported Services										
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Requested Budget	Forecast								
Net Program Impact (\$000's)	\$ 239,435	\$ 250,936	\$ 262,763	\$ 274,930	\$ 287,307	\$ 300,251	\$ 313,779	\$ 327,616	\$ 342,251	\$ 356,869
Annual Water Consumption m ³ (000s)	52,913	52,913	52,913	52,913	52,913	52,913	52,913	52,913	52,913	52,913
Residential Bill (226 m ³ p.a.)	\$ 1,065	\$ 1,109	\$ 1,154	\$ 1,201	\$ 1,247	\$ 1,296	\$ 1,347	\$ 1,398	\$ 1,452	\$ 1,507
Annual % Rate Increase	4.1%	4.1%	4.1%	4.0%	3.9%	3.9%	3.9%	3.8%	3.8%	3.8%
Rate Impact:										
State-of-Good-Repair	2.4%	2.5%	2.5%	2.6%	2.5%	2.5%	2.6%	2.5%	2.5%	2.4%
Operating Expenses	1.7%	1.6%	1.6%	1.4%	1.4%	1.4%	1.3%	1.3%	1.3%	1.4%
Consumption Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Rate Budget Forecast as Projected in the 2022 Budget										
Net Program Impact (\$000's)	\$ 237,687	\$ 247,204	\$ 257,076	\$ 267,164	\$ 275,850	\$ 284,464	\$ 293,375	\$ 302,606	\$ 311,723	
Annual Water Consumption m ³ (000s)	52,913	52,913	52,913	52,913	52,421	51,934	51,452	50,974	50,500	
Residential Bill (226 m ³ p.a.)	\$ 1,057	\$ 1,093	\$ 1,129	\$ 1,167	\$ 1,204	\$ 1,242	\$ 1,280	\$ 1,320	\$ 1,359	
Annual % Rate Increase	3.3%	3.3%	3.3%	3.3%	3.2%	3.1%	3.1%	3.1%	2.9%	
Rate Impact:										
State-of-Good-Repair	2.1%	2.2%	2.2%	2.0%	1.6%	1.5%	1.5%	1.5%	1.3%	
Operating Expenses	1.3%	1.2%	1.1%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	
Consumption Change	0.0%	0.0%	0.0%	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%	

2023 Capital Budget & Forecast

The capital program identifies the significant investments in infrastructure that are required to appropriately maintain and replace the Region's existing infrastructure assets (State-of-Good-Repair) and expand the infrastructure to meet the requirements of the growing community (Development). The following table summarizes the 2023 Capital Budget & Forecast, including the Police Services capital program. The development-related infrastructure requirements for 2032 were estimated based on the 9-year average for comparison purposes and will be refined once the water, wastewater and transportation master plans are updated to reflect the new planning period. As discussed above, Bill 23 will have an impact on the collection of DC's which will create a funding gap between DC collection and timing of capital works. The impact will be reviewed and incorporated into future budgets.

2023 Capital Budget & Forecast											
Summary of Total Capital Budget & Financing (\$000s)											
	Gross Cost	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Program Expenditures											
Water	\$ 1,560,329	\$ 150,148	\$ 213,591	\$ 155,067	\$ 324,105	\$ 110,671	\$ 74,115	\$ 113,646	\$ 94,403	\$ 126,725	\$ 197,858
Wastewater	1,489,689	152,633	209,201	273,602	302,127	98,937	54,784	67,030	96,300	124,404	110,671
Transportation	3,034,684	352,994	227,693	257,087	374,059	440,642	197,945	213,369	226,815	449,947	294,133
Planning Services	165,140	12,200	18,540	35,270	13,260	12,720	21,470	13,720	13,220	12,220	12,520
Energy, Fleet and Facilities	103,936	9,279	8,859	7,058	37,450	8,262	6,235	8,218	7,798	4,448	6,329
Waste Management	70,290	8,662	2,295	25,348	6,353	4,346	9,512	5,054	2,998	2,982	2,740
Information Technology	88,813	8,025	13,846	11,000	8,424	7,584	9,190	8,228	7,661	7,452	7,404
Paramedic Services	34,626	1,861	1,867	6,316	2,660	2,438	5,677	3,089	3,499	6,445	774
Services for Seniors	6,620	650	650	650	650	650	650	650	770	650	650
Other Tax	12,963	753	487	8,500	437	400	427	452	560	497	451
Police	113,027	51,984	8,318	10,483	8,873	8,094	5,750	4,950	5,225	4,800	4,550
Total	\$ 6,680,117	\$ 749,188	\$ 705,347	\$ 790,380	\$ 1,078,399	\$ 694,745	\$ 385,755	\$ 438,406	\$ 459,248	\$ 740,570	\$ 638,079
Financing											
Tax Reserves	\$ 1,786,808	\$ 223,252	\$ 161,452	\$ 212,283	\$ 234,035	\$ 217,645	\$ 115,020	\$ 140,401	\$ 138,895	\$ 191,138	\$ 152,687
Rate Reserves	1,796,731	192,811	221,908	219,254	179,284	166,119	101,422	154,961	186,290	192,068	182,617
Dev't Charges - Resid.	2,723,431	252,997	273,128	300,221	546,261	300,398	163,634	134,660	132,041	349,400	270,691
Dev't Charges - Non-Res.	6,153	684	674	1,114	687	460	755	476	464	399	440
Capital Invstmt Revolv. Fnd	303,532	27,612	46,893	56,216	116,839	8,831	3,632	6,616	266	6,274	30,353
External Rcvry/Other	20,622	8,992	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292
Debentures	42,840	42,840	-	-	-	-	-	-	-	-	-
Total	\$ 6,680,117	\$ 749,188	\$ 705,347	\$ 790,380	\$ 1,078,399	\$ 694,745	\$ 385,755	\$ 438,406	\$ 459,248	\$ 740,570	\$ 638,079

Includes financing cost. Schedule may not add due to rounding.

The forecast is updated annually to reflect new information related to capital requirements, project timing, and costs. This forecast represents the projected future requirements based on Environmental Assessments (EAs), detailed designs, master plans, infrastructure staging plans, revised cost estimates, reprogrammed projects and program objectives.

As shown above, the Region's 10-year capital program between 2023 and 2032 is projected at \$6.7 billion. The 10-year program includes \$3.1 billion (45.7%) in rate-supported projects and \$3.6 billion (54.3%) in tax-supported projects. Financing of the 2023 Capital Budget & Forecast is based on Council approved financing plans.

2023 Capital Budget

The 2023 Capital Budget is \$749.2 million. Of this total, \$302.8 million (40.4%) is for rate-supported services (Water and Wastewater) and \$446.4 million (59.6%) is for tax-supported services which includes \$353.0 million for the Transportation program.

The 2023 Capital Budget is \$397.8 million higher than previously projected for 2023 in the 2022 Budget. This increase is mainly driven by additions to the Transportation capital program (\$256.3 million), increases in the Water and Wastewater Development-related program (\$78.2 million), and increases in the Water and Wastewater State-of-Good-Repair program (\$18.8 million).

The section below highlights the 2023 Capital Budget and changes from the 2023 Forecast included in the 2022 Budget:

- **\$302.8 million 2023 Water and Wastewater capital program** consists of \$116.1 million for the Development-related program and \$186.7 million for the State-of-Good-Repair (Non-Development) program to address upgrade and replacement needs.
- **\$116.1 million Water and Wastewater Development-related program** in 2023 is \$78.2 million higher than the 2023 Forecast included in the 2022 Budget. This increase is predominately driven by updated cost estimates as projects progress through detail design, inflation and supply constraints. As noted above only the projects identified in Appendix B will proceed prior to the approval of the next Financing Plan and Allocation Program. Some of the key projects include:
 - \$16.9 million for Gravity Sewers from Decommissioned Riverside WWPS and Shorewood Place SPS to New Rebecca Trunk (OAK) – Design and Construction
 - \$16.0 million for 300mm WM on Sixth Line from Hays Blvd to River Glen Blvd. Project required to support Zone 3/4/5 Boundary Re-alignment (OAK) - Construction
 - \$14.2 million for 600mm WWM crossing Dundas St and 600mm WWM on Dundas St from 900 m west of Colonel Williams Parkway to Colonel Williams Parkway (OAK) – Design and Construction
 - \$11.3 million for 450mm WWM on new road from 440 m north of Derry Rd to Derry Rd and 525mm WWM on Derry Rd from 725 m east of 5th Line to 5th Line (MIL) - Construction
 - \$6.8 million for 750mm WWM on new road alignment from Louis St. Laurent to Britannia Rd (MIL) - Construction
 - \$6.4 million for New 2400mm WWM inlet to Skyway WWTP parallel to QEW. (BUR) - Design
 - \$5.5 million for 8th Line Zone 4 Pumping Station alterations to support Zone 3/4/5 Boundary Re-alignment (OAK) - Construction
 - \$4.0 million for 400mm WM on new North Oakville Rd west of Neyagawa Blvd. (OAK) - Construction
 - \$3.5 million for System PRV implementation to support Zone 3/4/5 Boundary Re-alignment (REG) - Construction

- \$3.4 million for 10 ML Zone G6L Storage at 22nd Side Rd (HHGEO) - Design
 - \$2.7 million for 400mm WM on Burnhamthorpe Rd from Trafalgar Rd to new North Oakville road (Zone O4) (OAK) - Construction
- **\$186.7 million Water and Wastewater State-of-Good-Repair program** in 2023 is \$18.8 million higher than the 2023 Forecast included in the 2022 Budget and includes the following:
- \$117.6 million for water distribution and wastewater collection systems rehabilitation and replacements, including \$6.0 million related to the Basement Flooding Mitigation program
 - \$69.1 million for plants and facilities infrastructure upgrades and replacements, including Eighth Line Zone 3 & Zone 4 Boost Station Rehabilitation, Burlington Skyway Wastewater Treatment Plant – Dewatering System Upgrade and Oakville Southeast Wastewater Treatment Plant Secondary Digester #4 Rehabilitation and RAS Discharge Piping Rehabilitation

The 2023 Budget includes the following major projects:

- \$11.1 million for Burlington Skyway Wastewater Treatment Plan – Dewatering System Upgrade
 - \$10.0 million for the New Maintenance Facility
 - \$8.0 million for 300mm WM on Tyandaga Park Dr from Brant Street to Kerns Road; 200mm WM on Easement from Tyandaga Park Dr to Ester Dr; 150mm WM on Westbury Ave from Tyandaga Park Dr to Ester Dr; 150mm WM on Wakefield Cres from Tyandaga Park Dr to End; 150mm WM on Frontenac Place from Tyandaga Park Dr to End; 200mm WM on Fairway Crt from Tyandaga Park Dr to End
 - \$6.7 million for 200mm WM on Detrex Blvd from Mountainview Rd to Guelph Street and Decommissioning of Easement
 - \$6.3 million for Eighth Line Zone 3 Booster Station and Yard Piping Renewal
 - \$6.2 million for Headon Reservoir and Rechlorination Facility capital project
 - \$6.0 million for the Basement Flooding Mitigation program (**PW-22-15**)
 - \$5.6 million for 200mm WM on Howard Avenue from Carson Lane to Esplanade Drive, 200mm WM on Carson Lane from Park Ave to Howard Ave; 200mm WM on Park Avenue from Lakeshore Road East to Esplanade; 200mm WM on Esplanade from Park Avenue to Howard Avenue
 - \$5.2 million for 250mm WWM on Lees Lane from Pine Grove Road to Rebecca Street
 - \$5.1 million for 200mm WM on Marine Drive from East Street to Third Line
 - \$4.8 million for 200mm WWM on Todd Road from South of Sinclair Avenue to Mountainview Road North
 - \$4.4 million for Mid-Halton Wastewater Treatment Plant Primary Digester (No. 2) Rehab/Upgrade
- **\$353.0 million 2023 Transportation capital program** is \$256.3 million higher than the 2023 Forecast included in the 2022 Budget mainly due to the revised construction, land and utility increase related to Trafalgar Road Grade Separation and Widening (\$94.5 million) and Dundas Street Widening (\$72.0 million):
- \$94.5 million for Trafalgar Road – grade separation at CN crossing and Metrolinx crossing, widening from 4 to 6 lanes from Dundas Street to Highway 407 and 2 to 4 lanes from 10 Side Road to Highway 7
 - \$72.0 million for Dundas Street – widening from 4 to 6 lanes from Halton/Hamilton Boundary to Appleby Line and Tremaine Road to Bronte Road
 - \$57.9 million for Tremaine Road – new 4 lane road from James Snow Parkway to Hwy 401 Interchange and widening from 2 to 4 lanes from Dundas Street to Britannia Road
 - \$39.8 million for Wyecroft Road – extension east of Burloak Drive to Bronte Road
 - \$30.3 million for Ninth Line – widening from 2 to 4 lanes from Burnhamthorpe Road to Highway 407 and from Steeles Avenue to 10 Side Road
 - \$13.8 million for Road resurfacing and related works

- \$9.3 million for Steeles Avenue – grade separation at CN crossing, widening from 2 to 4 lanes from Tremaine Road to Industrial Drive and from 4 to 6 lanes from Trafalgar Road to Winston Churchill Boulevard
- **\$12.2 million 2023 Planning capital program** is \$4.6 million lower than the 2023 Forecast included in the 2022 Budget mainly due to the deferral of the Burlington Beach Environmental Restoration and Recreational Works to 2024. Included in the 2023 expenditures is \$9.5 million for Assisted Housing Development, \$1.5 million to support the OLT & Other Hearings and \$1.0 million for the Burlington Beach Property acquisition.
- **\$9.3 million 2023 Energy, Fleet & Facilities capital program** is \$5.6 million higher than the 2023 Forecast included in the 2022 Budget due to the updated expenditures resulting from the new building condition assessments at the Long-Term Care Centres (\$2.7 million) and Woodlands Operation Centre (\$2.4 million).
- **\$8.7 million 2023 Waste Management capital program** is \$2.2 million higher than the 2023 Forecast included in the 2022 Budget mainly due to the additional funding for the Transfer Station Study and Construction, and Automated Wheeled Cart Pilot Study projects and the addition of the new Compost Pad Expansion project.
- **\$8.0 million 2023 Information Technology capital program** is \$112,000 higher than the 2023 Forecast included in the 2022 Budget mainly due to the increases to support the Digital Strategy. This program includes ongoing life cycle replacement of IT assets, including software licensing, and software and hardware upgrades/replacements.
- **\$1.9 million 2023 Paramedic Services capital program** is \$1.8 million lower than the 2023 Forecast included in the 2022 Budget mainly due to the accelerated purchase of 2023 ambulances to 2022 as identified through Report No. **MO-03-22** (re: Paramedic Services Ambulance Procurement).
- **\$0.7 million 2023 Services for Seniors capital program** is unchanged from the 2023 Forecast included in the 2022 Budget. This includes projects to support equipment replacement at Long-Term Care facilities.
- **\$0.8 million 2023 other capital program** is \$302,000 higher than the 2023 Forecast included in the 2022 Budget due to an increase for additional Public Health Vehicles and funding for Development Charge Appeals. Other capital programs include projects to support Economic Development, Children's Services, Public Health and Capital & Development Financing.
- **\$51.9 million 2023 Police capital program** is \$42.7 million higher than the 2023 Forecast included in the 2022 Budget due to increases for the 1 District New Facility, Technology, Fleet and Secure WAN, and the acceleration of the P25/LTE Backhaul Replacement from 2024.

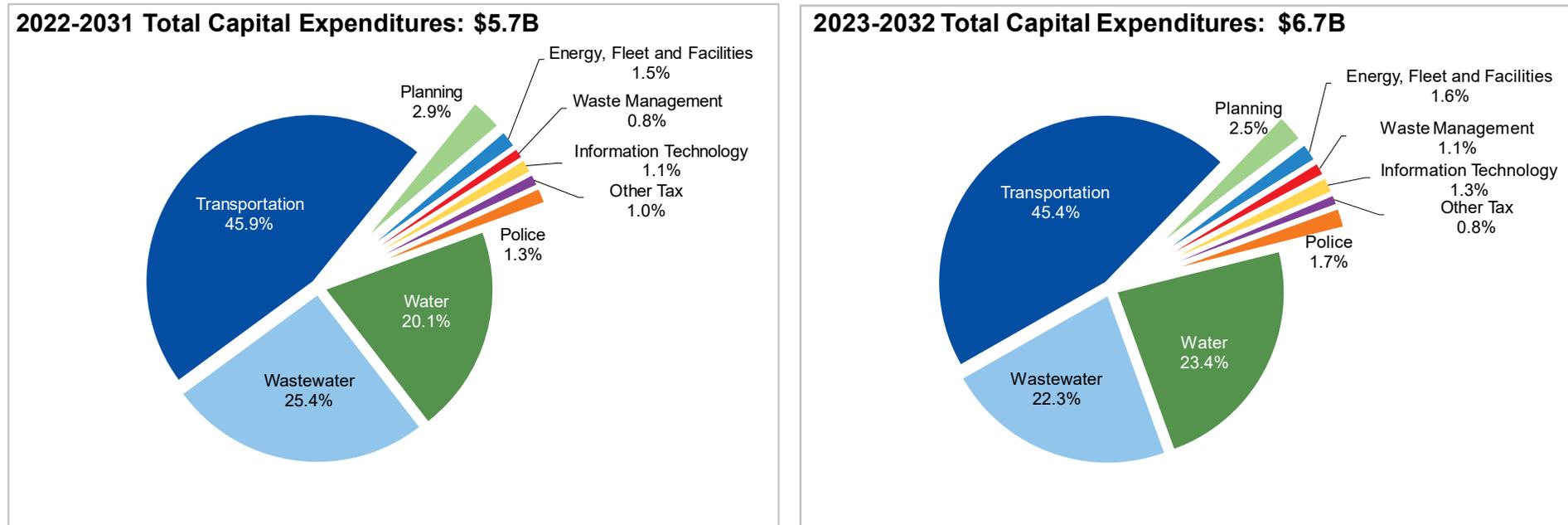
The financing of the capital program is outlined in detail within the Tax Overview and the Water and Wastewater Overview sections of the 2023 Budget and Business Plan. The following are the 10 highest dollar value projects included in the 2023 Capital Budget. These projects total \$366.6 million and account for 48.9% of the 2023 Capital Budget.

2023 Capital Budget & Forecast Top 10 Largest Capital Expenditures in 2023 (\$ Millions)		
Program	Project Descriptions	Cost
Roads	Trafalgar Road - Widening and Grade Separation	\$ 94.5
Roads	Dundas Street - Widening	72.0
Roads	Tremaine Road Widening and New 4 Lane Road	57.9
Roads	Wyecroft Road extension east Burloak Drive to Bronte Road (OAK)	39.8
Roads	Ninth Line - Widening	30.3
Wastewater	Gravity Sewers from Decommissioned Riverside WWPS and Shorewood Place SPS to New Rebecca Trunk (OAK)	16.9
Water	300mm WM on Sixth Line from Hays Blvd. to River Glen Blvd. Project required to support Zone 3/4/5 Boundary Re-alignment (OAK)	16.0
Wastewater	600mm WWM crossing Dundas St and 600mm WWM on Dundas St from 900m west of Colonel Williams Parkway to Colonel Williams Parkway (OAK)	14.2
Roads	Road Resurfacing & Related Works	13.8
Wastewater	450mm WWM on new road from 440 m north of Derry Rd to Derry Rd and 525mm WWM on Derry Rd from 725m east of 5th Line to 5th Line (MIL)	11.3
Total		\$ 366.6

Schedule may not add due to rounding.

10-Year Capital Budget & Forecast

The following charts illustrate the 2023 10-year expenditures compared to the 2022 forecast. The development-related infrastructure requirements for 2032 were estimated based on the 9-year average for comparison purposes and will be refined once the water, wastewater and transportation master plans are updated to reflect the new planning period.



The 2023 10-Year Capital Budget & Forecast (2023 to 2032) totals \$6.7 billion, which is \$0.9 billion higher than the 2022 10-year program. The increase is mainly due to a \$397.0 million increase in Transportation, a \$221.8 million increase in the Water and Wastewater development program, a \$217.1 million increase in the Water and Wastewater State-of-Good-Repair program, a \$38.1 million increase in Police, a \$22.5 million increase in Waste Management, and a \$23.2 million increase in Technology as outlined below.

The Water, Wastewater and Transportation 10-year capital program has been updated through the DC technical reports prepared for the 2022 DC By-law update for infrastructure between 2023 and 2031 as presented in **PW-32-21/ FN-31-21** (re: Development Charges Update – Water, Wastewater, and Transportation Technical Studies), the Public Works Asset Management Plan (**PW-28-17**) and cost updates based on Environmental Assessments (EAs) and design work. As illustrated, a significant portion (91.1%) of the 2023 10-year program continues to be committed to the Water, Wastewater and Transportation programs.

- **\$3.1 billion 10-year Water and Wastewater capital program** consists of \$1.5 billion for the Development-related program and \$1.6 billion for the State-of-Good-Repair program (Non-Development).

- **\$1.5 billion 10-year Water and Wastewater Development program** is a \$221.8 million increase from the 2022 program and reflects the cost updates based on EAs and design work. The 10-year program includes:
 - \$495.1 million to service region-wide capacity-related infrastructure.
 - \$683.5 million to service greenfield area related infrastructure.
 - \$130.7 million to service built boundary areas related infrastructure.
 - \$156.3 million for employment land servicing related infrastructure.

- **\$1.6 billion 10-year Water and Wastewater State-of-Good-Repair program** is a \$217.1 million increase from the 2022 program. The 2023 plan has been prepared based on the updated Asset Management Program and Lifecycle Models Update (**PW-01-22/ FN-11-22/ DI-01-22**) and the 10-year State-of-Good-Repair program will continue to be updated through the annual budget process based on the optimized decision-making process developed under the PWs' Asset Management Strategy. The 2023 10-year Capital Budget includes:
 - \$1.0 billion for water distribution and wastewater collection systems rehabilitation and replacements, including the Basement Flooding Mitigation program of \$19.1 million.
 - \$475.0 million for plants/facilities infrastructure upgrades and replacements, including \$231.7 million for plant maintenance.
 - \$32.7 million for SCADA Master Plan implementation and other SCADA related projects.

- **\$3.0 billion 10-year Transportation capital program** consists of \$2.5 billion for the Development-related program and \$526.7 million for the State-of-Good-Repair program (Non-development). The 10-year program in 2023 is \$397.0 million higher than the 2022 program. The increase is predominately driven by costing updates based on EAs, design work and land acquisition. The 10-year program provides significant road widening, grade separations, road resurfacing program initiatives, road studies, bridges and culverts projects. The 10-year program includes:
 - \$333.1 million for Trafalgar Road
 - \$254.8 million for Regional Road 25
 - \$254.8 million for James Snow Parkway
 - \$218.6 million for Tremaine Road
 - \$217.9 million for Steeles Avenue
 - \$182.8 million for 5 ½ Line
 - \$178.5 million for Upper Middle Road
 - \$148.3 million for Derry Road

- **\$165.1 million 10-year Planning capital program** is \$1.1 million lower than the 2022 program, mainly due to increases of \$0.3 million in the Burlington Beach Hydro Tower costs and \$0.6 million to CHS – Assisted housing development offset by decreases of \$1.7 million to Burlington Beach Waterfront Land Acquisition costs, and \$0.2 million to the Burloak Waterfront Park costs.

- **\$103.9 million 10-year Energy, Fleet & Facilities capital program** is \$18.9 million higher than the 2022 program, primarily driven by increased costs for extended lifecycle replacement requirements and ongoing preventive facility maintenance activities at other Regional Facilities offset by a decrease in the costs associated with the Halton Regional Centre Renovation and Modernization project.

- **\$70.3 million 10-year Waste Management capital program** is \$22.5 million higher than the 2022 program. This is primarily driven by increased costs for extended lifecycle replacement requirements for the Landfill Gas Collection & Flaring System, Interior Roads, and other Landfill needs, and the new project for Compost Pad Expansion.
- **\$88.8 million 10-year Information Technology capital program** is \$23.2 million higher than the 2022 program, mainly due to the increases to support the Digital Strategy as discussed through Report No. **ST-07-21** (Digital Strategy and Audit and Accountability Fund Update). The Digital Strategy includes upgrades for SAP, SCADA infrastructure and IT Security Systems. The IT program includes the ongoing maintenance of IT assets, including software licensing, software and hardware upgrades and replacements, as well as mobile strategy implementation and new software implementation.
- **\$34.6 million 10-year Paramedic Services capital program** is \$1.0 million lower than the 2022 program, mainly due to the accelerated purchase of 2023 ambulances to 2022 as identified through Report No. **MO-03-22**.
- **\$6.6 million 10-year Services for Seniors capital program** is \$0.3 million lower than the 2022 program, due to a decrease to the production kitchen projects that includes equipment replacement at the Long-Term Care facilities.
- **\$13.0 million 10-year other capital programs** are \$0.4 million higher than the 2022 program. Other capital programs include projects to support Economic Development, Children's Services, Public Health, Capital & Development Financing and Communications.
- **\$113.0 million 10-year Police capital program** is \$38.1 million higher than the 2022 program, mainly due to increases for the 1 District New Construction project and addition of new projects for Cyber Security, In-Car Camera System, Action Tower Equipment Replacement, and various Disaster Recovery projects.

The following table shows the 20 largest dollar value projects in the 10-Year Capital Budget & Forecast. These projects total \$3.4 billion and represent 50.8% of the total capital program. It is important to note that unlike previous budgets the last year of the forecast (2032) does not have specific projects identified for the development water, wastewater and transportation program.

2023 Capital Budget & Forecast				
Top 20 Largest Expenditures (2023 - 2032) (\$ Millions)				
Program	Project Descriptions	2023	2024-2032	Total
Roads	Trafalgar Road - Widening and Grade Separation	\$ 94.5	\$ 238.5	\$ 333.1
Water	Water Treatment - Lifecycle Model (REG)	-	332.8	332.8
Roads	Regional Road 25 - Widening and Reconstruction	0.4	254.5	254.8
Roads	James Snow Parkway - Widening, New Road	0.9	254.0	254.8
Roads	Tremaine Road Widening and New 4 Lane Road	57.9	160.7	218.6
Roads	Steeles Avenue - Widening and Grade Separation	9.3	208.6	217.9
Roads	5 1/2 Line - New Road and Interchange	1.6	181.2	182.8
Wastewater	Wastewater Treatment - Lifecycle Model (REG)	-	179.6	179.6
Roads	Upper Middle Road - Widening	0.9	177.6	178.5
Water	Burloak WPP Phase 2 Expansion from 55ML/d to 165ML/d (OAK)	-	175.4	175.4
Roads	Derry Road - Widening and Reconstruction	0.4	147.9	148.3
Wastewater	Mid-Halton WWTP expansion from 125 ML/d to 175 ML/d (OAK)	-	122.7	122.7
Roads	Road Resurfacing & Related Works	13.8	107.6	121.3
Roads	Dundas Street - Widening	72.0	38.3	110.3
Water	Water Transmission - Lifecycle Model (REG)	-	110.2	110.2
Tax	Assisted Housing Development	9.5	91.2	100.7
Roads	North Service Road - New 4 Lane Road (OAK)	-	93.4	93.4
Roads	Ninth Line - Widening	30.3	60.5	90.8
Wastewater	Wastewater Collection - Lifecycle Model (REG)	-	86.1	86.1
Wastewater	2350 L/s WWPS at Lower Base Line and 4th Line (MIL)	-	81.4	81.4
Total		\$ 291.3	\$ 3,102.4	\$ 3,393.7

Schedule may not add due to rounding.

Impact of Capital Investments on the Operating Budget

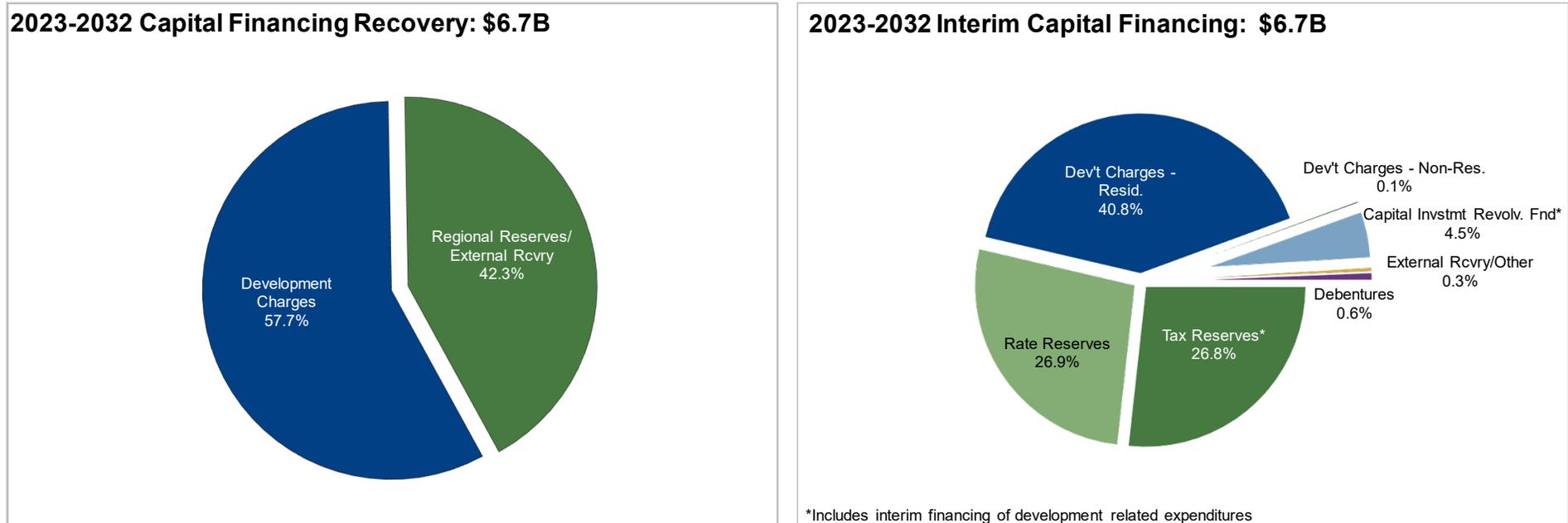
Although Halton Region prepares the capital budget separately from the operating budget, the two budgets are linked. These links include ongoing operating, maintenance and repair costs associated with new or renovated facilities and infrastructure. The operating budget impact estimates for capital projects are important for future planning and are included in budget projections used in the annual budget process. These costs or savings adjust the annual operating budget in the year the asset is complete and operational. The Region utilizes its reserves and debt in financing the State-of-Good-Repair capital program for existing infrastructure and the 2023 budgeted operating impacts are included in the table below.

Impact of Capital Investments on Operating Budget excluding Police (\$000s)					
	Capital Budget		Annual Operating Impact		
	2022	2023	2022	2023	Difference
Public Works					
Water & Wastewater	\$ 205,985	\$ 302,781	\$ 134,266	\$ 140,462	\$ 6,196
Roads	196,567	352,994	45,057	46,058	1,001
Waste Management	4,809	8,662	7,223	7,266	43
Sub-total	\$ 407,361	\$ 664,437	\$ 186,547	\$ 193,786	\$ 7,240
Non-Public Works					
Energy, Fleet & Facilities	10,788	9,279	10,539	11,447	908
Health	1,945	2,114	3,116	3,283	167
Social & Community Services	1,009	700	2,315	2,315	-
Digital & Information Systems	7,747	8,025	4,458	4,817	359
Planning Services	1,520	2,750	2,393	2,673	280
Economic Development & CAO	-	-	19	22	3
Social Housing	9,450	9,450	6,500	6,500	-
Waterfront Master Plan	1,875	-	3,459	3,459	0
Conservation Authorities & Other	350	450	1,325	1,475	150
Sub-total	\$ 34,684	\$ 32,767	\$ 34,125	\$ 35,992	\$ 1,867
Total	\$ 442,045	\$ 697,204	\$ 220,671	\$ 229,778	\$ 9,107

Schedule may not add due to rounding

10-Year Capital Financing

A breakdown of the 2023 Capital Budget & Forecast financing is presented in the following graphs. The development-related infrastructure requirements for 2032 were estimated based on the 9-year average for comparison purposes and will be refined once the water, wastewater and transportation master plans are updated to reflect the new planning period.



Included in the 10-year capital plan of \$6.7 billion is \$2.8 billion (42.3%) to address state-of-good-repair capital needs (upgrades/rehabilitation/replacements) and \$3.9 billion (57.7%) to address growth-related capital programs (capacity expansion). Accordingly, as shown above, the growth-related program (57.7%) will ultimately be funded from DCs, and the State-of-Good-Repair program will be funded from Regional reserves (42.3%).

As detailed later in the Long-Term Financing section, Regional reserves (including transfers from the Operating Budget and investment earnings) and debt are used to fund the state-of-good-repair (non-growth) infrastructure program. In order to maintain sufficient reserves and adequate ratios between the operating contributions and amortization expenses, the 2023 Budget increased the total operating contributions (excluding investment earnings) from \$155.7 million to \$164.5 million (\$8.8 million increase) in support of the Water and Wastewater and Transportation State-of-Good-Repair capital programs. This provided an opportunity to increase use of the capital reserves, in order to finance the growing State-of-Good-Repair capital program on a pay-as-you-go basis and to reduce debt financing.

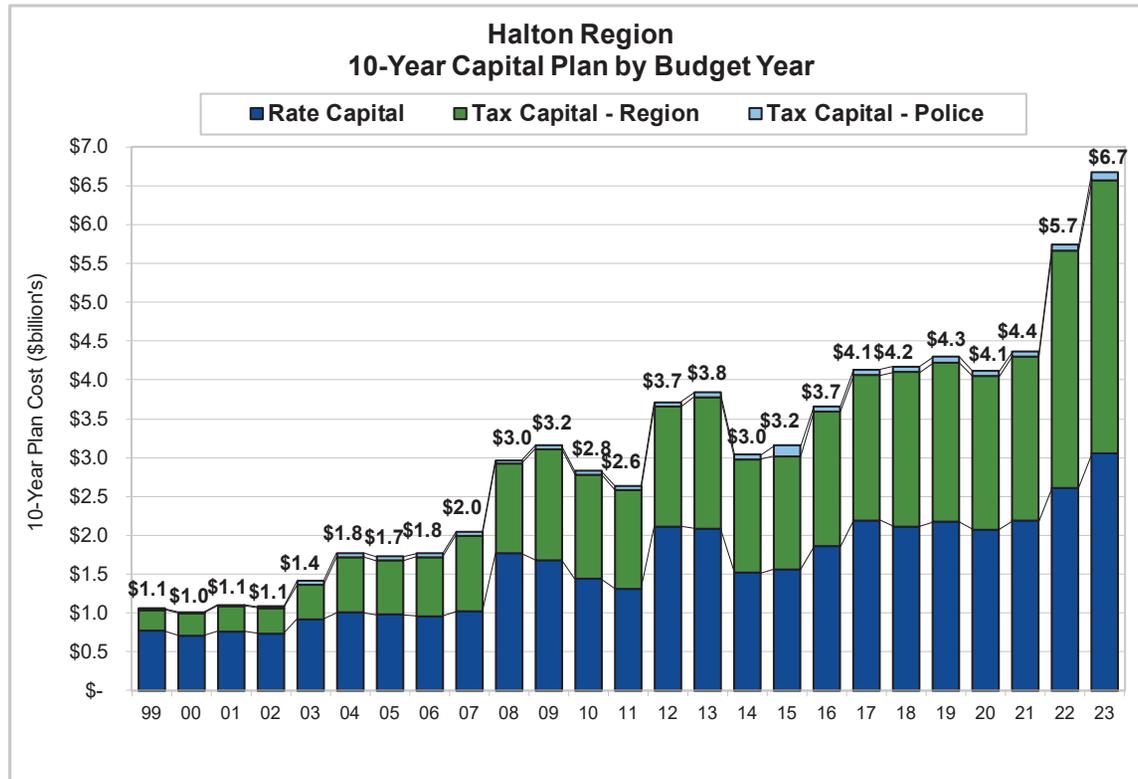
Development charges fund growth-related infrastructure. However, financing of growth infrastructure requires interim financing from the Region, as set out in the Development Financing Plan (**FN-46-19/ PW-50-19/ LPS112-19**). The Region's interim financing is required for the non-residential employment capital cost in order to ensure continued economic development through strategic investment in employment lands. Accordingly, as illustrated in the 2023-2032 Interim Capital Financing

chart above, the Region will provide interim financing from the Capital Investment Revolving Fund, Tax Reserves, and debt, which will be recovered from future DCs including carrying cost. The financing of the 2023 Development-related Water, Wastewater and Transportation programs has been prepared based on the Development Financing Plan (FN-46-19/ PW-50-19/ LPS112-19) and the anticipated future allocation programs.

Long-Term Financing

The long-term maintenance of the Region’s solid fiscal foundation is one of the primary goals established by Regional Council. Continued diligence in managing debt levels and maintaining adequate reserves will be required to sustain Halton’s fiscal position.

Long-term financing requirements are driven by the 10-Year Capital Budget & Forecast. The following graph shows the significantly growing capital requirements between 1999 and 2023.



In 2009, the 10-year capital program had escalated to \$3.2 billion, due to expanding capital programs and significant cost increases based on the 2008 Master Plan updates for Development Water and Wastewater and Transportation programs. Similarly, in 2012, the 10-year program jumped to \$3.7 billion driven by the 2011 Master Plan updates for the same programs and the 2017 program to \$4.1 billion based on the Water and Wastewater Master Plans revised to support the 2017 DC update (**PW-33-16**). In 2022, the capital program expanded mainly as a result of the update to the Water, Wastewater and Transportation Master Plans to support the 2022 DC Update. The 2023 10-year capital program increased to \$6.7 billion due to cost changes predominately driven by land acquisition and higher than anticipated construction costs and reprogramming of projects from previous budgets in instances where it was not practical or possible to deliver a project within the 2020 Allocation Program timeframe due to their current project status (e.g., EA, design, coordination etc.).

The financing of the capital program requires a well-balanced funding strategy involving the Region's own reserve and reserve funds, debentures and recovery from growth through DCs.

Financing of State-of-Good-Repair

The Region uses its reserves and debt to finance the State-of-Good-Repair capital program for existing infrastructure. The reserves (including operating contributions, Canada Community-Building Fund revenue, and investment earnings) are used in support of the Region's pay-as-you-go approach in financing the ongoing or recurring life cycle requirements. Debt financing is utilized for significant upgrade and rehabilitation initiatives, ensuring that the operating impacts from the significant capital program remain smooth and that the timing of revenue recoveries from tax payers is appropriately matched with the benefit of infrastructure. The 2023 Budget includes increasing operating budget contributions to reserves throughout the forecast period, in order to provide sustainable investment for the growing assets and to continue with pay-as-you-go financing for the State-of-Good-Repair capital program. Although the 2023 Budget employs limited use of debt over the forecast period, debt still remains a viable funding option and will continue to be utilized where appropriate.

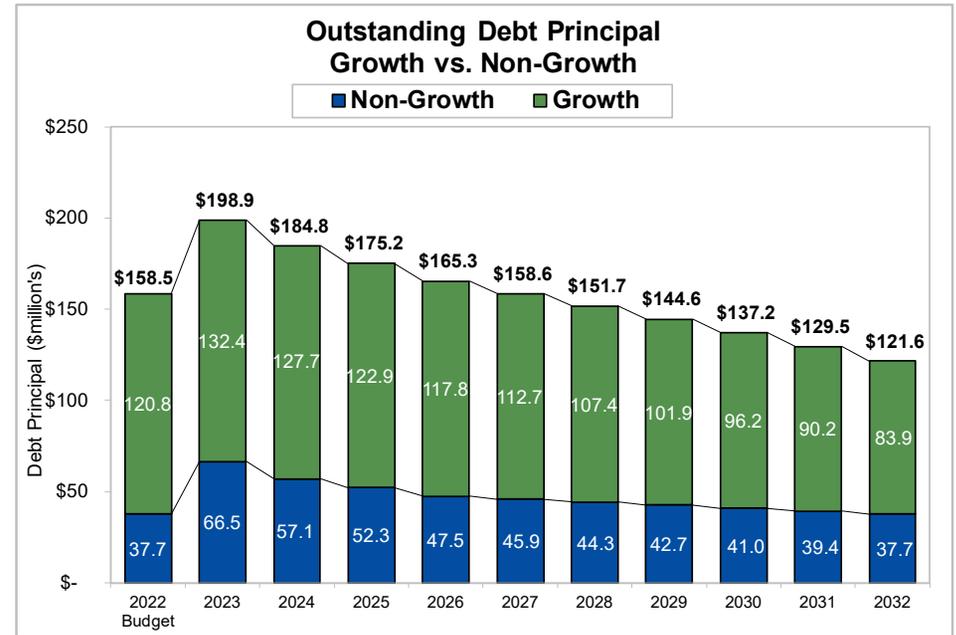
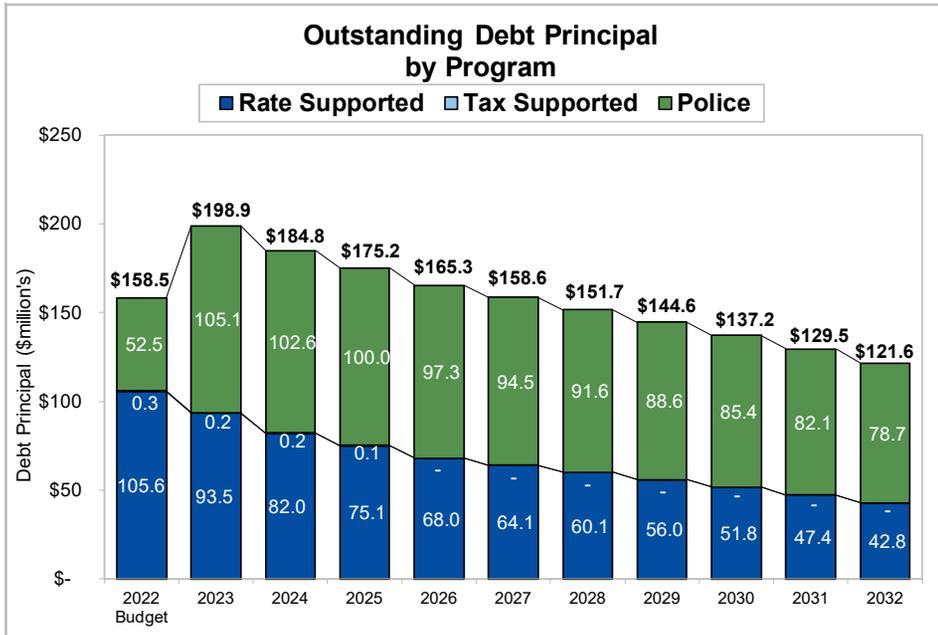
Financing of Growth

The Region relies on DCs to finance new and expansion infrastructure required for growth. DCs, combined with the Regional interim financing through the Capital Investment Revolving Fund, Tax Capital reserve and debt, are used for the financing growth-related projects consistent with **FN-46-19/ PW-50-19/ LPS112-19**. In particular, the Regional interim financing is provided for the non-residential employment capital cost share and will be recovered from future DCs including carrying costs under the financing plan. This plan ensures that all growth-related costs that can be recovered under the DC By-law will be recovered and that Halton's strong financial position is not compromised. The 2023 Budget incorporates the Regional interim financing requirements, including the financing of the resulting debt charges, in accordance with the principles set out in the Development Financing Plan (**FN-46-19/ PW-50-19/ LPS112-19**). Changes enacted under Bill 23 will be incorporated in a future budget.

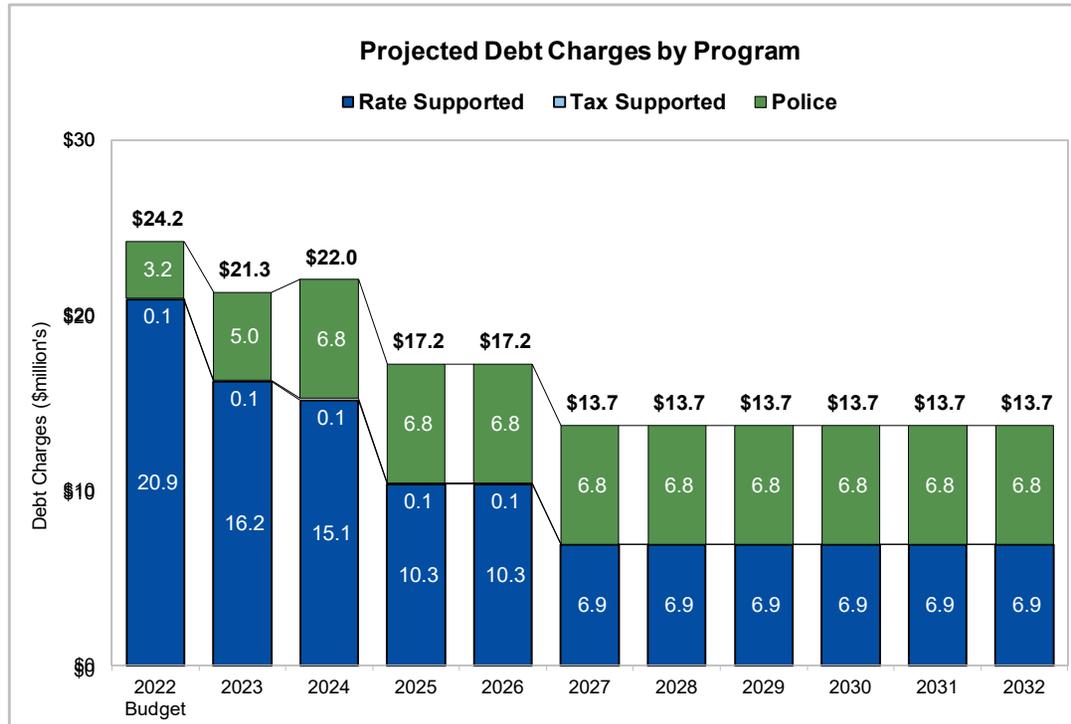
Debt Financing

When debt financing is required, the Region leverages its long history of maintaining a AAA/Aaa credit rating to obtain the most competitive rates available in the market typically over a 10-year term. This is considered financially prudent in order to maintain financial flexibility in the face of significant and changing funding requirements. These requirements occur over the forecast period to accommodate new construction, replacement and upgrade of capital assets. Notwithstanding, the Region continues to monitor market conditions to best utilize longer-term debt financing. For instance, the Region issued a 30-year term sinking fund debt in the amount of \$106.0 million in 2011 to service strategic employment lands (CS-33-11/ PW-53-11/ LPS58-11 re: 2011 Water and Wastewater Servicing to Employment Lands in Halton) and \$62.5 million in 2015 to construct the new Police Headquarters. The 2023 Budget and Forecast projects a total of \$42.8 million in debt financing over the next 10 years to accommodate the Police 1 District Facility needs in Georgetown and Milton.

The following charts illustrate the annual projected debt levels over the next 10 years. Debt levels have peaked at \$198.9 million in 2023, mainly driven by funding required for the 1 District New Construction in 2023. The level declines substantially over the forecast period as the Region moves forward with the pay-as-you-go funding approach for the State-of-Good-Repair capital program and as existing debt retires.



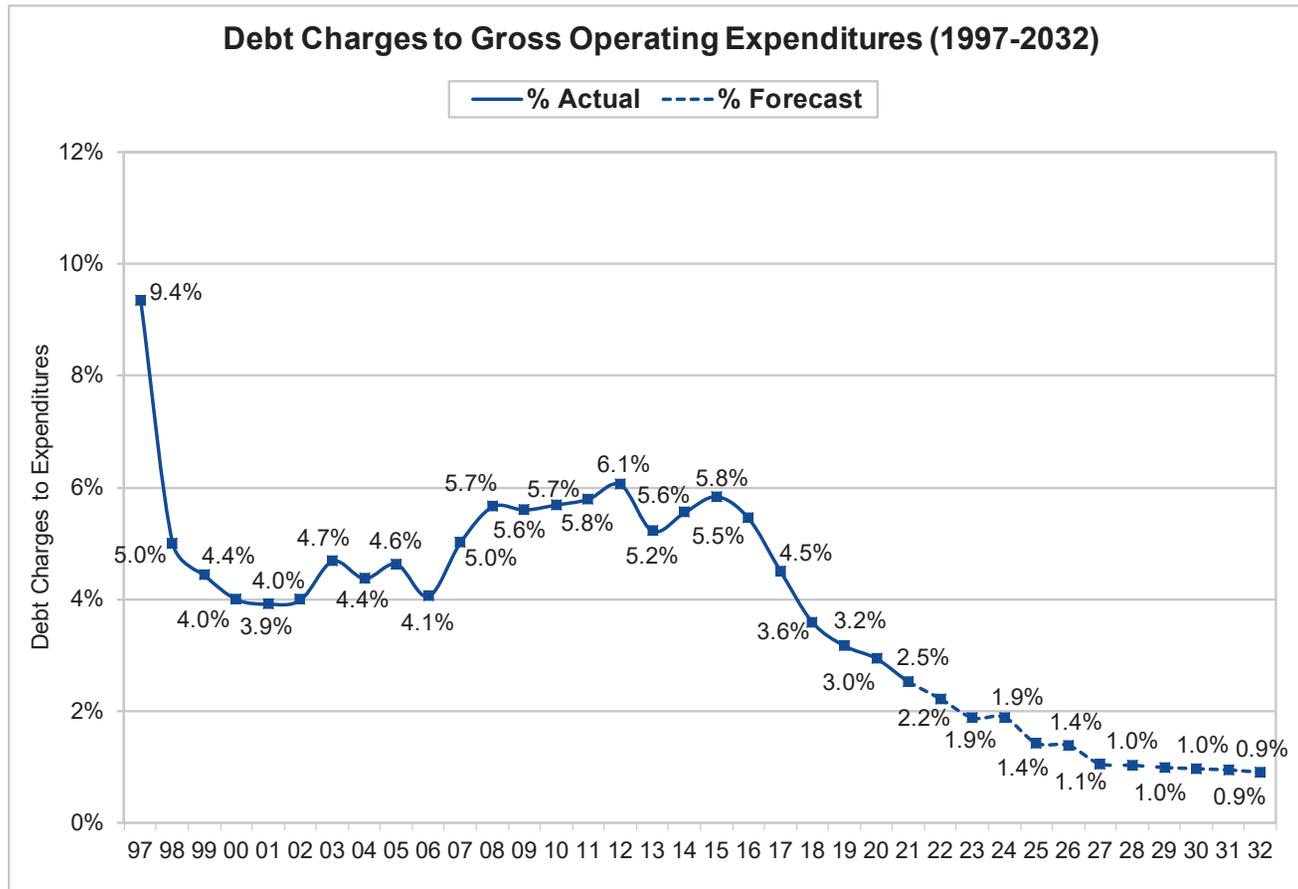
As illustrated in the chart below, total budgeted debt charges will be reduced in 2023, as compared to 2022, because of debt retirement. Debt charges peak in 2024 due to the complete debt charge coming on-board for the 1 District New Construction.



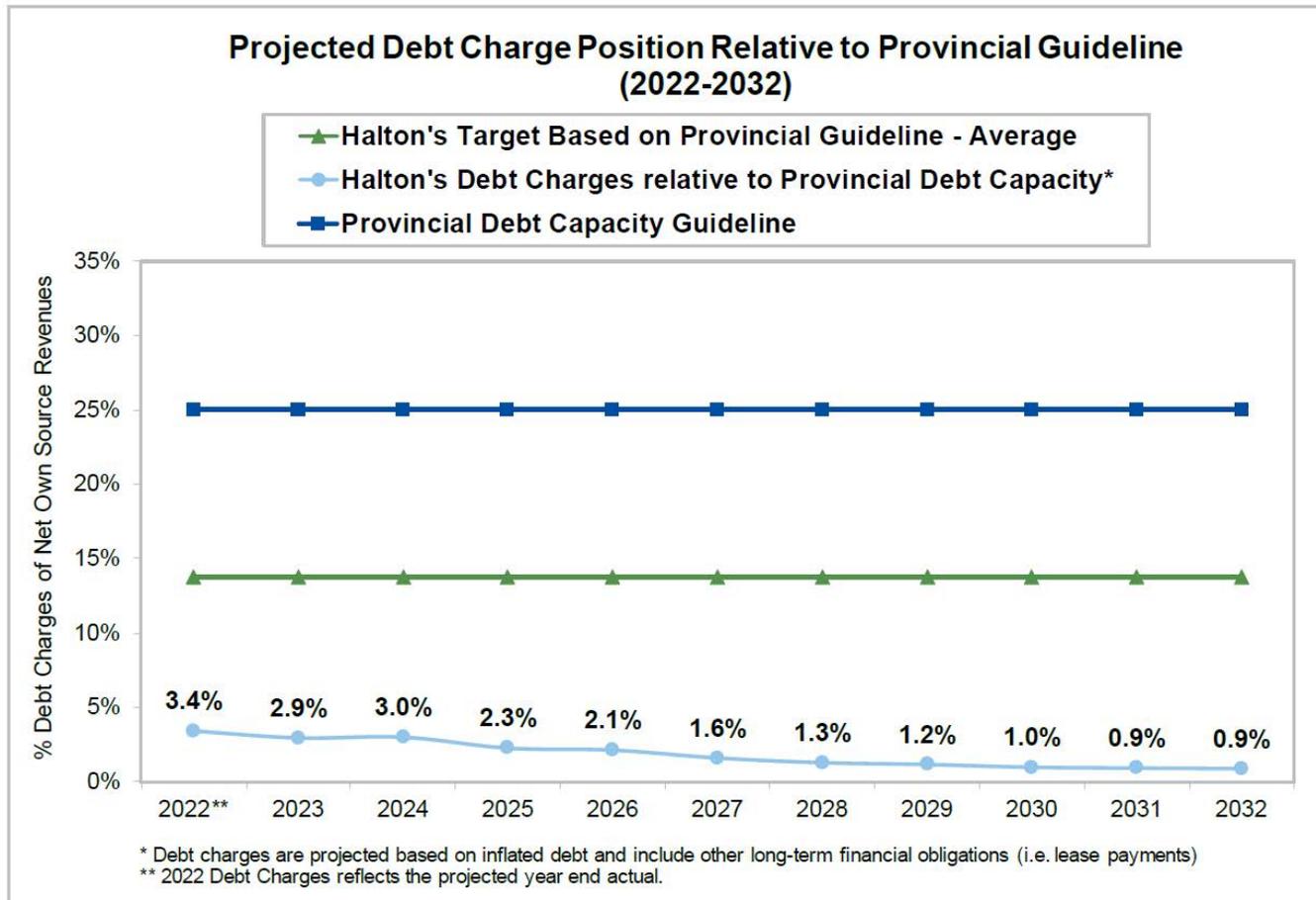
While debt charges will continue to have an impact on the Rate-Supported Budgets, the debt charges are expected to decrease over the forecast period based on declining debt as noted above.

The projected levels are affordable in the context of the Region's total financial plan and relative to Halton's substantial asset base. The affordability of the debt can be measured by examining projected debt charges as a percentage of total operating expenditures as shown in the Debt Charges to Gross Operating Expenditures chart below.

Debt charges as a percentage of direct program costs over the next 10 years are well below 5% and rapidly declining as the Region retires existing debt.



The Province sets a debt capacity guideline for municipalities of 25% of own revenues. The Region's own guidelines (10% of gross operating expenditures) translate to approximately 12% of own revenues. The chart below illustrates the Region's projected position relative to the Province's debt guideline. The Region's ratios continue to remain well below the guideline



The trend in Halton's debt charges relative to the Provincial guideline declines substantially over the forecast period due to the reduction of debt financing as discussed earlier.

Reserve Financing

The Region's reserve financing strategy is an important element of the financial plan. Reserves, funded by operating contributions, Canada Community-Building Fund revenue and investment earnings are a primary funding source to sustain ongoing/recurring capital programs, in particular by ensuring that the Region can fund its State-of-Good-Repair capital program. In addition, reserves are also used to fund unanticipated or one-time expenditure requirements to allow the Region the flexibility to issue debt only when market opportunities arise, and to minimize the fluctuation of property taxes and water and wastewater rates caused by temporary or cyclical conditions.

As shown in the Reserve Continuity schedule below, the projected balance of the Region's reserves at December 31, 2022 is \$1,327.1 million, \$194.8 million of which are reserve funds (e.g., DC funds and self-insurance funds).

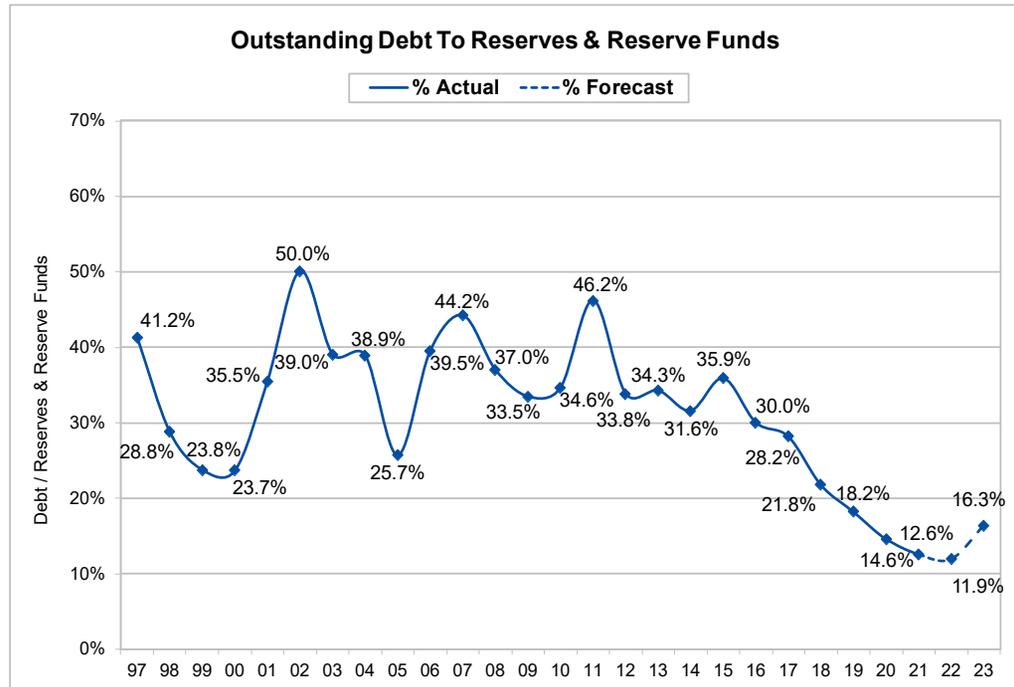
2023 Budget and Forecast Reserve Continuity (\$000s)									
	2021 Ending	2022 Projected Ending*	2023 Transfers						2023 Projected Ending
			Transfers From/(To) Operating	Transfers From/(To) Capital	Intra Reserve Transfers	Projected DC/Dvel. Cntrbtn	Projected Interest Allocation	Total	
Reserves									
Tax Stabilization	\$ 81,297	\$ 85,171	\$ 1,986	\$ (1,384)	\$ -	\$ -	\$ -	\$ 602	\$ 85,773
Rate Stabilization	35,764	35,764	-	-	-	-	-	-	35,764
Program Specific	87,751	85,341	6,156	(6,650)	-	-	-	(494)	84,847
Vehicle & Equipment	91,616	94,543	28,095	(27,934)	(243)	-	2,336	2,253	96,796
Tax Capital	438,325	374,467	55,224	(175,072)	33,843	-	15,866	(70,139)	304,328
Rate Capital	328,910	333,832	109,580	(179,654)	-	-	15,624	(54,450)	279,381
Capital Invst Rvlvg Fund	107,133	123,191	7,366	(32,106)	31,148	-	4,185	10,592	133,783
Sub-Total	1,170,796	1,132,309	208,406	(422,800)	64,747	-	38,011	(111,636)	1,020,674
Reserve Funds									
Corporate	228,357	187,778	18,599	(18,150)	-	-	4,613	5,062	192,840
Development Charges	9,183	7,006	(5,628)	(226,692)	(64,747)	293,282	336	(3,450)	3,557
Sub-Total	237,540	194,785	12,970	(244,842)	(64,747)	293,282	4,949	1,612	196,397
Gross	\$ 1,408,336	\$ 1,327,094	\$ 221,376	\$ (667,642)	\$ -	\$ 293,282	\$ 42,960	\$ (110,024)	\$ 1,217,070

* Balances include the projected year-end surpluses. Schedule may not add due to rounding.

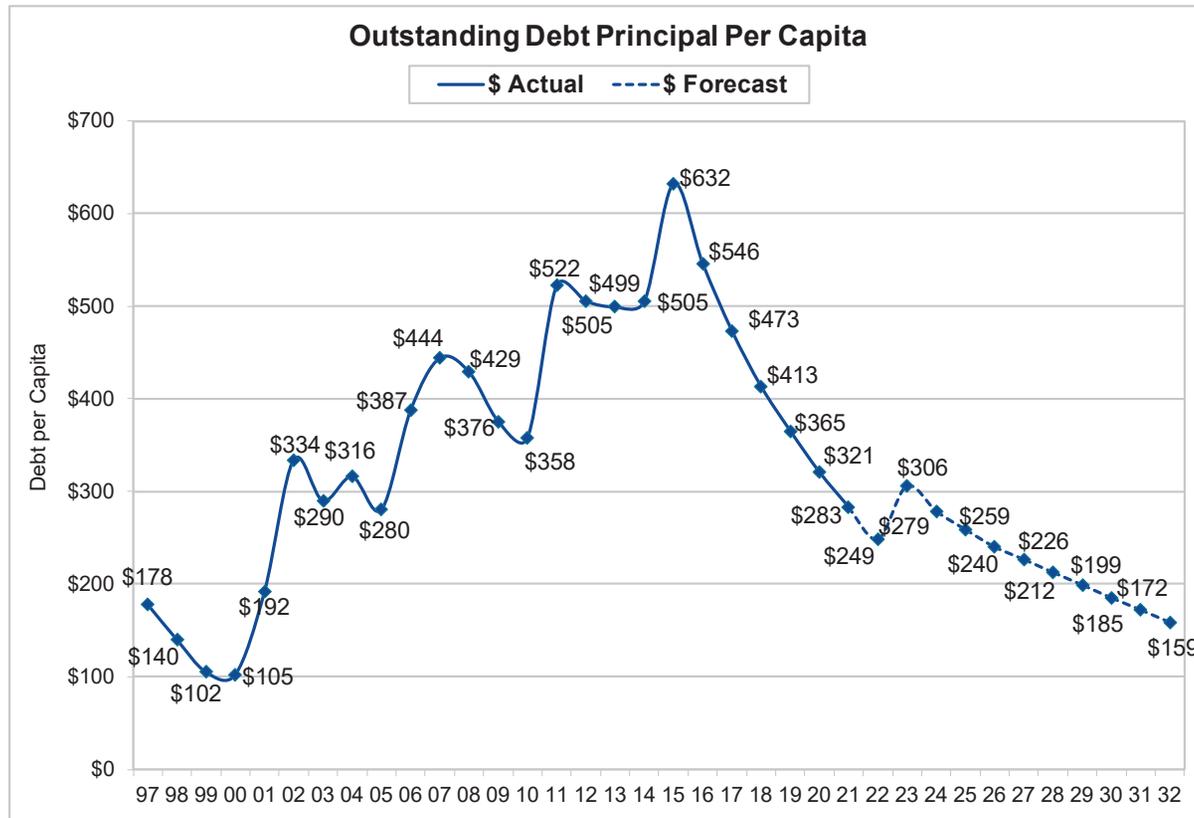
The target balance for the stabilization reserves is 10% of gross operating expenditures for Tax and 15% for Rate (CS-05-13 re: 2012 Year End Accounting Transactions). In 2023, the Tax Stabilization reserve balance is projected to be \$85.8 million, which is \$2.6 million below the target of \$87.4 million. The Rate Stabilization reserve balance is projected to be \$35.8 million, which is \$2.8 million below the target of \$38.6 million. Any operating surplus funds are first applied to the stabilization reserves in order to meet the target levels and any funds in excess of the target balance are transferred to the Tax and Rate Capital reserves or other program areas as per the Reserve Policy.

As shown in the above schedule, the reserve position is projected to decrease by \$110.0 million to \$1,217.1 million (including the reserve funds) at the end of 2023. This reduction is mainly related to the funding required for transportation state-of-good-repair financed from the Tax Capital reserve and Rate state-of-good-repair financing from the Rate Capital reserves. This is offset by an increase to the Capital Investment Revolving Fund related to cash flowing of the 2020 Allocation Program based on available residential financing.

The following Outstanding Debt to Reserves & Reserve Funds chart illustrates the impact of the Region's Financial Plan in terms of the debt to reserve ratio. The lower the ratio, the more financial flexibility is available to respond to new requirements, and the more secure the Region's overall financial position. The ratios over the past 24 years have fluctuated according to capital infrastructure funding needs over time. The ratio rose in 2011 (46.2%) as the Region issued a 30-year term sinking fund debt for \$106.0 million (CS-33-11/ PW-53-11/ LPS58-11) to service strategic employment lands. The ratio is expected to increase in 2023 (16.3%) from the 2022 level due to the issuance of debt for Police related to 1 District New Construction.



The following debt per capita graph demonstrates outstanding debt in relation to the population in the Region. This ratio will rapidly decline over the forecast period, as the Region moves forward with a pay-as-you-go financing for the State-of-Good-Repair capital programs and decrease the reliance on debt.



Conclusion

The 2023 Budget results in a property tax increase of 3.0% for Regional Services and 4.0% for Police Services for a combined tax increase of 3.4%, and a 4.1% rate increase for Water and Wastewater Services. The 2023 Budget provides for a continued COVID-19 response and recovery, while supporting the strategic objectives approved by Regional Council, addressing pressures related to increased demand for services and growth, and the impacts of significant inflationary cost pressures.

Halton Region Budget and Business Plan

BUDGET REPORT 2023

TAX OVERVIEW



CHILD CARE; RECYCLING AND GREEN CART COLLECTION; ASSISTED HOUSING FOR OLDER ADULTS; ACCESS HALTON

Tax Budget Overview

2023 Regional Property Tax Impact including Halton Regional Police Service (HRPS)

Property taxes fund Regional programs and services including Social Services, Road Operations, Housing Services, Waste Management, Public Health, Paramedic Services and other Regional services. Property taxes also fund Police Services, and provide funding for Conservation Authorities, Royal Botanical Gardens, and the North Halton Mental Health Clinic operated by Halton Healthcare.

The 2023 Budget for Regional tax-supported services results in a **3.0% increase** in the Regional share of property taxes (excluding Police Services). This is consistent with Regional Council's priorities of maintaining tax rate increases at or below the rate of inflation while delivering high quality services to Halton residents. The Regional 2023 Tax-Supported Budget is increasing by 4.7% and includes a 1.7% assessment growth assumption for a net tax rate increase of 3.0%.

The HRPS 2023 budget request is \$186.0 million, which is an increase of \$10.1 million, or 5.7%, over the 2022 approved budget. This increase is above the guideline provided by Regional Council of 4.7% as set out in the 2023 Budget Directions (FN-26-22), and is driven by resourcing requirements to address various demands and capital funding costs related to the Police Service's Facilities program. HRPS 2023 budget is scheduled to be approved by the Halton Police Board on December 22, 2022.

The 2023 combined impact of Regional Services and Police Services is a **3.4% increase** in property taxes. The following table provides a summary of the net tax levy requirement for Regional and Police Services.

Tax-Supported Budget Summary (\$000s)											
	2022	2023			Change in Budget				2023		
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved		Assessment Growth (1.7%)	Tax Impact After Assessment	
Regional Services	\$ 293,010	\$ 304,743	\$ 2,184	\$ 306,927	\$ 11,733	4.0%	\$ 13,917	4.7%	\$ (4,981)	\$ 8,936	3.0%
Police Services*	175,947	183,469	2,570	186,039	7,522	4.3%	10,092	5.7%	(2,991)	7,101	4.0%
Total	\$ 468,956	\$ 488,212	\$ 4,755	\$ 492,966	\$ 19,255	4.1%	\$ 24,010	5.1%	\$ (7,972)	\$ 16,037	3.4%

Schedule may not add due to rounding

* The 2023 Police Services Budget is subject to approval by the Halton Police Board which is scheduled to take place on December 22, 2022

The net tax levy for Regional Services is increasing from \$293.0 million in 2022 to \$306.9 million in 2023, an increase of \$13.9 million or 4.7%, with a net tax impact of 3.0% after assessment growth. Of this amount, the 2023 base budget is increasing by \$11.7 million or 4.0%, with the balance relating to strategic investments proposed in the 2023 Budget.

The net tax levy for Police Services is increasing from \$175.9 million in 2022 to \$186.0 million in 2023, an increase of \$10.1 million or 5.7% with a net tax impact of 4.0% after assessment growth. Of this amount, the 2023 base budget is increasing by \$7.5 million or 4.3%, with the balance relating to strategic investments proposed in the 2023 Budget.



The combined 2023 levy request totals \$493.0 million and represents an increase of 5.1%. After assessment growth of 1.7%, these increases result in a net tax impact of 3.4% for the Region and the Police.

The table below illustrates the property tax impact per \$100,000 of current value assessment (CVA).

Property Tax Impact of Regional Government Services (Per \$100,000 CVA)*				
	2022	2023	Change	
	Actual	Budget	\$	%
Regional Services	\$ 173.28	\$ 178.47	\$ 5.19	3.00%
Police Services**	103.77	107.89	4.12	3.97%
Total Regional Taxes*	\$ 277.05	\$ 286.37	\$ 9.31	3.36%

Schedule may not add due to rounding

* Based on projected 1.7% assessment growth

** The 2023 Police Services Budget is subject to approval by the Halton Police Board which is scheduled to take place on December 22, 2022

For illustrative purposes, the property tax impact per \$100,000 CVA is an increase of \$5.19 for Regional Services and the impact for Police Services is an additional \$4.12, resulting in a combined increase of \$9.31 per \$100,000 CVA. The Regional tax increase including Police Services for 2023 would be approximately \$46.55 for a household with a CVA of \$500,000. This is calculated by dividing the assessed household value of \$500,000 by \$100,000 and multiplying the calculated value (5) by the total Regional tax increase per \$100,000 CVA of \$9.31.

2023 Budget Overview

The following table highlights the process undertaken to prepare the 2023 Tax Budget.

2023 Budget Process				
	Report	Date	Tax Increase	Assessment Growth
2023 Forecast	FN-41-21	December 15, 2021	2.6%	1.7%
2023 Budget Directions	FN-26-22	July 13, 2022	3.0%	1.7%
2023 Budget	FN-06-23	January 25, 2023	3.0%	1.7%

Several times during the budget process, Management Committee reviewed the base budget and proposed strategic investments to ensure levels of service are maintained, continuous improvements are undertaken and Council priorities are achieved, which has resulted in a 3.0% tax increase in the 2023 Budget. Bringing the budget in at or below the rate of inflation, including strategic investments, is a result of prudent decision making by Regional Council and continuous improvements to programs and services.

2023 Tax Operating Budget by Program

The following table summarizes the 2023 Tax Budget by program (excluding Police Services). The 2023 requested budget is increasing from \$293.0 million to \$306.9 million, an increase of \$13.9 million or 4.7% before assessment growth. Of this increase, the base budget is increasing by \$11.7 million or 4.0%. This increase includes cost-saving measures and redeployment of staff resources to priority areas in 2023. This results in a net tax increase for the 2023 Budget of 3.0%. The assessment growth (primarily new properties) in 2023 is estimated to be 1.7%, or \$5.0 million. Program budgets are discussed later in the Tax Overview.

Net Operating Budget for Tax-Supported Services (Excluding Police Services)								
Levy Requirement by Program (\$000s)								
	2022	2023			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved	
Healthy Families	\$ 4,876	\$ 5,037	\$ 106	\$ 5,143	\$ 162	3.3%	\$ 267	5.5%
Health Protection	3,698	3,794	-	3,794	95	2.6%	95	2.6%
Healthy Schools & Communities	4,266	4,477	-	4,477	211	4.9%	211	4.9%
Infectious Disease Control	3,426	3,548	42	3,590	122	3.6%	164	4.8%
Public Health Resources	2,311	2,455	(42)	2,413	144	6.2%	102	4.4%
Paramedic Services	23,131	24,927	305	25,233	1,796	7.8%	2,102	9.1%
Children's Services	12,725	13,087	-	13,087	362	2.8%	362	2.8%
Employment & Social Services	7,477	7,475	-	7,475	(2)	0.0%	(2)	0.0%
Housing Services	36,953	39,304	-	39,304	2,351	6.4%	2,351	6.4%
Human Services Planning & Program Support	8,741	8,888	250	9,138	147	1.7%	397	4.5%
Services for Seniors	21,322	23,991	29	24,020	2,669	12.5%	2,698	12.7%
Planning Services	12,867	13,546	-	13,546	679	5.3%	679	5.3%
Economic Development	3,796	3,719	-	3,719	(76)	-2.0%	(76)	-2.0%
Waste Management	45,624	47,842	-	47,842	2,218	4.9%	2,218	4.9%
Road Operations	58,571	60,413	69	60,483	1,843	3.1%	1,912	3.3%
Non-Program*	30,710	29,210	1,424	30,634	(1,500)	-4.9%	(76)	-0.2%
Boards & Agencies	12,516	13,030	-	13,030	514	4.1%	514	4.1%
Net Regional Impact	293,010	304,743	2,184	306,927	11,733	4.0%	13,917	4.7%
Assessment Growth							(4,981)	1.7%
Regional Levy Requirement	\$ 293,010	\$ 304,743	\$ 2,184	\$ 306,927	\$ 11,733	4.0%	\$ 8,936	3.0%

Schedule may not add due to rounding

* Strategic investments for Corporate Administration are reflected under Non-Program in the net amount of \$1.4 million. This includes 15.0 FTEs to support Finance, Digital & Information Services, Legal Services and Human Resource Services, described in further detail below

Included in the net operating expenditures shown above is the cost of Corporate Administration to present the full cost of program delivery.



The following table summarizes the 2023 Corporate Administration cost by department that has been allocated to the program areas, including Non-Program for the tax-supported governance-related services. Of the \$94.2 million, \$27.2 million is recovered from the Rate-Supported Budget. The 2023 Corporate Administration budget is increasing by \$6.0 million, or 6.8%, and includes strategic investments for 15.0 FTEs to ensure levels of service are maintained and Council priorities are achieved. Of the 15.0 FTEs, 4.0 FTEs will support Finance, 2.0 FTEs will support Legal Services, 2.0 FTEs will support Human Resource Services, and 7.0 FTEs will support Digital & Information Services, 3.0 of which will provide maintenance support for the HCHC housing portfolio and will be recovered from the HCHC budget. These investments will support the strategic objectives approved by Regional Council to leverage technology to improve service delivery, create efficiencies and provide needed capacity to respond to needs within the organization. A significant driver of the base budget increase in Corporate Administration is the increase in Legal Services of \$1.0 million in insurance premiums driven by unfavourable market conditions. The 2023 Budget related to Corporate Administration is discussed in detail later in the Tax Overview.

Net Operating Budget for Corporate Administration								
Levy Requirement by Program (\$000s)								
	2022	2023			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved	
Finance	\$ 13,403	\$ 13,753	\$ 516	\$ 14,269	\$ 349	2.6%	\$ 866	6.5%
Digital & Information Services	52,310	54,684	466	55,150	2,374	4.5%	2,840	5.4%
Legal Services	9,539	10,841	245	11,084	1,302	13.7%	1,545	16.2%
Performance, Emergency & Enterprise Risk Management	1,368	1,457	-	1,456	90	6.6%	89	6.5%
Human Resource Services	5,611	5,723	333	6,059	112	2.0%	448	8.0%
Chief Administrative Officer's Office	3,982	4,158	-	4,158	176	4.4%	176	4.4%
Office of the Chair	293	300	-	300	6	2.2%	6	2.2%
Regional Council	1,655	1,709	-	1,709	53	3.2%	53	3.2%
Total	\$ 88,162	\$ 92,625	\$ 1,560	\$ 94,185	4,462	5.1%	\$ 6,023	6.8%

Schedule may not add due to rounding

2023 Tax Operating Budget by Cost Category

The following table summarizes the 2023 Budget by expenditure and revenue categories and shows that total gross expenditures have increased by \$17.8 million, or 2.7%, to \$677.0 million. Subsidies and other program revenue are increasing by \$3.9 million, or 1.1%, to \$370.1 million, resulting in a net expenditure increase of \$13.9 million, or 4.7%, to \$306.9 million.

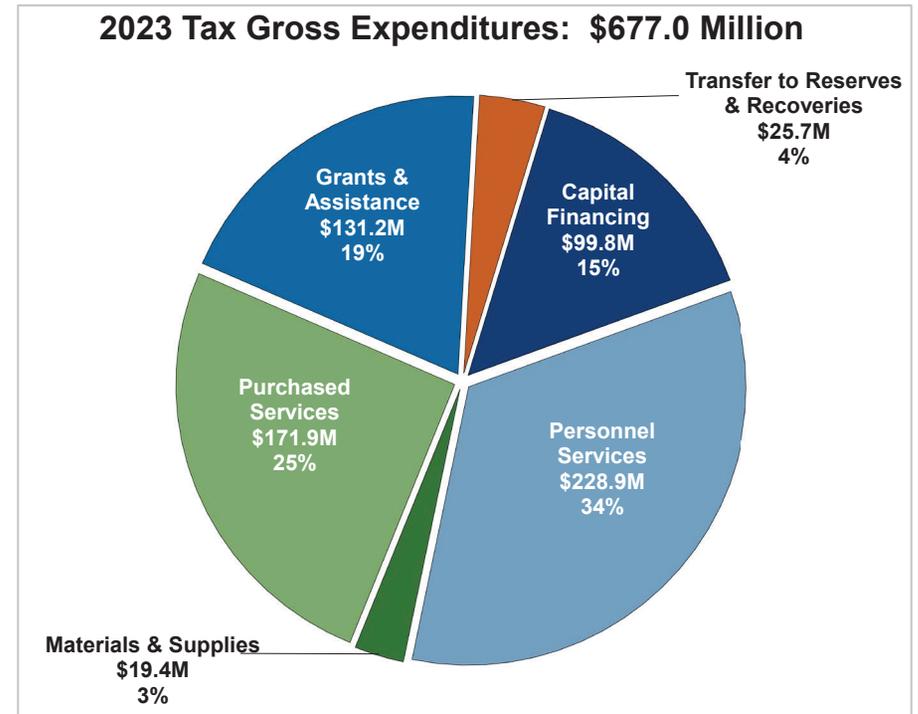
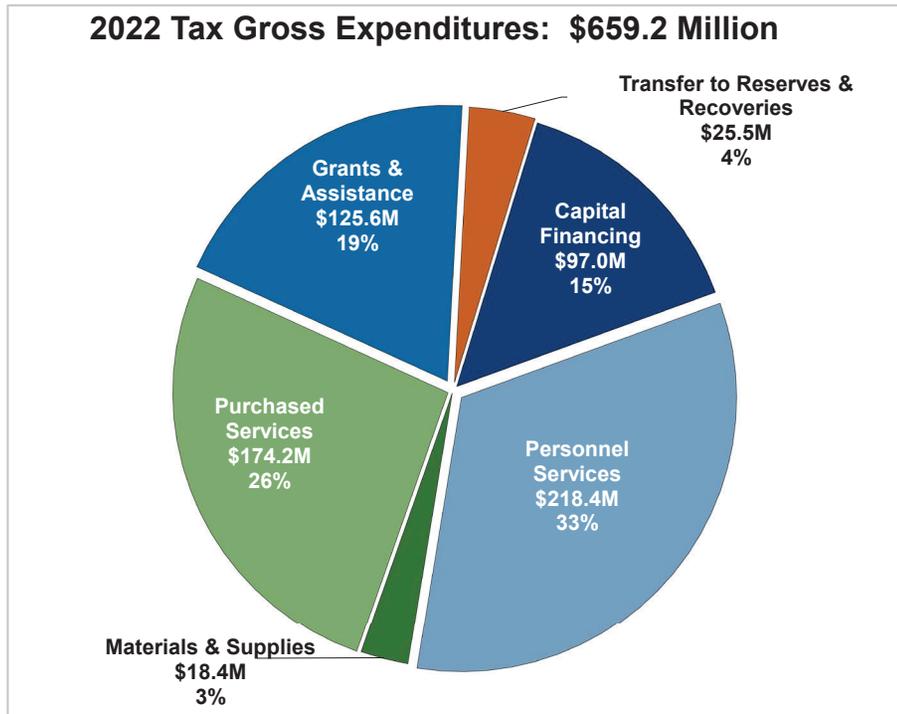
Total Tax Operating Budget Comparison by Cost Category (Excluding Police Services) (\$000s)									
	2022		2023			Change			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved	2023 Requested / 2022 Approved			
Personnel Services	\$ 218,443	\$ 224,504	\$ 4,413	\$ 228,917	\$ 6,062	2.8%	\$ 10,474	4.8%	
Materials & Supplies	18,428	19,344	89	19,433	917	5.0%	1,005	5.5%	
Purchased Services	174,214	172,270	(343)	171,927	(1,944)	-1.1%	(2,287)	-1.3%	
Financial & Rent Expenses	9,554	9,284	319	9,602	(270)	-2.8%	49	0.5%	
Grants & Assistance	125,606	130,936	250	131,186	5,330	4.2%	5,580	4.4%	
Total Direct Costs	546,244	556,338	4,727	561,066	10,094	1.8%	14,821	2.7%	
Allocated Recoveries	(8,649)	(9,323)	(69)	(9,392)	(674)	7.8%	(743)	8.6%	
Corporate Support Recoveries	(19,075)	(20,613)	-	(20,613)	(1,538)	8.1%	(1,538)	8.1%	
Transfers to Reserves - Operating	54,260	52,272	-	52,272	(1,988)	-3.7%	(1,988)	-3.7%	
Transfer from Reserves - Operating	(10,588)	(6,138)	-	(6,138)	4,450	-42.0%	4,450	-42.0%	
Gross Operating Expenditures	562,193	572,536	4,658	577,194	10,343	1.8%	15,001	2.7%	
Capital Financing Expenditures	96,988	99,801	23	99,824	2,813	2.9%	2,836	2.9%	
Total Gross Expenditures	659,181	672,338	4,681	677,018	13,156	2.0%	17,837	2.7%	
Subsidy Revenue	(266,811)	(267,753)	(2,120)	(269,873)	(943)	0.4%	(3,063)	1.1%	
Other Revenue	(99,361)	(99,841)	(377)	(100,218)	(480)	0.5%	(857)	0.9%	
Total Revenue	(366,171)	(367,595)	(2,497)	(370,091)	(1,423)	0.4%	(3,920)	1.1%	
Net Program Expenditures	\$ 293,010	\$ 304,743	\$ 2,184	\$ 306,927	\$ 11,733	4.0%	\$ 13,917	4.7%	
Assessment Growth									1.7%
Tax Impact									3.0%

Schedule may not add due to rounding.

The key changes in the gross expenditures and revenues are discussed below.

Gross Expenditures

The following charts show the breakdown of the total gross expenditures in the 2022 and 2023 operating budgets for Regional tax-supported services by cost category. The 2023 operating budget includes \$677.0 million in total gross expenditures.



Total gross expenditures are increasing by \$17.8 million, or 2.7%, in the 2023 Tax-Supported Budget, attributable to the following key changes.

Personnel Services - \$10.5 million increase

Personnel costs account for 34% of total gross expenditures for tax-supported services (excluding Police Services). As shown in the following table, compensation costs are proposed to increase by 4.8% or \$10.5 million in 2023 as a result of:

- 2.77% or \$6.1 million for base budget compensation increases, comprised of the following:
 - 2.04% or \$4.5 million increase to salary budget based on a 2.5% increase in the non-union pay band based on a pay-for-performance merit system and anticipated increases in union agreements;
 - 0.73% or \$1.6 million increase to benefit costs based on increases in statutory and other benefits calculated as a percentage of earnings
- 2.02% or \$4.4 million increase for an additional 48.3 FTEs and net reduction of 6,052.8 relief hours included as strategic investments in the 2023 Budget.

2023 Compensation Summary (Excluding Police Services)

	2021	2022	2023			Change
	Compensation Budget	Compensation Budget	Compensation Inc/(Dec)	Strategic Investments	Compensation Budget	
Healthy Families	\$ 7,941,198	\$ 8,191,300	\$ 229,990	\$ 243,300	\$ 8,664,590	5.78%
Public Health Resources	3,240,344	3,421,870	83,810	-	3,505,680	2.45%
Health Protection	5,820,197	6,273,170	159,260	-	6,432,430	2.54%
Healthy Schools & Communities	7,015,964	8,493,385	248,075	-	8,741,460	2.92%
Infectious Disease Control	5,207,325	5,718,990	142,900	-	5,861,890	2.50%
Paramedic Services	30,644,590	32,110,070	1,170,680	192,730	33,473,480	4.25%
Children's Services	11,794,118	12,537,910	323,750	255,300	13,116,960	4.62%
Employment & Social Services	5,893,666	6,007,480	122,870	-	6,130,350	2.05%
Housing Services (Excluding HCHC)	3,483,630	3,539,020	78,750	96,780	3,714,550	4.96%
Halton Community Housing Corporation	2,724,491	2,763,860	71,910	364,950	3,200,720	15.81%
Human Services Planning & Program Support	3,260,002	3,311,740	(29,050)	-	3,282,690	-0.88%
Services for Seniors	49,304,480	57,143,410	1,261,030	1,735,970	60,140,410	5.24%
Planning Services	6,387,528	6,884,910	140,400	-	7,025,310	2.04%
Economic Development	2,106,669	2,029,980	16,440	-	2,046,420	0.81%
Road Operations	1,984,538	2,008,730	50,390	-	2,059,120	2.51%
Waste Management	4,466,984	4,767,280	188,060	-	4,955,340	3.94%
Corporate Administration	47,862,091	51,590,583	1,762,933	1,523,810	54,877,326	6.37%
Office of the Chair & Regional Council	1,616,060	1,649,180	39,390	-	1,688,570	2.39%
Total	\$ 200,753,875	\$ 218,442,868	\$ 6,061,588	\$ 4,412,840	\$ 228,917,296	4.80%
Compensation Increase			2.77%	2.02%	4.80%	

Schedule may not add due to rounding

Staff Complement and Relief Hours

As shown in the following table, the additional staff complement proposed in the 2023 Tax-Supported Budget (excluding Police Services) includes an increase of 48.3 FTEs and a net reduction of 6,052.8 relief hours for strategic investments.

2023 Complement Summary (Excluding Police Services)					
	2021	2022	2023		
	Budgeted Staff Complement	Budgeted Staff Complement	Strategic Investments	Budgeted Staff Complement	Change
FTE:					
Healthy Families	72.5	72.1	2.0	74.1	2.77%
Health Protection	49.7	50.7	-	50.7	0.00%
Healthy Schools & Communities	65.4	75.9	0.5	76.4	0.66%
Infectious Disease Control	45.1	47.5	-	47.5	0.00%
Public Health Resources	23.0	23.0	-	23.0	0.00%
Paramedic Services	204.5	210.5	7.0	217.5	3.33%
Children's Services	102.8	106.8	2.0	108.8	1.87%
Employment & Social Services	57.0	57.0	-	57.0	0.00%
Housing Services (Excluding HCHC)	31.0	31.0	1.0	32.0	3.23%
Halton Community Housing Corporation	27.0	27.0	3.0	30.0	11.11%
Human Services Planning & Program Support	28.0	27.0	-	27.0	0.00%
Services for Seniors	516.8	582.4	20.8	603.2	3.57%
Planning Services	49.0	52.0	-	52.0	0.00%
Economic Development	17.0	16.0	-	16.0	0.00%
Waste Management	40.6	43.4	-	43.4	0.00%
Road Operations	17.0	17.0	-	17.0	0.00%
Corporate Administration	377.7	398.2	12.0	410.2	3.01%
Office of the Chair & Regional Council	1.0	1.0	-	1.0	0.00%
Relief Hours:					
Paramedic Services	84,988.2	88,933.8	(13,152.0)	75,781.8	(14.79)%
Healthy Schools & Communities	1,350.2	1,350.2	-	1,350.2	0.00%
Children's Services	1,827.0	3,587.5	-	3,587.5	0.00%
Services for Seniors	81,705.2	112,722.5	7,099.2	119,821.7	6.30%
Total:					
FTE	1,725.1	1,838.5	48.3	1,886.8	2.63%
Relief Hours	169,870.6	206,594.0	(6,052.8)	200,541.2	-2.93%

Casual relief resources employed in the Region are represented by a number of relief hours required rather than as full time equivalents in order to better reflect the nature of the resource needs. In areas where staff provide direct client care (such as paramedics and personal support workers in long-term care), whenever staff is absent from work for a variety of reasons (such as vacation, illness, injury, training), there is a requirement to replace the staff with a casual relief employee. These program areas need to maintain a pool of relief resources at a sustainable level to allocate the resources based on the number of hours required to provide the appropriate coverage.

As noted above, the 2023 Budget includes an additional 48.3 FTEs and a net reduction of 6,052.8 relief hours requested proposed as strategic investments. Of the 48.3 FTEs, 37.3 FTEs will be either fully or partially funded by subsidies, a conversion of relief hours, through the capital & HCHC budgets, or reallocated base budget provisions as follows:

- 19.8 FTEs and 7,099.2 relief hours include Provincial funding to fully fund the cost to provide increased direct care hours for residents in Long-Term Care
- 6.0 FTEs are funded through a conversion of 13,152.0 relief hours in Paramedic Services, and include Provincial funding based on the current cost-share levels to further fund the cost
- 4.0 FTEs include Provincial funding based on the current cost-share levels to partially fund the cost
- 3.5 FTEs will be fully funded through reallocated base budget provisions
- 3.0 FTEs will provide maintenance support for the HCHC housing portfolio, and will therefore be recovered from the HCHC budget
- 1.0 FTE will support capital programs and will therefore be fully recovered from the capital budget

The remaining 11.0 FTEs will be funded from property taxes, and will support strategic priorities, and will address pressures driven by growth and increased demand for services.

Materials & Supplies - \$1.0 million increase

- \$465,000 increase in contract costs related to food and supplies in Services for Seniors
- \$303,000 increase due to increased rates for natural gas and fuel
- \$137,000 increase in the contract rates for the purchase of blue bins and green carts
- \$110,000 increase in computer hardware and software requirements

Purchased Services – (\$2.3 million) decrease

- (\$3.9 million) decrease in Children's Services fee subsidy as a result of the fee reductions implemented through the Canada-Wide Early Learning and Child Care (CWELCC) System, offset with a reallocation to Grants & Assistance (General Operating Grants)
- (\$2.6 million) decrease due to the removal of one-time expenditures in the Public Health 2022 Budget for temporary staff and other support related to COVID-19
- (\$115,000) decrease in Economic Development for Toronto Global's annual fee for foreign direct investment attraction services to reflect the new funding and governance model
- \$200,000 increase to fund consulting services to support the design and implementation study of a vacant homes tax (**FN-15-22**), offset with a transfer from the Tax Stabilization reserve
- \$528,000, or 3.6% overall increase in road maintenance activities to reflect lane kilometre growth and inflation, with additional increases required to support increased costs for sign and guide rail maintenance, and pavement marking services
- \$562,000 increase due to increased contract cost for supportive housing visits related to the PSW Permanent Compensation Enhancement Program, fully offset with Provincial funding

- \$800,000 increase in IT for software maintenance and computing services based on operational needs and to support the implementation of the digital strategy, including transitioning to a new Customer Relationship Management System (Salesforce)
- \$998,000 increase for insurance premiums and deductible expenses due to unfavourable market conditions, as well as an increase in paid claim losses
- \$1.3 million, or 4.0% increase in waste contracts to reflect 3.0% inflation and 1.0% tonnage growth

Financial & Rent Expenses - \$49,000 increase

- \$348,000 increase proposed as a strategic investment in Paramedic Services to lease a larger storage facility to address operational storage pressures
- \$200,000 increase in tax write-offs to align with the 7-year actual trend
- \$148,000 increase in Waste Management related to increased equipment rental costs
- \$31,000 increase in vehicle leases for Paramedic Services to support logistic operations
- \$12,000 net increase in lease costs for Children's Services, Services for Seniors and Public Health
- (\$690,000) decrease in lease expenditures due to the completion of several leases in 2023 as a result of the Halton Regional Centre Renovation and Modernization project, offset with increased capital financing and operational costs to support the expanded HRC square footage

Grants & Assistance - \$5.6 million increase

- \$4.1 million increase in Children's Services to align with the latest funding allocations, including a reallocation of expenditures from Fee Subsidy to General Operating Grants, as a result of the fee reductions implemented through the Canada-Wide Early Learning and Child Care System
- \$798,000 increase for initiatives to develop community-based prevention and intervention strategies to prevent gun and gang violence with Federal funding provided through the Building Safer Communities Fund (**SS-21-22**)
- \$737,000 increase in Housing Services mainly due to increases in Housing Provider subsidies based on the Provincial indices, and an increase to align with the latest funding allocation for the Homelessness Prevention Program, partially offset with reductions due to the removal of one-time funding enhancements provided through the Social Services Relief Fund and Reaching Home programs
- \$512,000 increase in municipal funding for the Boards & Agencies
- \$250,000 increase proposed as a strategic investment in the Halton Region Community Investment Fund (HRCIF) to increase Halton's capacity to address Community Safety and Well-Being and other emergent community priorities including strengthening equity, diversity and inclusion in Halton.
- (\$800,000) decrease due to the removal of one-time expenditures related to by-law support, offset with the removal of an equivalent reserve transfer

Allocated Recoveries - (\$743,000) increase

- (\$515,000) increase in recoveries from the Rate-Supported Budget for risk management, software maintenance, and fleet services
- (\$306,000) increase in recoveries from Police Services mainly related to risk management services provided by the Region
- (\$117,000) increase in recoveries from capital projects driven by a strategic investment proposed for a Senior Strategic Sourcing Specialist
- \$195,000 incremental charge from the Rate-Supported Budget related to 1.0 FTE proposed as a strategic investment (Project Manager II) and inflationary increases

Corporate Support Recoveries - (\$1.5 million) increase

- Increased recoveries from rate-supported programs for expanding needs, including additional resources acquired through the 2022 strategic investments, and to support the implementation of the Region's Digital Strategy

Transfers to Reserves - Operating - (\$2.0 million) decrease

- (\$1.8 million) decrease in transfers related to prior year favourable assessment growth to offset the 2022 assessment growth shortfall
- (\$200,000) decrease due to completion of the payback for the Randal Reef Remediation Project (CS-49-12)

Transfers from Reserves - Operating - \$4.5 million decrease

- \$3.8 million decrease due to the removal of the one-time transfers from the COVID-19 Stabilization reserve to fund costs related to the COVID-19 pandemic in the 2022 Budget.
- \$2.1 million decrease due to the removal of the transfer from the Tax Stabilization reserve to fund the 2022 assessment growth shortfall
- (\$200,000) transfer from the Tax Stabilization reserve to fund consulting services to support the design and implementation study of a vacant homes tax
- (\$1.2 million) transfer from the COVID-19 Recovery reserve to fund expenditures included in the 2023 Budget in Housing and Corporate Administration related to COVID-19 response and recovery

Capital Financing Expenditures - \$2.8 million increase

- \$1.0 million to support the Roads Resurfacing and Roads State-of-Good-Repair capital programs
- \$601,000 to support the ongoing Regional Facilities State-of-Good-Repair capital program
- \$300,000 increase for the Regional Long-Term Accommodation Strategy payback
- \$285,000 increase in Planning Services to support the Ontario Land Tribunal & Other Litigation project
- \$284,000 to support corporate and program specific technology capital requirements
- \$117,000 to support new and replacement Paramedic Services vehicles and power cots
- \$110,000 increase to support floodplain mapping for Conservation Halton (FN-41-19)
- \$80,000 increase to support the Emerald Ash Borer program for Conservation Halton (FN-19-17)

Gross Revenues

The \$677.0 million total gross expenditures in the Tax-Supported Budget are funded from various sources as shown in the table below. In the 2023 Tax-Supported Budget, 45.3% of the total gross expenditures are funded from property taxes and 37.9% are funded from Provincial subsidies. The other 16.8% of the funding comes from Federal subsidies, investment income, user fees, and supplementary taxes.

Tax Gross Operating Revenues By Funding Source (\$000s)						
	2022		2023		Change in Budget	
	\$	% of Total	\$	% of Total	\$	%
Property Tax Revenue	\$ 293,010	44.5%	\$ 306,927	45.3%	\$ 13,917	4.7%
Provincial Subsidies	254,421	38.6%	256,576	37.9%	2,156	0.8%
Investment Income	51,383	7.8%	51,383	7.6%	-	0.0%
Program & Other Revenue	40,678	6.2%	41,535	6.1%	857	2.1%
Federal Subsidies	12,390	1.9%	13,297	2.0%	907	7.3%
Supplementary Taxes	7,300	1.1%	7,300	1.1%	-	0.0%
Total Revenue	\$ 659,181	100.0%	\$ 677,018	100.0%	\$ 17,837	2.7%

Schedule may not add due to rounding

Overall, for the 2023 Budget, revenues are expected to increase by \$17.8 million, or 2.7%. This includes a \$13.9 million increase in property taxes (including a property tax increase of 3.0% and assessment growth of 1.7%), and, as discussed below, a \$2.2 million increase in Provincial subsidies, an additional \$857,000 in program fees and other revenues, and a \$907,000 increase in Federal subsidies. The 2023 budgets for investment income and supplementary tax revenue are in line with 2022.

Provincial Subsidies - \$2.2 million increase

In total, \$256.6 million of Provincial subsidies are included in the 2023 Tax-Supported Budget and are primarily used to fund cost-shared programs in Health and Social & Community Services. Of the total, \$3.2 million is related to COVID-19 response and recovery to support temporary staffing and other operational costs in Public Health. The Ministry of Health has communicated that COVID-19 response costs will continue to be eligible for funding in 2023. While all other COVID-19 recovery one-time expenditures have not been funded as requested, it is anticipated that there may be a future opportunity to recover these costs. Staff continue to monitor expenditures, provide the Province with quarterly reports, and advocate for additional funding to support this essential additional service.

Change in Provincial Subsidies 2022-2023 (\$000s)		
Program	Funding	2022-2023 Change
Public Health	School-Focused Nurses Initiative*	(1,798)
	COVID-19 Response*	(882)
	Base Funding*	783
	Ontario Seniors Dental Care Program**	673
	Strategic Investments*	142
	Subtotal	(1,081)
Paramedic Services	Base Funding	585
	Strategic Investments	271
	Subtotal	856
Children's Services	Wage Enhancement Grant (WEG)	132
	Base Funding	(1,937)
	Early Learning and Child Care (ELCC)	699
	EarlyON	308
	One-Time Transitional Grant	2,540
	Subtotal	1,743
Housing Services	Federal Block Funding**	250
	Investment in Affordable Housing (IAH-SIF)**	(67)
	Homelessness Prevention Program (HPP)	698
	Social Services Relief Fund (SSRF) Phase 4**	(2,196)
	Subtotal	(1,316)
Services for Seniors	Community Support Services**	640
	Per Diem funding at the Long-Term Care Homes**	305
	Strategic Investments: Direct Care Funding**	1,638
	Strategic Investments: LTC funding based on current cost-share*	69
	Minor Capital Program**	(96)
	COVID-19 Infection, Prevention & Containment**	(347)
	Subtotal	2,208
Employment & Social Services	Ontario Works Employment Assistance**	(304)
	Subtotal	(304)
Road Operations	Aggregate Resource Trust	50
	Subtotal	50
Total Change in Provincial Subsidies		\$ 2,156

*Funding not confirmed.

**Funding confirmed.

All other funding is based on current funding models or allocations

The 2023 Budget was prepared with the most current information available at the time. However, there is uncertainty as there are still several programs and funding models currently under review by the Province that could affect 2023, including the Children's Services funding model, additional funding for the Canada-Wide Early Learning and Child Care System, service delivery of Employment Ontario programs, and the Public Health funding model.

As shown in the table below, the total increase in Provincial funding in the 2023 Budget is \$2.2 million, or 0.8%. The 2023 base budget for Provincial subsidies is \$251.2 million, and is budgeted to be augmented by \$3.2 million in one-time COVID-19 funding to support COVID-19 response and recovery efforts in Public Health. In addition, \$2.1 million in Provincial subsidies is included in the strategic investments. Of this amount, \$1.6 million is related to an increase in Direct Care Hours funding from the Ministry of Long-Term Care to provide more direct hours of care for residents of the Region's Long-Term Care homes (**SS-03-22**). The remaining \$482,000 in Provincial subsidies included in the strategic investments for Public Health, Paramedic Services and Services for Seniors are anticipated based on current cost-share levels and funding models, but not yet confirmed.

Provincial Subsidies By Program (\$000s)							
	2022 Total	2023				Change in Budget	
		Base	COVID-19 One-Time	Strategic Investments	Total	Total	
Public Health	\$ 32,262	\$ 29,599	\$ 3,238	\$ 142	\$ 32,979	\$ 717	2.2%
Public Health - School-Focused Nurses Initiative	1,798	-			-	(1,798)	-100.0%
Paramedic Services	23,727	24,312		271	24,583	856	3.6%
Children's Services	107,370	109,113			109,113	1,743	1.6%
Housing Services	16,021	14,705			14,705	(1,316)	-8.2%
Services for Seniors	45,999	46,500		1,707	48,207	2,208	4.8%
Employment & Social Services	26,936	26,632			26,632	(304)	-1.1%
Road Operations	100	150			150	50	50.0%
Economic Development	208	208			208	-	0.0%
Total	\$ 254,421	\$ 251,219	\$ 3,238	\$ 2,120	\$ 256,576	\$ 2,156	0.8%

Schedule may not add due to rounding

Public Health

As of January 1st, 2020, the Province changed the funding formula for Public Health from a cost-share model with 100% and 75% Provincial funding for various programs, to 70% Provincial funding for all cost-shared programs (excluding the Ontario Seniors Dental Care Program). As shown in the table below, Public Health's 2023 Budget is funded based on 58% funding from the Province for cost-shared programs, and 42% from the Region, as the Province has not committed to additional funding to make up the current Provincial shortfall. The subsidy funding does not keep pace with the increase in costs and demand for services. In 2022, Halton will contribute \$6.6 million more than its cost share to compensate for shortfalls in Provincial funding to maintain essential services, and this will increase to \$6.9 million in 2023. From 2014 to 2022, Public Health has only received a total funding increase of 4%, including a 3% increase in 2018 and a 1% increase in 2022. The 2023 Budget for cost-shared programs includes an increase of \$925,000, comprised of an increase of \$783,000 in funding required to match the 2022 cost-share level and \$142,000 for strategic investments. The funding for this increase has not been confirmed by the Province and the anticipated shortfall will increase further in 2023 if it is not approved.

As reported through Report No. **MO-10-22** (re: Oral Health Update), one-time funding and an increase in annual base funding was requested from the Ministry of Health in 2022 to address current community need in the Ontario Seniors Dental Care Program (OSDCP). This request was approved, and annual base funding increased from \$1.2 million to a total of \$3.9 million when fully annualized in 2023, which will allow for a full range of dental services to be available for eligible clients. The 2023 Budget includes an increase of \$673,000 to reflect the confirmed fully-annualized increase provided by the Ministry of Health for the OSDCP.

The subsidy provided by the Ministry of Children, Community and Social Services for the Healthy Babies Healthy Children (HBHC) program has not increased since 2013, and is anticipated to remain frozen at the 2022 funding levels based on the latest funding allocations received from the Province.

Public Health												
\$000s	Expenditure Budget			Subsidy Budget						Anticipated Shortfall (\$)		
	2022	2023	Change	2022		2023		Change		2022	2023	Change
Public Health - 70/30 Cost-Shared Programs	\$ 39,828	\$ 41,490	\$ 1,662	\$ 23,012	58%	\$ 23,937	58%	\$ 925	4%	\$ 4,909	\$ 5,147	\$ 238
Ontario Seniors Dental Care Program	3,257	3,931	673	3,257	100%	3,931	100%	673	21%	-	-	-
Healthy Babies Healthy Children	3,588	3,674	87	1,874	52%	1,874	51%	-	0%	1,714	1,801	87
Total	\$ 46,673	\$ 49,095	2,422	\$ 28,143	60%	\$ 29,741	61%	\$ 1,598	6%	\$ 6,623	\$ 6,948	\$ 325

Paramedic Services

The 2023 Budget includes a funding increase of \$743,000 comprised of \$472,000 in base funding and \$271,000 included in strategic investments, which reflects the current funding model that supports program growth, but not inflation. Cost-shared funding is intended to support a cost-share between the Provincial and Regional governments of 50/50, however, the 2023 Budget is funded based on a cost-share of 47% funding from the Province, and 53% from the Region. The shortfall is increasing by \$639,000 to \$1.5 million in 2023.

Paramedic Services												
\$000s	Expenditure Budget			Subsidy Budget						Anticipated Shortfall (\$)		
	2022	2023	Change	2022		2023		Change		2022	2023	Change
Paramedic Services 50/50 Cost-Shared Programs	\$ 44,147	\$ 46,911	\$ 2,764	\$ 21,183	48%	\$ 21,926	47%	\$ 743	4%	\$ 891	\$ 1,530	\$ 639

Children's Services

As shown in the following table, the 2023 Budget reflects a net increase of \$1.7 million, or 1.6%, in funding from the Ministry of Education to align with the latest confirmed funding allocation which includes a one-time transitional grant of \$2.5 million to offset the previous administration funding reductions, an increase in EarlyON and Federal Early Learning and Child Care funding of \$1.0 million, and an increase in Wage Enhancement Grant (WEG) Administration funding of \$132,000, partially offset with a reduction in Utilization funding, which is a component of base funding, of \$1.9 million. As reported in **FN-26-22**, in April 2022 the Ministry of Education advised that the administrative funding reductions would be reversed, and funding would be restored on an ongoing basis to 2021 levels.

Children's Services (\$000's)			
	2022 Amended Budget*	2023 Requested Budget	2023 / 2022 Change
Expenditures:			
Administration	\$ 6,032	\$ 8,074	\$ 2,041
Regional Child Care Centres	2,999	3,065	66
Fee Subsidy	23,861	19,952	(3,909)
Special Needs	11,177	11,624	447
Community Support	77,565	81,025	3,459
Total	\$ 121,635	\$ 123,740	\$ 2,105
Funding:			
Ministry of Education (EDU):			
Base Program	36,525	36,850	325
Early Learning and Child Care Agreement (ELCC)	2,696	3,396	699
EarlyON Child and Family Centres	4,175	4,483	308
Wage Enhancement Grant (WEG)	11,904	12,301	397
Licensed Home Child Care	552	566	14
Canada-Wide Early Learning and Child Care (CWELCC)	50,587	50,587	-
Total EDU	\$ 106,439	\$ 108,183	\$ 1,743
Ministry of Children, Community and Social Services	931	931	-
Other Revenues	1,540	1,540	-
Net Regional Contribution	12,725	13,087	362
Total	\$ 121,635	\$ 123,740	\$ 2,105

* 2022 Budget amended for \$50.6 million in CWELCC funding as per Report No. SS-12-22 re: Early Learning and Child Care Update

The Canada-Wide Early Learning and Child Care System (CWELCC) represents a substantial investment in early years and child care by the Government of Canada and Province of Ontario. As reported through Report No. **SS-12-22** (re: Early Learning and Child Care Update), in 2022, Halton Region received an allocation of \$50.6 million as part of the CWELCC to reduce child care fees for families. In March 2022, the Federal government and Province of Ontario signed the Canada-Ontario Early Learning and Child Care Agreement, which will lower licensed child care fees for parents/caregivers to \$10-a-day, on average, by September 2025. In 2022, child care fees were reduced by 25%, beginning April 1, 2022. Effective January 2023, fees will be reduced by a further 25%, resulting in a total child care fee reduction for families of 50% on average. Further reductions are expected to take place in 2024 and 2025. Increased demand for licensed child care is expected as the cost of care continues to decrease. The investment also includes funding to support a new minimum wage for registered early childhood educators, supervisors and home child care visitors working in licensed child care. In 2023, eligible educators will receive an increase of \$1/hour, up to a maximum wage of \$25/hour.

The 2023 Budget for CWELCC funding is based on 2022 funding levels, as the confirmed funding allocation for 2023 had not been received prior to finalization of the 2023 Budget and Business Plan. Staff will report back to Council in 2023 with further updates on the Canada-Wide Early Learning and Child Care System.

Housing Services

The 2023 Budget for Provincial funding is decreasing by \$1.3 million due to the removal of one-time funding provided through the Social Services Relief Fund of \$2.2 million, and a decrease of \$67,000 in Investment in Affordable Housing funding based on the projected spending, partially offset with increased allocations for Homelessness Prevention Program funding (\$698,000) and Federal Block Funding for Community Housing Providers (\$250,000).

Services for Seniors

The majority of Provincial funding in Services for Seniors is provided for the Long-Term Care (LTC) homes by the Ministry of Long-Term Care (MLTC) on a per bed, per day basis, with an adjustment to reflect the Case Mix Index (CMI) of the home, which is a numeric value assigned to a LTC home used as a measure of the care requirements of residents. As shown in the table below, the 2022 to 2023 re-indexing of eligible CMI funding by the MLTC results in subsidy received that is 92.1% of the calculated care needs of residents which has remain unchanged since 2021 to 2022. While the calculated CMI has been increasing the MLTC re-indexing factor has been decreasing, resulting in a gap between subsidy required and subsidy received. The projected shortfall resulting from the difference between the calculated CMI and the funded CMI is \$2.1 million in the 2023 Budget. This shortfall results in increased Regional investment required to maintain service levels.

Long-Term Care Homes - Case Mix Index								
Case Mix Index	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023
Allendale	103.76%	104.97%	110.13%	117.78%	120.27%	123.36%	124.42%	124.42%
Post Inn Village	105.71%	105.95%	106.34%	112.82%	115.66%	118.20%	120.53%	120.53%
Creekway Village	115.45%	114.72%	116.56%	120.52%	120.51%	123.11%	125.14%	125.14%
MLTC Re-Indexing Factor	97.3%	96.4%	95.6%	94.6%	93.2%	92.7%	92.1%	92.1%
Change in Re-Indexing Factor		-0.9%	-0.8%	-1.1%	-1.4%	-0.5%	-0.7%	0.0%

The 2023 Budget for Provincial funding is increasing by \$2.2 million driven by an increase of \$1.6 million in funding confirmed by the MLTC which has been included as a strategic investment to fund 19.8 FTEs and 7,099.2 relief hours to support an increase in direct care hours. An increase of \$69,000 is also included in a strategic investment proposed for a Contracts Administration Coordinator based on the current cost-share level, however has not yet been confirmed. These increases are partially offset with a net decrease of \$139,000 in base funding for Long-Term Care due to the removal of one-time infection prevention and control funding, and the discontinuation of LTC minor capital funding as of March 31, 2023. In addition, Services for Seniors also receives funding from Ontario Health (OH) for Supportive Housing and Adult Day programs, which has increased by \$640,000 largely to fund the PSW Permanent Compensation Enhancement Program.

Employment & Social Services

Provincial funding is provided for Ontario Works (OW) benefits, OW cost of administration, and Employment programs. OW benefits are 100% Provincially-funded and the cost of administering the OW program is intended to be cost-shared 50/50 with municipalities. As noted in Report No. **SS-19-22** (re: Update – Employment Services Transformation – Announcement of Service System Managers), as part of its employment services transformation, the Provincial government selected Fedcap Canada to be the employment Services System Manager for Halton Region. As the service system manager, Fedcap Canada became responsible for the overall direction and funding of employment services within Halton region effective July 1, 2022. Effective April 1, 2023, responsibility for the delivery of employment supports to Ontario Works clients will also be transferred to Fedcap. The 2023 Budget includes a reduction of \$300,000 in Ontario Works Employment Assistance funding as a result of the transformation of employment services and the transfer of responsibility for the delivery of employment supports to Ontario Works job seekers from Halton Region to the Service System Manager. The net impact of the reduction has been mitigated through equivalent expenditure reductions in the 2023 Budget. Throughout 2023, as the Employment and Social Services division determines the requirements and the Provincial government's vision for social

assistance reform, a review will be undertaken to ensure that staff roles and responsibilities align with the new program delivery standards, and funding allocations align with expenditures. Additional information regarding the transformation will be brought forward to Council in 2023 as details become known.

Program Fees and Other Revenue - \$857,000 increase

The program-specific fees and charges are anticipated to be \$41.5 million in 2023, an \$857,000, or 2.1% increase. Fees are reviewed annually and adjusted as appropriate to reflect changes in quantities, inflation and other cost adjustments. The following table details the fees and other revenues (excluding Police Services) by major program. The most significant user fee revenues are those received from the residents of the Region’s LTC homes of \$15.0 million.

Tax Program Fees & Other Revenues (\$000s)				
	2022	2023	Change in Budget	
Health Protection	\$ 59	\$ 49	(10)	-17.1%
Healthy Schools & Communities	4	4	-	0.0%
Infectious Disease Control	73	75	2	2.7%
Paramedic Services	17	18	-	0.0%
Children's Services	1,540	1,540	-	0.0%
Employment & Social Services	966	966	-	0.0%
Housing Services	2,341	2,398	57	2.5%
Services for Seniors	15,040	15,040	-	0.0%
Planning Services	1,351	1,376	25	1.8%
Economic Development	8	8	0	2.5%
Waste Management	8,106	8,068	(38)	-0.5%
Road Operations	507	564	57	11.3%
Non-Program	6,791	7,086	295	4.3%
Finance	750	750	-	0.0%
Legal Services	232	238	6	2.7%
Digital & Information Services	2,894	3,356	462	16.0%
Total	\$ 40,678	\$ 41,535	\$ 857	2.1%

Schedule may not add due to rounding

The \$857,000 increase in program fees and other revenues is driven by:

- \$462,000 increase in Digital & Information Services due to increased recoveries from HCHC primarily related to 3.0 FTE strategic investments to provide maintenance support for the HCHC housing portfolio
- \$295,000 increase in Non-Program primarily due to increased Payment-in-Lieu revenues based on the actual 7-year trend
- \$57,000 increase in Housing Services primarily related to increased recoveries from HCHC
- \$57,000 increase in Road Operations mainly due to higher recoveries from the Ministry of Transportation for signal maintenance and higher recoveries from third parties for damages to Regional property based on trends



Federal Subsidies - \$907,000 increase

The 2023 Tax-Supported Budget includes \$13.2 million of Federal subsidies.

Federal Subsidies by Program (\$000s)				
	2022	2023	Change in Budget	
Healthy Families	\$ 90	\$ 90	\$ -	0.0%
Employment & Social Services	250	413	163	65.3%
Human Services Planning & Program Support	-	1,329	1,329	0.0%
Housing Services	4,138	3,553	(585)	-14.1%
Non-Program (CCBF)	7,912	7,912	-	0.0%
Total	\$ 12,390	\$ 13,297	\$ 907	7.3%

The \$907,000 increase in Federal subsidies is driven by new funding allocations of \$1.3 million received in Human Services Planning & Program Support for the Building Safer Communities Fund (**SS-21-22**) and \$163,000 in Employment & Social Services for the Canada Connects Program, partially offset with a reduction of \$585,000 in Housing due to the removal of a time-limited funding enhancement in the Reaching Home program.

The Region is expected to receive a total of \$17.4 million in Canada Community-Building funding (CCBF) in 2023, of which \$9.5 million will continue to be applied to the Rate-Supported Budget to help fund the Water and Wastewater State-of-Good-Repair capital program, and the remaining \$7.9 million will be applied to the Transportation capital (\$6.8 million) and road resurfacing programs (\$1.1 million) in the Tax-Supported Budget.

Supplementary Taxes

Supplementary tax revenue is generated from additional assessment. Supplementary tax revenue is difficult to predict as this is dependent on the number of properties assessed by the Municipal Property Assessment Corporation (MPAC) and the level of growth within each of the local municipalities. For these reasons, many municipalities choose not to budget, or budget conservatively, for supplementary tax revenue as a recurring source of revenue. The 2023 supplementary tax revenue budget was maintained at \$7.3 million. Staff will continue to monitor supplementary tax revenue.

2023 Tax Strategic Investments

The 2023 Budget and Business Plan includes proposed strategic investments to support priorities approved by Regional Council, program enhancements to support the health and well-being of the Halton community, and investments that address pressures driven by growth and increased demand in services. Additional information related to these initiatives can be found in the Strategic Investments section.

Health

- **Health Promoter - \$124,000 (\$53,000 net tax impact):** Alcohol consumption is a leading risk factor for disease, disability, and premature death in Canada. In 2020 alone, alcohol was linked to 7,000 new cancers in Canada, including 24% of breast cancer cases and 20% of colon cancer cases. During the COVID-19 pandemic, up to one quarter of Canadians increased their alcohol consumption. Several recommendations were presented through Report No.

MO-09-22 to reduce the alcohol use of Halton residents. A Health Promoter is required in order to implement those evidence-informed interventions to reduce alcohol consumption in Halton residents. Provincial funding is included based on the current cost-share level, for a net tax impact of \$53,000.

- **Health Promoter - \$124,000 (\$53,000 net tax impact):** One of the most significant incidental impacts of the COVID-19 pandemic is on mental health. In the fall of 2020, 52% of Halton adults surveyed reported their overall mental health and well-being worsened due to the pandemic, and national level data suggests that the mental health of Canadians continues to decline as the pandemic endures. Several recommendations were presented through Report No. **MO-09-22** to promote the mental health of Halton residents. A Health Promoter is required in order to implement those evidence-informed interventions to promote mental health across the lifespan. Provincial funding is included based on the current cost-share level, for a net tax impact of \$53,000.
- **Supervisor, Oral Health - \$54,000 (\$0 net tax impact):** The Oral Health program has grown in complexity and staffing, with currently only a 0.5 FTE Supervisor in the Oral Health program (non-Ontario Seniors Dental Care Program mandatory programs) which is insufficient to meet the needs of the program which includes implementing the Healthy Smiles Ontario program locally and conducting regular oral health screening in elementary schools. An additional 0.5 FTE is required to provide a full 1.0 FTE Supervisor for these programs, in order to provide the required level of operational oversight. This investment is fully offset through a conversion of budget allocated for casual Dental Recorders which is no longer required, resulting in no tax impact.
- **Sexual Health Clinic – Mobile Service Delivery - \$42,000 (\$0 net tax impact):** The Ontario Public Health Standards stipulate that Boards of Health must implement a program to prevent and control sexually transmitted and blood-borne infections, and promote healthy sexuality and safer sex practices for priority populations, cases and contacts. The programs and service delivery models vary based on local needs. As reported through Report No. **MO-02-22** (re: Update on Sexual Health Clinic Services), in north Halton fixed clinic sites are underutilized and the timing of lease renewals provided an opportunity to close the Acton Sexual Health clinic and transition to a mobile service delivery model in north Halton. The purchase of a medical van with the associated annual operating costs will be fully offset by the occupancy cost savings due to the closure of the Action Sexual Health Clinic resulting in no overall net impact to the Region.
- **Paramedics - \$769,000 (\$38,000 net tax impact):** As call volumes have increased in 2022 compared to pre-pandemic levels, and are projected to increase by 11% in 2023, additional resources are required in Paramedic Services to maintain response times. The addition of 6.0 Paramedic FTEs will be created through a conversion of 13,152 relief hours to address pressures related to call volumes and challenges experienced in the recruitment of part-time paramedics. This investment includes Provincial funding based on the current funding model, for a net tax impact of \$38,000.
- **Logistics Fleet Coordinator - \$132,000 (\$70,000 net tax impact):** The Paramedic Services division's vehicle fleet has grown from 17 vehicles in 2000 to 59 vehicles in 2022, without a dedicated resource to manage fleet operations. This has put pressure on existing staff to manage the procurement, acquisition, commissioning and maintenance of the vehicles. A Fleet Coordinator is required to address pressures resulting from the growth of the fleet, and ensure operational readiness of the vehicles. This investment includes Provincial funding based on the current funding model, for a net tax impact of \$70,000.
- **Leased Storage Facility - \$373,000 (\$197,000 net tax impact):** With the growth experienced within the division, there is currently a shortage of storage and functional space required to support frontline Paramedic Operations. Additional storage is critically needed for multiple ambulances and logistic vehicles, medical supplies and equipment, personal protective equipment, uniforms, preventative equipment maintenance and cleaning supplies. Leasing a larger storage facility will enable the centralization of logistics operations and provide space to maintain adequate stock for supplies, as well as provide an adequate area to perform regular equipment preventative maintenance and uniform order assembly. This investment includes Provincial funding based on the current funding model, for a net tax impact of \$197,000.

Social & Community Services

- **Development Consultant and Occupational Therapist - \$255,000 (\$0 net tax impact):** are required to provide early intervention for children and families registered with the Ontario Autism Program. This investment will convert 2.0 temporary positions into permanent positions, utilizing funding provided through ErinoakKids from the Ministry of Children, Community and Social Services, resulting in no net tax impact.
- **Quality and Compliance Coordinator - \$97,000 (\$0 net tax impact):** is required to provide strategic and operational implementation oversight for homelessness prevention programming. This strategic investment is fully funded through the Federal Reaching Home program and will stabilize staffing by converting a temporary position into a permanent position, with no net tax impact.
- **Halton Region Community Investment Fund - \$250,000:** The HRCIF enhances the health, safety and well-being of Halton residents through \$3.75 million in annual funding to non-profit human service programs and initiatives. A \$250,000 increase in HRCIF funding will provide increased capacity to meet new and emerging community needs and priorities including strengthening equity, diversity and inclusion in Halton.
- **Personal Support Workers - \$1.6 million (\$0 net tax impact):** 19.8 Personal Support Worker FTEs and associated relief hours are required to increase the direct care hours provided to residents in the Region's three Long-Term Care homes, utilizing the Direct Care funding provided by the Ministry of Long-Term Care with no net tax impact.
- **Contracts Administration Coordinator - \$98,000 (\$29,000 net tax impact):** is required to develop, maintain and monitor contract documents and activities for the Services for Seniors division, ensuring mitigation of supply chain disruptions in the supply of goods and services. Subsidy has been included based on the current cost-share level, but has not yet been confirmed, for a net tax impact of \$29,000.

Finance

- **Senior Financial Analyst - Financial Planning - \$134,000:** is required to support the Budgets & Tax Policy division in coordinating and consolidating the Tax-Supported Operating Budget, support the preparation of the annual Budget and Business Plan, provide backup and cross-training support for the Region-wide compensation budget, and support strategic priorities and financial planning needs across the organization.
- **Payroll Financial Analyst - \$122,000:** is required to support Payroll in the Financial Services & Payroll division as a result of the growth in the number of FTEs, and the related impacts such as OMERS compliance and reporting, and COMPASS time and attendance technical support. In addition, this position will support business continuity through secondary SAP HR Payroll system business support and payroll processing coverage for vacations and high volume periods, as well as support cross training opportunities.
- **Strategic Sourcing Specialist - \$124,000:** is required to lead and execute procurements in compliance with the Region's Purchasing by-law, support the rising demand of procurement requests, assist in the creation of improved processes and procedures, and conduct ongoing best practice reviews to incorporate risk mitigating strategies.
- **Senior Strategic Sourcing Specialist - \$136,000 (\$0 net tax impact):** is required in the Supply Chain Management division to provide support for complex and high valued Region-wide capital construction-specific services, and related procurement initiatives. This position will lead and execute procurements in compliance with the Region's Purchasing by-law, support the rising demand of procurement requests, assist in the creation of improved processes and

procedures, and conduct ongoing best practice reviews to incorporate risk-mitigating strategies. This position is fully funded from the capital budget with no net tax impact.

Digital & Information Services

- **Manager, Continuous Improvement - \$171,000:** is required to streamline processes, centralize and analyze data to optimize outcomes and drive efficiencies and modify processes through incremental and breakthrough improvements across the Energy, Fleet & Facilities division.
- **Facilities Maintenance Operator - \$87,000:** is required to support the increasing maintenance requirements of the Region's three Long-Term Care homes, three additional paramedic stations, emergency shelter in Burlington, and the increased square footage resulting from the Halton Regional Centre Redevelopment and Optimization project
- **Maintenance Coordinator – Corporate - \$126,000:** is required to support the increase in demand maintenance scheduling and reactive projects for the Corporate and Long-Term Care portfolios, and provide support for all insurance and risk management incidents.
- **Maintenance Coordinator – HCHC - \$126,000 (no net tax impact):** is required to support the Halton Community Housing Corporation (HCHC) with portfolio changes and manage the increase in insurance-related reactive projects. This position is fully funded from HCHC.
- **Project Manager I – HCHC - \$251,000 (no net tax impact):** Two Project Managers are required to support the HCHC portfolio to improve processes and increase the efficiency of unit turnovers and completion of work orders. These positions are fully funded from HCHC.
- **Energy Data Clerk - \$82,000:** is required to support the Energy Management team with data entry and reporting of the Region's energy information, and meet the growing needs to support database maintenance, liaise with stakeholders, and provide data quality assurance.

Legislative & Planning Services

- **Claims & Risk Specialist - \$130,000:** is required to provide claims adjusting, subrogation, recovery, risk management, and insurance support, enabling streamlined file and claims management, proactive pursuit of financial recoveries, reduced claims adjusting expenses, and enhanced risk management.
- **Law Clerk - Risk & Insurance - \$115,000:** is required to provide risk management, insurance and litigation support which will allow for increased compliance from third party vendors and reduced risk of insurance gaps, streamlined file and claims management, and enhanced risk management.
- **Human Resources Business Partners - \$333,000:** The Region's Strategic Business Plan incorporates key human resource objectives and two Human Resources Business Partner positions will bridge the Region's strategy and Human Resource Service's network of expertise to provide advice on strategic issues pertaining to human resource services. The Business Partners will combine an understanding of the Region's strategic objectives with in-depth line-of-business expertise. Business Partners will work with department leadership to ensure that the organization's strategies for acquiring, developing, and retaining talent align with the overall strategic objectives for transformation and service excellence.

10-Year Tax Operating Budget & Forecast

The 2023 10-Year Operating Forecast for tax-supported services has been prepared to reflect updated assumptions for revenues and program costs. The forecast was prepared based on the following key assumptions:

- General inflation of 2.0% to 3.0%, where applicable
- Interest on reserves of 3.0%
- Debt financing rate of 5.0%
- Capital expenditures based on financing plan for the Capital Budget
- Assessment growth of 1.7% per year
- Provincial subsidies to follow current funding formulas
- Long-term impacts related to COVID-19 will need to be assessed

While the 2023 Budget includes measures to mitigate the risks to the extent possible, the 2023 Budget and Forecast continues to have areas of risk exposure including the following:

Bill 23

Bill 23, *More Homes Built Faster Act, 2022*, was introduced in the Ontario Legislature on October 25, 2022 and on November 28, 2022 received Royal Assent and is now law. As discussed in **LPS72-22/ FN-34-22** (re: Proposed Changes to the Provincial Planning Framework Bill 23 and More Homes, Built Faster: Ontario's Housing Supply Action Plan), this Act is the latest in a series of Provincial initiatives related to increasing the supply of housing in Ontario to support the creation of 1.5 million homes over the next 10 years. The bill includes sweeping and substantive changes to a range of legislation including the *Development Charges Act* (DCA), *Planning Act*, *Conservation Authorities Act* and *Ontario Land Tribunal Act* and will have a significant impact on existing taxpayers and the delivery of services.

Bill 23 contains considerable changes to the DCA that have drastic impacts to municipal finances, particularly in growing municipalities such as Halton Region. Although the full extent of the financial effects are not yet known, below is a summary of the key impacts:

- removing housing services as an eligible DC service (**loss of approximately \$50 million over 10 years**);
- removing certain studies, including the DC Background Studies, as a DC capital expense that is chargeable (**loss of approximately \$9 million over 10 years**);
- removing cost to acquire land as a chargeable cost for certain services as prescribed (**magnitude unknown as this has not been prescribed. For example, if the Province was to prescribe land for roads services, the loss based on the current DC by-law would be approximately \$400 million over 10 years**);
- phasing in new DC rates over a 5-year period retroactive to DC by-laws passed after January 1, 2022 (**This will result in a funding gap of approximately \$131 million over 5 years**);
- exempting affordable, attainable, non-profit housing, and inclusionary zoning units from DCs and reducing DCs for purpose-built rental (**Impact unknown as data is limited. For illustrative purposes, if 20% of residential development was affordable it would translate to approximately \$550 million over 10 years based on the 2023 budget**). At time of passing, the bulletin to determine average market rent and average purchase price are still required to determine affordability thresholds);
- increasing average service level calculation from 10 to 15 years (**extending the average service level to 15 years will potentially cap services at an even lower service level and increase costs to taxpayers**).

The enacted changes to the DCA will significantly eliminate and restrict DC collections limiting the Region's ability to fund capital works. Without alternate sources of funding, additional costs will fall to the existing taxpayers.

The legislation also contains several significant changes that will impact how the Region delivers land use planning services and how costs related to infrastructure for new growth can be recovered through development charges. The *More Homes Built Faster Act, 2022* makes changes to the *Planning Act* by identifying Halton Region as an "Upper-tier Municipality Without Planning Responsibilities", which in large part removes Regional Council's statutory responsibilities for land use planning and growth management. While Bill 23 has been passed, at the time of preparing the 2023 Budget and Business Plan the date for which all components of the Bill come in to force and effect has not been proclaimed, including those related to Regional jurisdiction in respect of land use planning. The Region will remain responsible for the delivery of Planning Services as described throughout the Budget materials until the Bill takes effect. Regional staff will continue to monitor how the implementation of the *More Homes Built Faster Act, 2022* will result in changes to services and the corresponding financial and staff resourcing changes that need to be made as a result. Further updates will be provided to Regional Council throughout 2023.

Given the timing of this announcement, and the current level of uncertainty, the 2023 Budget and forecast does not take into consideration any impacts related to Bill 23. Regional staff will continue to monitor Provincial actions related to these proposed changes, including the progression of Bill 23 through the legislature, and will report back to Regional Council as required. Once known, the impacts of these changes will be incorporated into future budgets and forecasts for Regional Council's consideration.

Cost Increases

The impact of inflation has placed significant pressure on the 2023 Operating Budget and Forecast. In January 2022, Canadian inflation surpassed 5% for the first time since September 1991, and has remained high throughout 2022 with the latest CPI inflation release for October at 6.9%. As reported through **FN-26-22**, the Bank of Canada's April 2022 Monetary Outlook Report forecasted overall inflation of 5.3% for 2022 before easing down to the target range by the end of 2023. The latest forecast from the Bank's October Monetary Policy Report projects overall inflation of 6.9% for 2022 and 4.1% for 2023, before beginning to ease down into the target level in 2024. As reported in Report No. **FN-30-22** (re: Purchasing Activity Report for January 1, 2022 to August 31, 2022), the Region continues to be impacted by the increased cost of goods, services, and construction due to high inflation, and this trend is expected to continue for the remainder of the year and into 2023. The impact of inflation and resulting diminished purchasing power has put increased pressure on the forecast, and it is expected that inflationary pressures will require tax rate increases at the mid to high-end of the Bank of Canada's target range for the first 4 years of the forecast, before returning to the midpoint of 2.0% in the later years. It is expected that it will take a number of years to recover from the high impacts of inflation experienced throughout 2022 and projected to continue into 2023.

Growth Assumptions

Given continued uncertainty around the impacts of COVID-19 on development, there is a risk of not achieving the 1.7% assessment growth target in 2023, however, any potential shortfall in assessment growth is anticipated to be temporary in nature. Current assessment growth in the 2023 Budget is estimated to be 1.7% with 1.7% assessment growth also included in the 2024 to 2032 forecast period. Any growth realized over or under the provision in the budget (1.7%) will be transferred to or from the Tax Stabilization reserve. Moderate growth will also affect supplementary taxes, which are budgeted at \$7.3 million.

Provincial Subsidies

There continues to be Provincial impacts that are still not known specifically related to funding models and programs that the Province has communicated will be changing, or are currently under review including the Children's Services funding model, service delivery of Employment Ontario programs, and the Public Health funding model. Continued support from the Provincial Government is essential for Halton Region to continue responding to the COVID-19 pandemic and support recovery efforts. There are still many unknown variables related to the COVID-19 trajectory and the continuing vaccination needs/requirements and the economic recovery plan. It is anticipated that pressures related to COVID-19 will continue in 2023. One-time funding is anticipated to offset costs related to the COVID-19

vaccine program and other extraordinary costs related to Public Health's COVID-19 response, however it is not known at this time if the Ministry of Health will provide funding for these costs in future years

As discussed earlier, the subsidy budgeted for many programs does not keep pace with the increase in costs and demands for services. For Public Health, the funding model changed in 2020 from the previous 100% and 75% cost-share model to 70% Provincial funding for all cost-shared programs (excluding the Ontario Seniors Dental Care Program). The subsidy funding does not keep pace with the increase in costs and demand for services. From 2014 to 2022, Public Health has only received a total funding increase of 4% for cost-shared programs, comprised of a 3% increase in 2018 and a 1% increase in 2022. In Paramedic Services, the current funding formula provides an increase for program growth, but not inflation. Funding for the cost administration of the Ontario Works program has been frozen, and is expected to continue to be frozen, or possibly reduced in future years. The increased cost for providing services for seniors at the Region's Long-Term Care homes, with increasing medical and behavioural complexities, is not met with equivalent increases in funding, with funding for Case Mix Index (CMI) provided at only 92.1% of the calculated care needs of residents in 2022. Using the latest information available during the preparation of the budget, these funding assumptions have been reflected in the 2023 Budget and Forecast.

COVID-19 Long-Term Impacts

It is anticipated that many pressures related to COVID-19 will continue in 2023 such as maintaining the most essential services and resumption of the broader set of core services in Public Health while continuing to respond to and recover from COVID-19, maintaining increased infection control measures in Long-Term Care, and providing sustainable funding to support the increased need in the Halton Rental Assistance Program. In addition, it is anticipated that there will be ongoing costs for personal protective equipment, technology, and additional cleaning and disinfecting materials. While there are still many unknown variables, the 2023 Budget plans for a continued COVID-19 response and recovery. These costs have been largely offset in the 2023 Budget through anticipated additional Provincial COVID-19 funding, as well as the utilization of transfers from the COVID-19 Recovery reserve, which is a reserve created to address future COVID-19 recovery requirements to support the community, funded with one half of the tax supported Regional surpluses realized in 2020 and 2021.

Due to the uncertainty around requirements related to the mass vaccination program in 2023, the 2023 Budget does not include any provisions for the COVID-19 Vaccination Program, however the Province has committed to continue to fund costs related to the program in 2023 and it is anticipated that there will be no financial impact to the Region.

As reported in Report No. **PW-17-22** (re: 2021 Year End Waste Management Report), the COVID-19 pandemic has had a significant impact on the amount of solid waste material generated in Halton Region. This has resulted in increased costs of \$1.7 million and \$1.6 million in 2020 and 2021 respectively, as reported in the Year-end Variance Reports (**FN-07-21**, **FN-06-22**). As reported through the August Variance Report (**FN-32-22**), this trend is anticipated to continue in 2022 with a projected impact of \$1.7 million driven by higher waste tonnage trends experienced year-to-date in 2022. It is not yet certain if the tonnage increase is temporary in nature or related to permanent changes in resident behaviour. Staff will continue to monitor tonnages in the various collection streams to determine if an adjustment to growth assumptions will be required to address this operating pressure.

Provincial Offences Act (POA) Revenue

Net revenues generated from POA offences administered by Halton Court Services are shared between the Region and the Municipal Partners (City of Burlington, Town of Halton Hills, Town of Milton and Town of Oakville), with the Region's share being 50%. POA revenues dropped significantly as a result of the COVID-19 pandemic and related lockdowns. The 2020 year-end revenue allocation to the municipal partners included a material draw on Halton Court Services' Stabilization reserve to offset the shortfall in net revenues. In 2021, the shortfall in revenues was not funded through the Stabilization reserve, and consequently the Region reported an unfavourable variance of \$1.3 million through the Year-end Variance Report (**FN-06-22**). As reported through the August Variance Report (**FN-32-22**), the shortfall in revenues has continued in 2022, however these impacts are expected to be transitory due to the pandemic, and therefore the 2023 Budget and

forecast is being maintained at the 2022 budget level of \$2.3 million. This is a measured risk in the 2023 Budget. If the shortfalls continue, an adjustment would need to be reflected in the budget in future years.

The 10-Year Operating Forecast has been prepared to maintain the tax impact for Regional Services within the target range of inflation set by the Bank of Canada. The forecast reflects current services and service levels. Any change in service or service level will affect the forecast. In addition, if general inflation rates increase, the tax impact will also increase. The forecast includes financing plans to address currently identified capital requirements. Any new capital requirements can affect the forecast. The 2023 Budget continues to update and implement several strategic investments and financial plans approved by Council in prior years, which will also impact the forecast. These include the following:

- Waterfront Master Plans (**LPS13-14, LPS54-15**)
- Active Transportation Master Plan (**PW-17-15**)
- Asset Management Program and Lifecycle Models Update (**PW-01-22/ FN-11-22/ DI-01-22**)
- Paramedic Services Master Plan (**MO-14-15**)
- Regional Accommodation Plan (**LPS112-15, LPS17-18, LSP47-19, ST-01-20**)
- Update to Heritage Services Master Plan (**LPS55-21**)
- Solid Waste Management Strategy (**PW-22-17, PW-12-18, PW-19-21, PW-10-22**)
- Comprehensive Housing Strategy (SS-21-13, **SS-19-19/ LPS86-19**)
- Halton's Early Learning and Child Care Plan 2022-2024 (**SS-12-22**)
- Regional Advanced Traffic Management System (ATMS) (**PW-10-18, PW-34-21**)
- Halton Region's Digital Strategy (**ST-07-21**)

The following table sets out the 10-Year Operating Forecast for tax-supported services. The financing plans will be further refined through the annual budget process to achieve tax increases at or below the rate of inflation for Regional services, consistent with Council priorities. The Police Services budget is forecasted to increase by 4.7% for the years 2024 to 2027 before assessment growth.

Ten Year Operating Budget Forecast For Tax-Supported Services (\$000s)

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Requested Budget	Forecast								
Healthy Families	\$ 5,143	\$ 5,544	\$ 5,998	\$ 6,515	\$ 6,999	\$ 7,514	\$ 8,058	\$ 8,619	\$ 9,210	\$ 9,830
Health Protection	3,794	4,111	4,453	4,844	5,210	5,599	6,011	6,435	6,882	7,351
Healthy Schools & Communities	4,477	4,955	5,449	6,014	6,541	7,103	7,696	8,307	8,951	9,625
Infectious Disease Control	3,590	3,897	4,222	4,595	4,940	5,309	5,699	6,102	6,526	6,972
Public Health Resources	2,413	2,601	2,805	3,037	3,253	3,481	3,722	3,970	4,232	4,508
Paramedic Services	25,233	27,043	29,627	31,993	34,273	35,392	37,069	38,813	40,628	42,543
Children's Services	13,087	13,679	14,314	15,032	15,712	16,435	17,197	17,984	18,811	19,677
Employment & Social Services	7,475	7,807	8,161	8,576	8,955	9,361	9,792	10,236	10,707	11,202
Housing Services	39,304	41,218	42,185	43,237	44,306	45,401	46,541	47,717	48,939	50,207
Human Services Planning & Program Support	9,138	9,312	9,501	9,720	9,901	10,112	10,336	10,567	10,811	11,068
Services for Seniors	24,020	25,533	27,185	29,089	30,933	32,946	35,074	37,289	39,626	42,082
Planning Services	13,546	14,006	14,345	14,841	15,304	15,785	16,329	16,867	17,455	17,868
Economic Development	3,719	3,848	4,789	4,954	5,103	5,261	5,429	5,603	5,768	5,960
Waste Management	47,842	50,045	52,264	54,651	56,950	59,136	61,463	63,814	66,273	68,518
Roads Operations	60,483	62,906	64,151	65,083	66,180	68,064	69,142	70,218	71,653	74,287
Non-Program Items & Fiscal Transactions	30,634	31,374	33,224	34,338	36,210	36,786	37,593	38,714	39,229	39,418
Boards & Agencies	13,030	13,545	14,126	14,695	15,244	15,846	16,410	16,981	17,589	18,183
Region:										
Net Expenditures	\$ 306,927	\$ 321,423	\$ 336,800	\$ 351,215	\$ 366,013	\$ 379,532	\$ 393,560	\$ 408,235	\$ 423,290	\$ 439,299
Regional Net Expenditure Change	4.7%	4.7%	4.8%	4.3%	4.2%	3.7%	3.7%	3.7%	3.7%	3.8%
Region Tax Impact (after assessment growth)	3.0%	3.0%	3.0%	2.5%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%
Halton Regional Police Service:										
Net Expenditures	\$ 186,039	\$ 194,825	\$ 204,019	\$ 213,651	\$ 223,713					
Police Net Expenditure Change	5.7%	4.7%	4.7%	4.7%	4.7%					
Police Tax Impact (after assessment growth)	4.0%	3.0%	3.0%	3.0%	3.0%					
Region Including Police:										
Net Expenditures	\$ 492,966	\$ 516,248	\$ 540,819	\$ 564,864	\$ 589,726					
Regional Net Expenditure Change (Includes Police)	5.1%	4.7%	4.8%	4.4%	4.4%					
Region Including Police Tax Impact (after assessment growth)	3.4%	3.0%	3.0%	2.7%	2.7%					
Assessment Growth Assumption	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%
Tax Budget Forecast as projected in the 2022 Budget										
Region Tax Impact (after assessment growth)	2.6%	2.4%	2.0%							



Tax Capital Budget & Forecast Overview

The table below provides a summary of the 2023 10-year tax capital program, including the Police capital program. The 10-year total is \$3.6 billion, with \$446.4 million allocated for 2023. The Transportation development-related infrastructure requirements for 2032 is estimated based on the 9-year average for comparison purposes. Estimates beyond 2031 will be required until there are updated best planning estimates and transportation masterplan to support future growth. Of the \$446.4 million in the 2023 provision, \$52.0 million relates to the Police program and the remaining is attributed to Regional programs.

It should be noted that the 10-year growth-related capital program has been prepared based on the principles and financial measures established under the current Development Financing Plan (**FN-46-19/ PW-50-19/ LPS112-19**) and in anticipation of future Allocation Programs. Since the approval of the current Development Financing Plan, several projects have progressed through the design stage and are projecting an increase in costs. The changes detailed in Appendix B in the Capital Report were predominately driven by land acquisition, updated cost estimates as projects progress through detail design, inflation and supply constraints. The remaining growth-related capital projects for Transportation will not proceed until the next development financing plan and allocation program is approved by Council.

As discussed in the Executive Summary, on October 25, 2022 the Province introduced 'More Homes, Built Faster Act, 2022 (Bill 23)', which proposes sweeping and substantive changes to a range of legislation, including the DCA and associated regulations. The DCA changes result in the reduction of DC revenue being collected which will likely delay the delivery of key infrastructure required to support growth. Due to timing of Bill 23, the potential effects of the bill have not been considered for the 2023 Budget and forecast and any impacts will be incorporated in future budgets.

2023 Capital Budget & Forecast

Summary of Tax Capital Budget & Financing (\$000s)

	Gross Cost	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Program Expenditures											
Transportation	\$ 3,034,684	\$ 352,994	\$ 227,693	\$ 257,087	\$ 374,059	\$ 440,642	\$ 197,945	\$ 213,369	\$ 226,815	\$ 449,947	\$ 294,133
Planning	165,140	12,200	18,540	35,270	13,260	12,720	21,470	13,720	13,220	12,220	12,520
Waste Management	70,290	8,662	2,295	25,348	6,353	4,346	9,512	5,054	2,998	2,982	2,740
Energy, Fleet and Facilities	103,936	9,279	8,859	7,058	37,450	8,262	6,235	8,218	7,798	4,448	6,329
Information Technology	88,813	8,025	13,846	11,000	8,424	7,584	9,190	8,228	7,661	7,452	7,404
Paramedic Services	34,626	1,861	1,867	6,316	2,660	2,438	5,677	3,089	3,499	6,445	774
Economic Development	8,000	-	-	8,000	-	-	-	-	-	-	-
Services for Seniors	6,620	650	650	650	650	650	650	650	770	650	650
Capital & Dev't Financing	3,657	450	350	380	350	350	377	350	350	350	350
Public Health	776	253	72	70	37	-	-	37	160	97	51
Children's Services	500	50	50	50	50	50	50	50	50	50	50
Communications & Customer Service	30	-	15	-	-	-	-	15	-	-	-
Police	113,027	51,984	8,318	10,483	8,873	8,094	5,750	4,950	5,225	4,800	4,550
Total	\$ 3,630,099	\$ 446,407	\$ 282,555	\$ 361,711	\$ 452,167	\$ 485,137	\$ 256,856	\$ 257,730	\$ 268,545	\$ 489,441	\$ 329,550
Financing											
Tax Reserves	\$ 1,786,808	\$ 223,252	\$ 161,452	\$ 212,283	\$ 234,035	\$ 217,645	\$ 115,020	\$ 140,401	\$ 138,895	\$ 191,138	\$ 152,687
Rate Reserves	13,878	50	1,068	758	8,283	883	345	515	369	805	805
Dev't Charges - Resid.	1,772,148	171,824	119,304	147,499	209,104	266,092	140,679	116,281	128,760	297,043	175,562
Dev't Charges - Non Res.	6,153	684	674	1,114	687	460	755	476	464	399	440
External Rcvry/Other	8,272	7,757	57	57	57	57	57	57	57	57	57
Debentures	42,840	42,840	-	-	-	-	-	-	-	-	-
Total	\$ 3,630,099	\$ 446,407	\$ 282,555	\$ 361,711	\$ 452,167	\$ 485,137	\$ 256,856	\$ 257,730	\$ 268,545	\$ 489,441	\$ 329,550

Includes financing cost. Schedule may not add due to rounding.

2023 Tax Capital Budget

The 2023 Tax Capital Budget of \$446.4 million has increased by \$300.8 million or 206.5% from the 2023 Forecast in the 2022 Budget, and the key drivers are:

- \$256.3 million increase in the Transportation program mainly due to construction, land and utility increase related to Trafalgar Grade Separations and Widening, and Dundas Street Widening from 4 to 6 Lane
- \$42.7 million increase in Police mainly due to the cost increase for 1 District New Facility
- \$5.6 million increase in the Energy, Fleet and Facilities program mostly due to updated expenditures resulting from the new building condition assessments at the Long-Term Care Centres (\$2.7 million) and Woodlands Operation Centre (\$2.4 million)
- \$2.2 million increase in Waste Management mainly due to the additional funding for the Transfer Station Study and Construction, and Automated Wheeled Cart Pilot Study projects and the addition of the new Compost Pad Expansion project

- (\$1.8) million decrease in Paramedic Services mainly due to the accelerated purchase of 2023 ambulances to 2022 as identified through report **MO-03-22** (re: Paramedic Services Ambulance Procurement).
- (\$4.6) million decrease in Planning mainly due to the deferral of the Burlington Beach Environmental Restoration and Recreational Works to 2024

The section below highlights the 2023 Tax Capital Budget and changes from the 2023 forecast included in the 2022 Budget:

- **\$353.0 million 2023 Transportation capital program** is \$256.3 million higher than the 2023 Forecast included in the 2022 Budget mainly due to the revised construction, land and utility increase related to Trafalgar Road Grade Separation and Widening (\$94.5 million) and Dundas Street Widening (\$72.0 million):
 - \$94.5 million for Trafalgar Road – grade separation at CN crossing and Metrolinx crossing, widening from 4 to 6 lanes from Dundas Street to Highway 407 and 2 to 4 lanes from 10 Side Road to Highway 7
 - \$72.0 million for Dundas Street – widening from 4 to 6 lanes from Halton/Hamilton Boundary to Appleby Line and Tremaine Road to Bronte Road
 - \$57.9 million for Tremaine Road – new 4 lane road from James Snow Parkway to Hwy 401 Interchange and widening from 2 to 4 lanes from Dundas Street to Britannia Road
 - \$39.8 million for Wyecroft Road – extension east of Burloak Drive to Bronte Road
 - \$30.3 million for Ninth Line – widening from 2 to 4 lanes from Burnhamthorpe Road to Highway 407 and from Steeles Avenue to 10 Side Road
 - \$13.8 million for Road resurfacing and related works
 - \$9.3 million for Steeles Avenue – grade separation at CN crossing, widening from 2 to 4 lanes from Tremaine Road to Industrial Drive and from 4 to 6 lanes from Trafalgar Road to Winston Churchill Boulevard

As discussed in the Executive summary, in 2023, only the projects identified in Appendix B can commence upon approval of the 2023 Budget. These are expenditure changes within the 2020 Allocation Program requiring cost increases. The remaining growth-related capital projects for Transportation will not proceed until the next development financing plan and allocation program is approved by Council.

- **\$12.2 million 2023 Planning capital program** is \$4.6 million lower from the 2023 Forecast included in the 2022 Budget mainly due to the deferral of the Burlington Beach Environmental Restoration and Recreational Works to 2024. Included in the 2023 expenditures is \$9.5 million for Assisted Housing Development, \$1.5 million to support the OLT & Other Hearings and \$1.0 million for the Burlington Beach Property acquisition
- **\$9.3 million 2023 Energy, Fleet & Facilities capital program** is \$5.6 million higher than the 2023 Forecast included in the 2022 Budget due to the updated expenditures resulting from the new building condition assessments at the Long-Term Care Centres (\$2.7 million) and Woodlands Operation Centre (\$2.4 million).
- **\$8.7 million 2023 Waste Management capital program** is \$2.2 million higher than the 2023 Forecast included in the 2022 Budget mainly due to the additional funding for the Transfer Station Study and Construction, and Automated Wheeled Cart Pilot Study projects and the addition of the new Compost Pad Expansion project.
- **\$8.0 million 2023 Information Technology capital program** is \$112,000 higher than the 2023 Forecast included in the 2022 Budget mainly due to the increases to support the Digital Strategy. This program includes ongoing life cycle replacement of IT assets, including software licensing, software and hardware upgrades/replacements

- **\$1.9 million 2023 Paramedic Services capital program** is \$1.8 million lower than the 2023 Forecast included in the 2022 Budget mainly due to the accelerated purchase of 2023 ambulances to 2022 as identified through report **MO-03-22**.
- **\$0.7 million 2023 Services for Seniors capital \$0.7 million 2023 Services for Seniors capital program** is unchanged from the 2023 forecast included in the 2022 budget. This includes projects to support equipment replacement at Long-Term Care facilities.
- **\$0.8 million 2023 Other Capital Program** is \$302,000 higher than the 2023 forecast included in the 2022 Budget due to increase for additional Public Health Vehicles and funding for Development Charge Appeals. Other capital programs include projects to support Economic Development, Children's Services, Public Health and Capital & Development Financing.
- **\$51.9 million 2023 Police capital program** is \$42.7 million higher than the 2023 Forecast include in the 2022 Budget due to increases for the 1 District New Facility, Technology, Fleet and Secure WAN, and the acceleration of the P25/LTE Backhaul Replacement from 2024

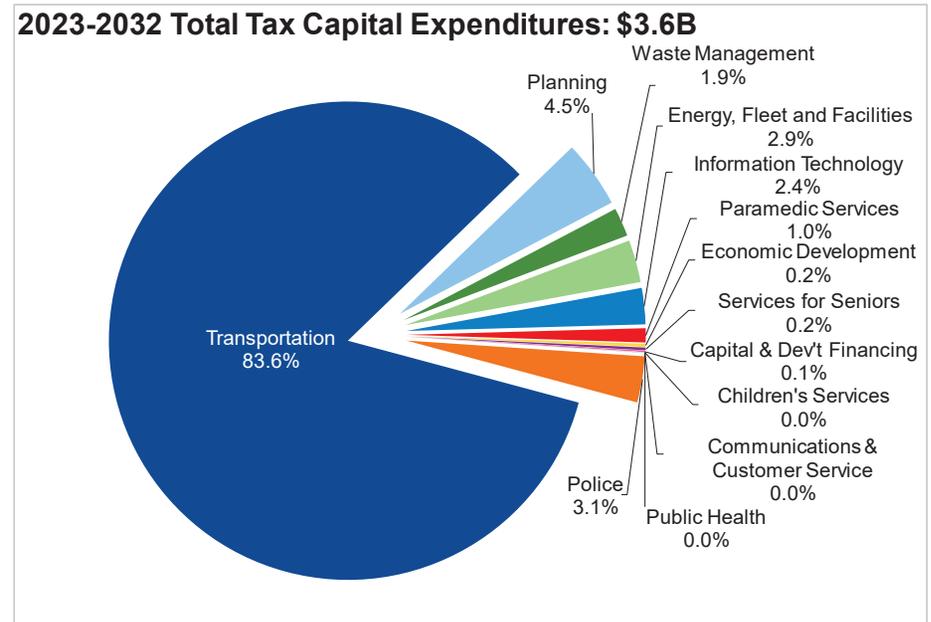
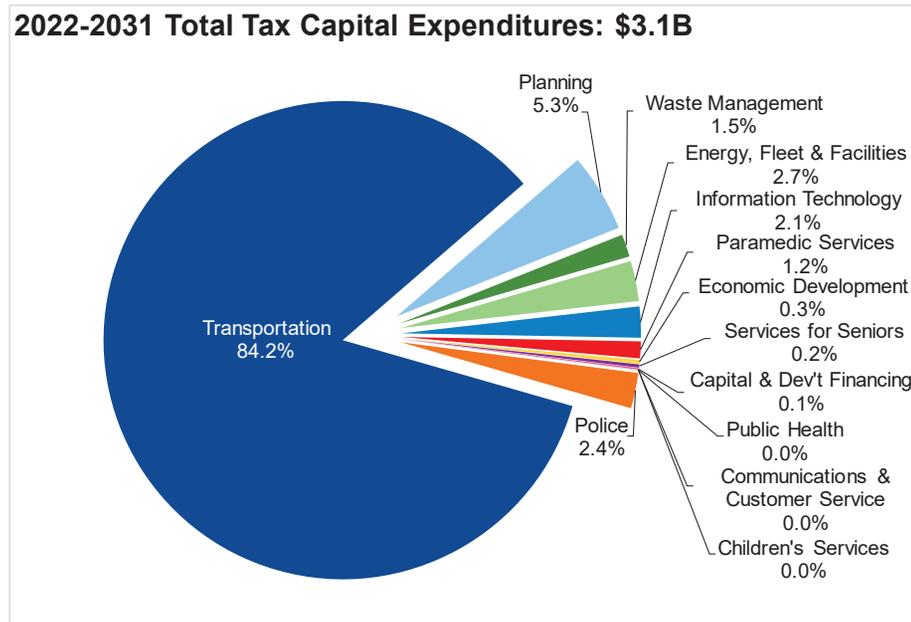
The following table summarizes the 10 largest tax capital projects budgeted for 2023. These projects account for 76.2%, or \$340.1 million, of the \$446.4 million total cost in 2023.

2023 Capital Budget & Forecast Top 10 Largest Tax Capital Expenditures in 2023 (\$ Millions)		
Program	Project Descriptions	Cost
Roads	Trafalgar Road - Widening and Grade Separation	\$ 94.5
Roads	Dundas Street - Widening	72.0
Roads	Tremaine Road Widening and New 4 Lane Road	57.9
Roads	Wycroft Road extension east Burloak Drive to Bronte Road (OAK)	39.8
Roads	Ninth Line - Widening	30.3
Roads	Road Resurfacing & Related Works	13.8
Tax	Assisted Housing Development	9.5
Roads	Steeles Avenue - Widening and Grade Separation	9.3
Roads	Winston Churchill Boulevard - Bypass, Reconstruction, and Widening	6.9
Roads	Bridge, Culvert Retaining Wall condition Assessments & Evaluation Studies and Guiderail Rehabilitation & Replacement	6.2
Total		\$ 340.1

Schedule may not add due to rounding.

10-Year Tax Capital Budget & Forecast

The following charts provide a breakdown of the 2023 Tax Capital Budget and forecast compared to the 2022 Budget and Forecast.



The 2023 10-year tax capital program (2023 to 2032) totals \$3.6 billion. This is \$497.8 million, or 15.9% higher than the 2022 program, due mainly to a \$397.0 million increase in Transportation, \$38.1 million increase in Police Services, \$23.2 million increase in Information Technology, \$22.5 million increase in Waste Management and \$18.9 million increase in Energy, Fleet and Facilities. Details of the 2023 Capital Budget and the 10-Year Forecast (2023-2032) are contained in the Capital Report (excluding the 2032 Transportation development-related projects). The Transportation development-related infrastructure requirements for 2032 is estimated based on the 9-year average for comparison purposes.

The following summarizes the programs that comprise the 10-year capital forecast:

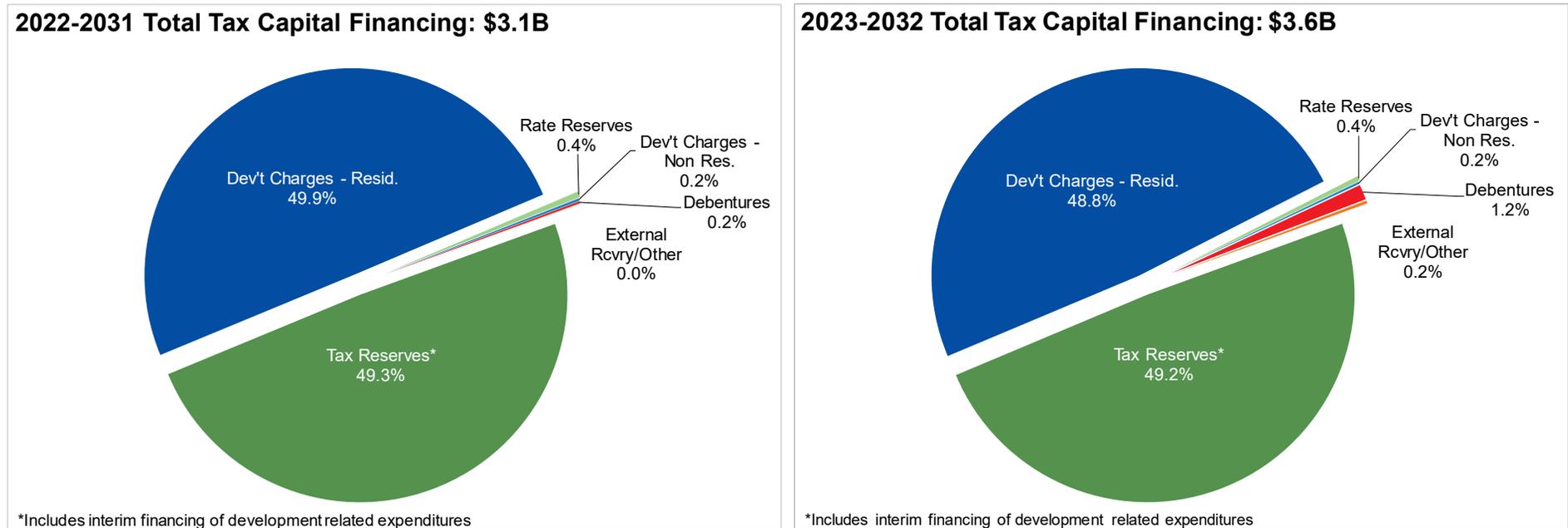
- \$3.0 billion 10-year Transportation capital program** consists of \$2.5 billion for the Development-related program and \$526.7 million for the State-of-Good-Repair program (Non-development). The 10-year program in 2023 is \$397.0 million higher than the 2022 program. The increase is predominately driven by the land acquisition, the Public Works Asset Management Plan and cost updates based on Environmental Assessments and design work. The 10-year program provides significant road widening, grade separations, road resurfacing program initiatives, road studies, bridges and culverts projects.

The 10-year program includes:

- \$333.1 million for Trafalgar Road
 - \$254.8 million for Regional Road 25
 - \$254.8 million for James Snow Parkway
 - \$218.6 million for Tremaine Road
 - \$217.9 million for Steeles Avenue
 - \$182.8 million for 5 ½ Line
 - \$178.5 million for Upper Middle Road
 - \$148.3 million for Derry Road
-
- **\$165.1 million 10-year Planning capital program** is \$1.1 million lower than the 2022 program, mainly due to increases of \$0.3 million in the Burlington Beach Hydro Tower costs and \$0.6 million to CHS – Assisted housing development offset by decreases of \$1.7 million to Burlington Beach Waterfront Land Acquisition costs, and \$0.2 million to the Burloak Waterfront Park costs.
 - **\$103.9 million 10-year Energy, Fleet & Facilities capital program** is \$18.9 million higher than the 2022 program. This is primarily driven by increased costs for extended lifecycle replacement requirements and on-going preventive facility maintenance activities at other Regional Facilities offset by a decrease in the costs associated with the Halton Regional Centre Renovation and Modernization project.
 - **\$70.3 million 10-year Waste Management capital program** is \$22.5 million higher than the 2022 program. This is primarily driven by increased costs for extended lifecycle replacement requirements for the Landfill Gas Collection & Flaring System, Interior Roads, and other Landfill needs, and the new project for Compost Pad Expansion.
 - **\$88.8 million 10-year Information Technology capital program** is \$23.2 million higher than the 2022 program, mainly due to the increases to support the Digital Strategy as discussed through Report No. ST-07-21 (re: Digital Strategy and Audit and Accountability Fund Update). The Digital Strategy includes upgrades for SAP, SCADA infrastructure and IT Security Systems. The IT program includes the ongoing maintenance of IT assets, including software licensing, software and hardware upgrades and replacements, as well as mobile strategy implementation and new software implementation
 - **\$34.6 million 10-year Paramedic Services capital program** is \$1.0 million lower than the 2022 program, mainly due to the accelerated purchase of 2023 ambulances to 2022 as identified through report **MO-03-22**.
 - **\$6.6 million 10-year Services for Seniors capital program** is \$0.3 million lower than the 2022 program, due a decrease to the production kitchen projects that includes equipment replacement at the Long-Term Care facilities.
 - **\$13.0 million 10-year other capital programs** are \$0.4 million higher than the 2022 program. Other capital programs include projects to support Economic Development, Children’s Services, Public Health, Capital & Development Financing and Communications & Customer Service
 - **\$113.0 million 10-year Police capital program** is \$38.1 million higher than the 2022 program, mainly due to increases for the 1 District New Construction project and addition of new projects for Cyber Security, In-Car Camera System, Action Tower Equipment Replacement, and various Disaster Recovery projects.

10-Year Tax Capital Financing

The following charts provide the financing structure for the 2023 Tax Capital Budget and forecast compared to the 2022 Budget.



As shown in the charts above, DCs (49.0%) and the Tax Capital reserves including contributions from the Operating Budget and Community-Building Fund (CCBF) (49.2%), continue to be the main sources of financing for the 2023 10-year tax-supported capital program.

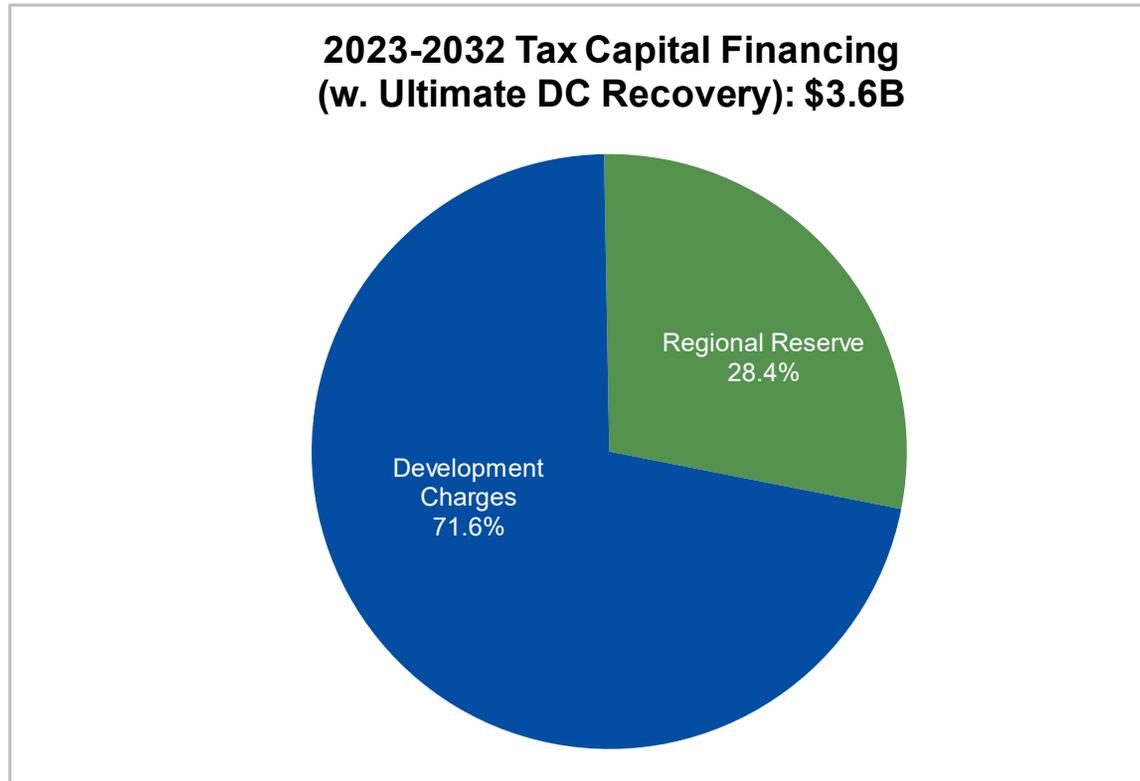
The goal of the financing strategy for the tax capital program is to utilize tax reserves (including CCBF) for ongoing and recurring lifecycle costs and replacement of existing assets. The tax reserves are replenished by contributions from the operating budget, interest earnings and year-end surplus distribution.

The Tax Capital reserve is also utilized to provide interim financing for the non-residential growth share of the Transportation Capital Program in accordance with the Development Financing Plan (**FN-46-19/ PW-50-19/ LPS112-19**), which is the framework being utilized to develop the 2023 Budget. This strategy supports the Region's economic objectives and ensures that the capital program is sustained with manageable operating impacts and a minimum requirement for external debt financing. By the end of 2022, the Region's investment from the Tax Capital reserve is anticipated to be \$243.2 million. This Regional investment will be fully recovered (including interest) from the collection of DCs as non-residential development proceeds in the future.

Residential DCs are used to fund all the capital costs serving residential growth in accordance with the Development Financing Plan (**FN-46-19/ PW-50-19/ LPS112-19**). The 2023 Budget and Forecast includes a total of \$42.8 million in debt financing over the next 10-years for new District 1 to accommodate Georgetown and

Milton of which \$6.7 million relates to growth. Debt is issued mainly for major upgrade and replacement and capacity expansion infrastructure where required. Debt used to finance growth-related costs such as the Police facility will be recovered from future DCs as noted above.

The following chart illustrates the ultimate funding shares when the Region's interim financing provided for non-residential growth infrastructure (e.g., Transportation) as well as debt issued for the Police facility program are recovered from future DCs as discussed above. Out of the total \$3.6 billion, \$1.0 billion (28.4%) is related to the State-of-Good-Repair capital program and the balance of \$2.6 billion (71.6%) is related to servicing growth. Accordingly, the growth-related cost will be fully funded by DCs (71.6%) and the State-of-Good-Repair program will be funded by the reserves (28.4%) supported by tax.



Halton Region

Budget and Business Plan

BUDGET REPORT 2023

TAX OVERVIEW

HEALTH

Health Department

The Health department provides a range of accessible and effective Public Health and Paramedic Services programs. The Public Health programs, as defined by the Ontario Public Health Standards: Requirements for Programs, Services, and Accountability, are designed to support the physical and mental health and well-being of Halton residents through a variety of programs and services that aim to reduce health inequities, protect and promote health, and prevent injury and disease including COVID-19. Paramedic Services provides advance, pre-hospital care and delivers public awareness programs including CPR, public access defibrillation, injury prevention, community paramedic programs and emergency information.

Budget Impacts

The 2023 Health department budget reflects an increase of \$2.9 million, or 7.1% over the 2022 Budget, comprised of an \$840,000 increase in Public Health and \$2.1 million increase in Paramedic Services.

Health Departmental Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Health Department									
Healthy Families	\$ 9,085	\$ 2,547	\$ 11,632	\$ (6,489)	\$ 5,143	\$ 4,876	\$ 267	5.5%	
Health Protection	7,058	1,951	9,009	(5,215)	3,794	3,698	95	2.6%	
Healthy Schools & Communities	13,978	2,641	16,620	(12,143)	4,477	4,266	211	4.9%	
Infectious Disease Control	7,446	2,029	9,474	(5,885)	3,590	3,426	164	4.8%	
Public Health Resources	4,825	1,054	5,879	(3,466)	2,413	2,311	102	4.4%	
Public Health Total	42,392	10,222	52,614	(33,198)	19,416	18,577	840	4.5%	
Paramedic Services	39,556	10,278	49,833	(24,601)	25,233	23,131	2,102	9.1%	
Total	\$ 81,947	\$ 20,500	\$ 102,447	\$ (57,798)	\$ 44,649	\$ 41,708	\$ 2,941	7.1%	
2022 Budget	\$ 81,100	\$ 18,639	\$ 99,739	\$ (58,032)	\$ 41,708				
\$ Change	847	1,861	2,708	233	2,941				
% Change	1.0%	10.0%	2.7%	-0.4%	7.1%				
FTE					489.2	479.7	9.5	2.0%	
Relief Hours					77,132.0	90,284.0	(13,152.0)	-14.6%	

Schedule may not add due to rounding.

The Public Health budget includes strategic investments for an additional 2.5 FTEs; 2.0 Health Promoter FTEs in Healthy Families to address increased needs for evidence-informed mental health promotion and substance use interventions, and a budget neutral investment to convert budget allocated for casual Dental Recorders which is no longer required to a 0.5 Oral Health Supervisor FTE in Healthy Schools & Communities to provide operational oversight for Provincially-mandated programs. There is also a budget neutral strategic investment proposed to transition to a mobile delivery model for sexual health services in north Halton as reported in Report No. **MO-02-22**.

The Public Health budget includes \$3.2 million in temporary costs required to support COVID-19 response and recovery in 2023. The Ministry of Health has communicated that COVID-19 response costs will continue to be eligible for funding in 2023. While all other COVID-19 recovery one-time expenditures have not been funded as requested, it is anticipated that there may be a future opportunity to recover these costs. Staff continue to monitor expenditures, provide the Province with quarterly reports, and advocate for additional funding to support this essential additional service. COVID-19 response and recovery expenditures in the 2023 Budget include:

- \$1.5 million for temporary staffing and operational costs for the Immunization Services Program, specifically staff supporting Adverse Events Following Immunization (AEFIs) reporting and assessment, Quality Assurance and Intake functions for COVID-19 vaccine clinics, School Based Immunization catch-up clinics, and the planning and implementation of the 2023 immunization catch-up clinics specific to vaccines under the *Immunization of School Pupils Act* (ISPA). This includes temporary staffing for 12 months consisting of 3 Public Health Nurses, 3 Program Assistants and 2 Administrative Coordinators, 6 months for 5 Public Health Nurses, 3 Program Assistants, 1 Supervisor, and 10 weeks for 12 casual Nursing staff, as well as supplies, courier and hall rental costs;
- \$989,000 for 6 months of temporary staffing for the Outbreak Management and Case and Contract Management teams, including 15 Public Health Nurses, 1 Supervisor and 2 Program Assistants;
- \$517,000 to support the Vaccine Management team with 12 months of temporary staffing including 2 Pharmacists and 1 Pharmacy Assistant, as well as for courier and transportation costs; and
- \$198,000 in Public Health Resources to support 1 temporary Associate Medical Officer of Health for 12 months.

Due to the uncertainty around requirements related to the mass vaccination program in 2023, the 2023 Budget does not include any provisions for the COVID-19 Vaccination Program, however the Province has committed to continue to fund costs related to the Vaccination Program in 2023 and it is anticipated that there will be no financial impact to the Region. The 2023 Budget also does not include a provision for the School-Focused Nurses Initiative. The program was initially expected to end on December 31, 2022; however, the Ministry has indicated that the program will be extended to June 2023, with no net impact to the Region.

As shown in the table below, the gross expenditures of the Public Health programs are decreasing by \$250,000 or 0.5%, primarily due to the reduction in one-time COVID-19 response and recovery costs, partially offset by strategic investments for 2.5 FTEs, and inflationary cost adjustments applied where applicable. Subsidy revenues are decreasing by \$1.1 million due to the reduction in one-time COVID-19 subsidies, partially offset with an increase of \$783,000 in base funding for the Public Health cost-shared programs and \$142,000 for strategic investments to maintain the current cost-share level. These subsidy increases are anticipated from the Ministry of Health, however have yet to be confirmed.

As reported through Report No. **MO-10-22**, one-time funding and an increase in annual base funding was requested from the Ministry of Health in 2022 to address current community need in the Ontario Seniors Dental Care Program (OSDCP). This request was approved, and annual base funding increased from \$1.2 million to a total of \$3.9 million when fully annualized in 2023, which will allow for a full range of dental services to be available for eligible clients. The 2023 Budget includes an increase of \$673,000 to reflect the confirmed fully-annualized increase provided by the Ministry of Health for the OSDCP.

Subsidies for other base-funded programs are anticipated to remain frozen at the 2022 funding levels based on the latest funding allocations received from the Provincial and Federal governments including Healthy Babies Healthy Children (HBHC) and the Canada Prenatal Nutrition Program (CPNP).

2023 Net Program Expenditures for Public Health (\$000s)				
	2022		2023	
	Approved Budget	Requested Budget	Change	
Public Health			2023 - 2022	
Total Gross Expenditures	\$ 52,864	\$ 52,614	\$ (250)	-0.5%
Subsidy Revenue	(34,151)	(33,069)	1,081	-3.2%
Other Revenue	(136)	(128)	8	-5.7%
Net Program Expenditures	\$ 18,577	\$ 19,416	\$ 840	4.5%

The Paramedic Services budget includes strategic investments for an additional 7.0 FTEs (6.0 Paramedic FTEs converted from 13,152 relief hours and 1.0 FTE Logistics Fleet Coordinator), and a leased storage facility in order to address pressures in the paramedic operations, with Provincial funding anticipated based on the current cost-share model. Inflationary adjustments and collective agreement increases have been applied, where applicable, to maintain service levels, and an increase in base funding to reflect growth, but not inflation, has been included which reflects the current funding model. The Paramedic Services budget also includes an increase of \$113,000 in one-time funding for the Community Paramedicine initiative from the Ministry of Long-Term Care which has been fully offset with additional expenditures to support the program. As reported through Report No. **MO-02-21** (re: Community Paramedic Program Update), funding has been allocated to support this program until March 31, 2024 to help more seniors on long-term care waitlists stay safe while living in the comfort of their own homes for a longer period of time by providing access to community paramedics.

Healthy Families

The Healthy Families division focuses on promoting health across all ages. Issues addressed include mental health promotion, healthy child development, reducing substance misuse, active living, healthy eating and injury prevention. Services range from intensive support for families with higher needs, to population health promotion through community settings and digital media.

Budget Impacts

The 2023 Budget reflects an increase of \$267,000, or 5.5% over the 2022 Budget. Direct Costs are increasing by \$395,000 and include strategic investments for 2.0 Health Promoter FTEs to support the Healthy Living program, and inflationary cost increases applied where applicable. Subsidies & Revenue are increasing by \$173,000 to maintain the current cost-share level for mandatory programs including the strategic investments. Funding provided from the Ministry of Children, Community and Social Services for the Healthy Babies Healthy Children (HBHC) program and Federal funding for Canada Prenatal Nutrition Program (CPNP) are anticipated to be held at the 2022 level.

Healthy Families Divisional Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Healthy Families									
Healthy Babies Healthy Children	\$ 2,869	\$ 805	\$ 3,674	\$ (1,874)	\$ 1,801	\$ 1,714	\$ 87	5.1%	
Early Years	2,672	736	3,408	(2,024)	1,384	1,399	(15)	-1.1%	
Healthy Living	3,543	1,006	4,549	(2,591)	1,958	1,763	196	11.1%	
Total	\$ 9,085	\$ 2,547	\$ 11,632	\$ (6,489)	\$ 5,143	\$ 4,876	\$ 267	5.5%	
2022 Budget	\$ 8,690	\$ 2,502	\$ 11,192	\$ (6,316)	\$ 4,876				
\$ Change	395	45	440	(173)	267				
% Change	4.5%	1.8%	3.9%	2.7%	5.5%				
FTE					74.1	72.1	2.0	2.8%	

Schedule may not add due to rounding.

Healthy Babies Healthy Children (HBHC)

HBHC is a Provincial program for expectant parents and families with children (birth to start of school) who are identified with risk based on screening conducted by Public Health and community healthcare providers. The goal of the program is to optimize child growth and development and reduce health inequities. Program components include screening and assessment to identify families in need of service, home visiting, and service coordination.

HBHC services continued to be impacted by the pandemic in 2022. During the first quarter of 2022 many HBHC staff were deployed to COVID-19 response and vaccine administration leaving fewer staff to provide the usual services. The COVID-19 pandemic has, for many families, increased the need for HBHC services. Most HBHC services are normally provided through home visits. In 2022, clients with the highest needs were offered HBHC services, through both home and virtual visits. As noted in the table below, the level of service provision was reduced in 2022 but is expected to increase in 2023.

The subsidy provided by the Ministry of Children, Community and Social Services for the HBHC program has not increased since 2013 and does not provide for service demand changes due to population growth and demographic changes in Halton, or inflationary pressures.

The 2023 Budget for HBHC reflects a net increase of \$87,000 or 5.1% due to inflationary cost increases applied where applicable to maintain service levels.

Healthy Babies Healthy Children	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Halton births screened postpartum	4,351	4,168	4,090	4,290	4,510
Per cent of Halton births screened postpartum	79%	79%	73%	78%	82%
Number of Families Receiving Blended Home Visiting	368	172	66	213	282
Number of Days from HBHC Referral to Home Visiting Public Health Nurse Assignment	25	22	24	10	18
Number of Healthy Babies Healthy Children In-depth Assessments Completed	697	263	94	500	705

Early Years

Early Years promotes healthy growth and development of infants, young children and their families, from planning a pregnancy through to the transition to school. Priority issues, addressed through community partnerships, skills development and capacity building, include healthy pregnancies, healthy child growth and development, mental health promotion, positive parenting, breastfeeding, and injury prevention. Health equity is addressed through targeted programs for those parents most in need, including the Halton Prenatal Nutrition Program (HPNP) and neighbourhood parenting groups. HPNP partners with parents to improve maternal-infant health, increase rates of healthy birth weight, and promote breastfeeding. In addition, weekly neighbourhood parenting groups are provided to parents facing challenges or experiencing barriers to accessing other programs offered in the community to provide parents with additional support to positively impact child growth and development.

Early Years services were significantly impacted by the pandemic in 2022. Many Early Years staff were deployed to COVID-19 response and vaccine administration, leaving fewer staff to provide usual services. Most Early Years services are normally provided in-person at community settings, which was not possible during the

pandemic. Staff have tried to find ways to work toward program goals despite significantly reduced staffing levels and challenges with providing in-person services. Where possible, services were transitioned online.

As with HBHC, the COVID-19 pandemic has, for many families, increased the need for Early Years services. Throughout the pandemic parents have reported increased parental stress, decreased access to early childhood education, early year's services and schools. Parents are concerned about their children's growth and development as a result of the acute phase of the pandemic (**MO-09-22**). In 2023, Early Years will address the growth and development of children 0-6 through surveillance, promoting the early identification of developmental concerns, promoting the importance of brain development, and providing targeted and universal pre-natal and post-natal parenting programs.

As noted in the table below, the level of service provision was reduced in 2022. It is anticipated that service levels will increase in 2023.

Early Years	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Contacts with Halton Prenatal Nutrition Program	2,286	809	663	674	1,500
Number of Parent Participants in Parenting Groups Including Series and Single Sessions	10,531	1,342	0	0	4,400
Number of people reached through the online prenatal education program	1,186	1,411	988	884	1,200
Per cent of Newborns Born to Halton Mothers Breastfeeding Exclusively Upon Discharge (or at 3 Days From Birth if a Home Birth)	62%	58%	54%	53%	55%

The Early Years program also promotes healthy growth and development through social media (HaltonParents) and telephone support. These services were stopped in the first quarter of 2022. Services were restarted in the second quarter of 2022 and have provided an important service to the community as families coped with COVID-19, and a reduction in many other community services.

The 2023 Early Years budget reflects a net decrease of \$15,000 or -1.1% due to a reallocation of Provincial subsidy between program areas, partially offset by inflationary cost increases applied where applicable.

Healthy Living normally works with partners to reduce chronic diseases, preventable injuries and substance misuse in Halton. In 2022, much of this work was suspended because many staff were reassigned to various areas of COVID-19 response and vaccine administration.

Healthy Living staff have supported COVID-19 communications, providing information to post on Halton.ca and sharing with community partners, and ensuring that Call Centre staff have had current information to share with callers. The program has also worked to increase COVID-19 vaccine uptake among both the general population and also priority populations by providing clear information about COVID-19 and the vaccine rollout, conducting consultations to better understand barriers, developing approaches to address identified barriers, and engaging community partners to promote vaccination.

In 2023, the priority for the Healthy Living program will be to address the impacts of the COVID-19 pandemic on worsening mental health and increased alcohol use (MO-09-22). Halton adults have reported their overall mental health and well-being worsened due to the pandemic, and national level data suggests that the mental health of Canadians continues to decline as the pandemic endures. In 2023, Healthy Living will promote mental health in adults through ongoing surveillance of mental health, and work to collaborate with Halton workplaces to implement mental health policies. During the COVID-19 pandemic one quarter of Halton residents increased the amount of alcohol they consumed. This is a concern, as alcohol is a leading cause for disease, disability and death. In 2023, Healthy Living will address the health risk of increased alcohol consumption through surveillance of alcohol related harms, work on an alcohol policy toolkit to be shared with workplaces and other organizations, and a communications plan related to the risks of alcohol consumption.

HaltonParents social media platforms have been an important resource for families throughout the pandemic, as a credible source of information about COVID-19 and the COVID-19 vaccination program. As shown in the following table, Facebook “likes” and Twitter followers have continued to increase as families demonstrate a preference for receiving information through social media channels.

Healthy Living	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
HaltonParents Facebook - number of "likes"	10,060	11,119	11,998	12,050	12,500
HaltonParents Twitter - number of followers	8,911	9,462	9,689	9,763	9,800

The 2023 Healthy Living budget reflects a net increase of \$196,000 or 11.1% and includes strategic investments for 2.0 Health Promoter FTEs to address increased needs for mental health and substance misuse intervention. The 2023 Budget also includes inflationary cost increases applied where applicable, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health.

Health Protection

The Health Protection division works to prevent the spread of enteric and vector-borne diseases as well as identify, assess and manage health hazards in the community. The division inspects regulated premises (such as restaurants, daycares, pools and personal service settings), and manages suspected rabies exposures, investigates health hazard complaints, and enforces tobacco control legislation, including vaping and cannabis. The Health Protection division provides education and a progressive enforcement approach to protect the health and safety of the Halton community.

Since 2020, the COVID-19 pandemic has significantly impacted Health Protection programs as well as many other programs in the Health department. Divisional staff were re-deployed and a small team continued to provide the most essential services. Beginning in March of 2022, most staff returned from re-deployment and the division has focused on recovery of programs and services.

Budget Impacts

The 2023 Budget reflects an increase of \$95,000, or 2.6%, from the 2022 Budget due to inflationary cost increases applied where applicable to maintain service levels, partially offset with an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health.

Health Protection Divisional Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Capital		Total Gross	Subsidies &	Net Tax	Net Tax			
Health Protection	Direct Costs	Financing & Other Costs	Expenditures	Revenue	Impact	Impact	2023 - 2022		
Enteric and Vector Borne Diseases	\$ 2,108	\$ 582	\$ 2,690	\$ (1,554)	\$ 1,136	\$ 1,113	\$ 23	2.1%	
Environmental Health	2,482	686	3,168	(1,834)	1,333	1,298	35	2.7%	
Food Safety Inspections	2,468	682	3,151	(1,827)	1,324	1,287	37	2.9%	
Total	\$ 7,058	\$ 1,951	\$ 9,009	\$ (5,215)	\$ 3,794	\$ 3,698	\$ 95	2.6%	
2022 Budget	\$ 6,895	\$ 1,907	\$ 8,803	\$ (5,104)	\$ 3,698				
\$ Change	163	44	206	(111)	95				
% Change	2.4%	2.3%	2.3%	2.2%	2.6%				
FTE					50.7	50.7	-	0.0%	

Schedule may not add due to rounding.

Enteric and Vector-Borne Diseases (EVBD) team responds to all reports of enteric and vector borne diseases, manages outbreaks, and provides related education and advice to clients, physicians, Long-Term Care (LTC) homes, hospitals, and child care centres. They also regularly inspect personal service settings (e.g., spas, tattoo parlours, and salons) and support the education of these operators related to infection prevention and control (IPAC) measures. EVBD staff investigate IPAC

complaints in personal service settings and work collaboratively with staff from the Infectious Disease Control division to investigate IPAC complaints in regulated health professionals' settings, such as dental clinics and physicians' offices.

This team is also responsible for the vector-borne disease program, which includes monitoring for mosquito and tick-related illnesses (e.g., West Nile virus and Lyme disease). Included in this program is the coordination of mitigation activities such as the surveillance of 320 standing water sites, larviciding of catch basins and standing water sites, active surveillance of black-legged ticks for Lyme disease, and monitoring for other emerging vector-borne diseases.

Staff fully returned from COVID-19 pandemic re-deployments and the team resumed routine inspections in the spring of 2022.

The 2023 Budget has increased by \$23,000, or 2.1% due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health.

Enteric and Vector-Borne Diseases	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Inspections of Personal Service Settings Completed	859	480	286	600	900
Per cent of Required Inspections of High Risk Personal Service Settings Completed	100%	68%	91%	100%	100%
Number of Enteric Outbreaks Investigated in Institutions (LTC Homes, Rest and Retirement Homes, Hospitals, Daycares)	60	28	11	50	60
Number of Enteric Disease Investigations	464	394	274	400	400
Number of standing water fixed sites monitored for mosquitoes	281	280	313	320	320
Total number of larvicide applications to surface waters for West Nile Virus program	447	500	621	550	550
Number of Potential Rabies Exposures Investigated	1,216	938	964	1,150	1,200

Environmental Health team inspects public recreational water facilities such as pools and spas, monitors beach water quality, inspects small drinking water systems (SDWS), provides education to private well owners regarding the testing and maintenance of their wells, inspects Seasonal International Agriculture worker housing accommodations, manages potential rabies exposures, and works with community and government agencies to respond to health hazard complaints within 24 hours of receipt. The team works to prevent chronic diseases related to tobacco and vaping products by enforcing legislation such as the *Smoke Free Ontario Act* (SFOA). As part of their responsibilities, staff routinely inspect and conduct compliance checks of premises that sell tobacco and vaping products to ensure these products are not sold to underage youth, and enforce smoking restrictions for tobacco, vaping and cannabis. Staff are also responsible for the education and enforcement of the Region's Smoking and Vaping in Public Places By-law No. 40-20, and the new Waterpipe Smoking By-Law No. 41-21, which came into effect on July 19, 2022.

In Spring 2022, staff fully returned from COVID-19 re-deployments and the team restarted routine inspections and investigations.

The 2023 Budget has increased by \$35,000, or 2.7% due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health.

Environmental Health	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Per cent of Health Hazard Complaints Responded to Within 24 Hours of Receipt*	99%	N/A	N/A	N/A	100%
Per cent of Class A Pools Inspected While in Operation	100%	81% of pools inspected in first quarter; inspected upon notification of re-opening for remainder of year	100%	100%	100%
Per cent of Required Inspections of Spas Completed	100%	89% for first quarter; inspected upon notification of re-opening for remainder of year	100%	100%	100%
Total Number of Environmental Alert Subscriptions (Heat, Cold and Smog)	2,488	2,528	2,715	2,800	2,900
Per cent of Tobacco Retailers Inspected Once per Year for Compliance with Display, Handling and Promotion Sections of the Smoke-Free Ontario Act (SFOA)	100%	58%	51%	100%	100%
Total number of tobacco/vaping vendors inspected	315	153	157	260	260
Per cent of Tobacco Vendors in Compliance with Youth Access Legislation at the Time of Last Inspection	99%	99%	100%	98%	98%

* Data not available as quality assurance work for Health Hazard Complaint tracking was suspended during the COVID-19 pandemic and has not yet re-started

Food Safety Inspection team is responsible for reducing the risk of food-borne illness by conducting inspections and risk assessments of more than 3,000 food premises. The team responds to food safety related complaints within 24 hours of their receipt, promotes safe food handling practices and provides food handler certification. Staff support the education and awareness of food premises related to infection prevention and control (IPAC) measures which includes COVID-19 public health measures during the pandemic. Special events are beginning to grow in popularity again, and the team pre-approve all food vendors and inspect all major events to ensure food is handled and served to the public in a safe manner.

As a result of the COVID-19 pandemic, routine food safety inspections, food handler training, and inspections of special events were suspended throughout 2021. Staff continued to provide essential services by responding to complaints of suspected food borne illness and unsafe food handling practices and utilized a risk-based approach to inspecting high risk food premises and child care centres. Additional services were added to this team as part of the pandemic response such as responding to complaints regarding mask use and physical distancing, inspections and approvals of emergency child care centres, workplace IPAC inspections, and other enforcement issues. The team was responsible for following up and issuing Part 1 tickets under the *Provincial Offences Act* for violations of the *Reopening Ontario (A Flexible Response to COVID-19) Act* (ROA), 2020 or breach of Section 22 class order issued by Halton Medical Officer of Health under the *Health*

Protection and Promotion Act until these were rescinded in the spring of 2022. The team worked closely with Municipal By-Law from all four local municipalities to respond to complaints and enforce the ROA including capacity limits, vaccine certification; and with the Ministry of Labour conducted joint inspections for workplaces with outbreaks. In March of 2022, this team resumed routine inspections and investigations with priority focus on high risk and child care centre inspections.

The 2023 Budget reflects a net increase of \$37,000, or 2.9%, due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health.

Food Safety Inspections	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Food Handlers Certified	1,778	347	30	30	100
Per cent of Required Inspections of High Risk Food Premises Completed	100%	68%	32%	90%	100%
Number of Inspections of High Risk Food Premises Completed	1,985	1,220	620	1,746	1,950
Number of Inspections of Food Premises Completed	5,228	2,717	1,743	4,412	5,300
Number of Special Event Inspections	962	158	224	500	950

Healthy Schools and Communities

The Healthy Schools and Communities division focuses on promoting health and preventing illness and disease in schools and communities. The division is comprised of the Vaccine Management, Vaccine Clinics, Oral Health, and School Years programs. Activities include management and distribution of vaccines, immunizations to help prevent, control and support eradication efforts for vaccine-preventable diseases, dental screening for elementary school students, education to help prevent chronic disease related to poor oral health, support for access to dental care services for low-income clients, health promotion activities for school-aged children and their families and support to schools for the prevention of COVID-19 infection.

Budget Impacts

The 2023 Budget reflects an increase of \$211,000, or 4.9% over the 2022 budget and includes a strategic investment proposed for a 0.5 FTE Oral Health Supervisor to support the Oral Health program, with no net impact. Direct Costs and Subsidies are decreasing due to the reduced COVID-19 related one-time expenditures and funding included in the 2023 Budget compared to 2022. In addition, an increase of \$673,000 in funding and equivalent expenditures is included for the Ontario Seniors Dental Care Program based on the approved annualized allocation from the Ministry of Health. Capital Financing & Other Costs are increasing mainly as a result of increased corporate support costs required to support the implementation of the Digital Strategy.

Healthy Schools & Communities Divisional Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Healthy Schools & Communities									
Oral Health	\$ 4,965	\$ 571	\$ 5,536	\$ (4,856)	\$ 680	\$ 665	\$ 15	2.3%	
School Years	2,770	794	3,564	(2,068)	1,496	1,441	56	3.9%	
Vaccine Clinics	3,988	703	4,691	(3,394)	1,297	1,225	72	5.9%	
Vaccine Management	2,255	573	2,828	(1,825)	1,004	935	68	7.3%	
Total	\$ 13,978	\$ 2,641	\$ 16,620	\$ (12,143)	\$ 4,477	\$ 4,266	211	4.9%	
2022 Budget	\$ 14,002	\$ 2,351	\$ 16,353	\$ (12,087)	\$ 4,266				
\$ Change	(24)	291	267	(56)	211				
% Change	-0.2%	12.4%	1.6%	0.5%	4.9%				
FTE					76.4	75.9	0.5	0.7%	
Relief Hours					1,350.2	1,350.2	-	0.0%	

Schedule may not add due to rounding.

The 2023 Budget includes \$2.1 million for COVID-19 one-time recovery costs for Vaccine Management and Vaccine Clinics programs, specifically supporting Adverse Events Following Immunization (AEFIs) reporting and assessment, Quality Assurance (QA) and Intake functions for COVID-19 vaccine clinics, School Based Immunization catch-up clinics, and the planning and implementation of the 2023 immunization catch-up clinics for vaccines under the *Immunization of School Pupils Act* (ISPA). This includes staffing of 18 temporary FTEs, courier services for vaccine deliveries, personal protective equipment (PPE) and facility rental, and is offset with funding anticipated from the Ministry of Health.

Due to the uncertainty around requirements related to the COVID-19 Mass Vaccination Program in 2023, the 2023 Budget does not include any provisions for the Program, however the Province has committed to continue to fund costs related to the COVID-19 Vaccination Program in 2023 and it is anticipated that there will be no financial impact to the Region. The 2023 Budget also does not include a provision for the School-Focused Nurses Initiative. The program was initially expected to end on December 31, 2022; however, the Ministry has indicated that the program will be extended to June 2023, with no net impact to the Region.

Oral Health offers dental screening for elementary school students in school settings and through tele-screening, and client enrolment and navigation to financial assistance dental programs for low-income children, adults and seniors through the Healthy Smiles Ontario (HSO), Ontario Works, Low-Income and Ontario Seniors Dental Care (OSDCP) programs. Similar to other Public Health programs, the pandemic led to impacts to program delivery due to managing COVID-19 cases in schools, Infection Prevention and Control (IPAC) measures at schools, and the redeployment of some Oral Health staff to COVID-19 response.

Dental screening for elementary school students identifies children who are in need of urgent dental care. Parents and guardians of children identified in need of urgent dental care are contacted by Public Health. Families who are unable to afford the cost of dental care for their children may be eligible for financial assistance through the HSO program. For the 2021 to 2022 school year, dental screening in elementary schools remained suspended due to the COVID-19 pandemic, and instead a modified dental screening program continued, using tele-screening, for elementary school students who requested screening. From January 1 to July 31, 2022, 160 Halton children were identified as eligible and enrolled in the HSO program. For the 2022 to 2023 school year, planning is underway to screen all publicly funded, elementary school students in JK, SK and grade 2 as part of recovery efforts to understand better where in Halton risks for poor oral health exist and targeted health promotion may need to occur in the future.

The OSDCP is the Provincially-funded dental care program for low-income seniors. The intent of the OSDCP is to provide comprehensive dental care for low-income seniors, including preventive services and dentures. The OSDCP was launched in Halton in late 2021, with local dental professionals providing care through a fee-for-time model (**MO-07-21**). The OSDCP program replaces the Dental Care Counts (DCC) program that was fully funded by the Region. Since the launch of the OSDCP, which provides access to more services than DCC, the demand for services locally, and the acuity of dental needs presented by OSDCP clients exceeded Halton's previous funding allotment from the Province. As reported through Report No. **MO-10-22**, one-time funding and an increase in annual base funding was requested from the Ministry of Health in 2022 to address current community need in the OSDCP. This request was approved, and annual base funding increased from \$1.2 million to a total of \$3.9 million when fully annualized in 2023, which will allow for a full range of dental services to be available for eligible clients. As a result, the number of OSDCP claims processed has gone from 126 in 2021, to an anticipated 1,073 in 2022, and a further projection of over 3,500 in 2023.

The promotion of oral health will continue through virtual education sessions, which have been successful in reaching at-risk families that participate in the Halton Prenatal Nutrition Program (HPNP) and Healthy Babies Healthy Children (HBHC) program. Oral health promotion will also continue through digital strategies, including Halton Parents social media, e-blasts to schools in collaboration with the School Years program and promotion of OSDCP to eligible residents.

The 2023 Budget for Oral Health has increased by \$15,000 or 2.3% due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health. The budget includes a strategic investment proposed for a 0.5 FTE Oral Health Supervisor that is fully offset through a conversion of budget allocated for casual Dental Recorders which is no longer required, resulting in no tax

impact, in order to provide operational oversight in the Provincially-mandated HSO and OSDCP programs. The 2023 Budget includes an increase of \$673,000 in funding and equivalent expenditures to reflect the confirmed fully-annualized increase provided by the Ministry of Health for the OSDCP.

Oral Health	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Children Screened for Oral Health in Elementary Schools (School Year)	19,680	14,226	0	0	18,242
# of children enrolled in Healthy Smiles Ontario (Emergency and Essential Services Stream and Preventative Services Only)*	642	427	328	508	547
Number of Ontario Seniors Dental Care Program (OSDCP) claims processed	N/A	N/A	126	1,073	3,579
Number of clients that received Ontario Seniors Dental Care Program (OSDCP) services in Halton	N/A	N/A	89	720	1,556
Number of Halton residents that received Ontario Seniors Dental Care Program services in Halton	N/A	N/A	89	713	1,540

School Years delivers supports and services to improve the health of school-aged children and youth through collaboration with all publicly funded school boards and individual private schools. At the start of the 2021-2022 school year, usual programming shifted to preventing COVID-19 infection in schools. All schools were provided COVID-19 related support, which included supporting communication and engagement with parents and guardians, weekly meetings with the school boards, and supporting case and contact management, outbreak management, and Infection Prevention and Control (IPAC). In the spring of 2022, most School Years staff returned from the COVID-19 response to resume health promotion work for other health issues. Health promotion will continue in the 2022-2023 school year; the prioritized health issue will be the promotion of children and youth mental health. One of the most significant incidental impacts of the COVID-19 pandemic was on mental health. Children and youth were identified to be at an even greater risk of negative mental health outcomes during the COVID-19 pandemic (**MO-09-22, SS-16-22**). The school years' program will work to address mental health promotion and mental illness prevention through improving surveillance and implementing evidence informed interventions to promote mental health in partnership with school boards, parents and community agencies.

As shown in the following table, the usual supports to schools were disrupted in 2021 and 2022. School Years will resume providing health promotion services to schools in the 2022 to 2023 school year.

The 2023 Budget for School Years has increased by \$56,000, or 3.9% due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health. As mentioned above, the 2023 Budget does not include any provision for School-Focused Nurses Initiative. The extension of the program into 2023 is expected to be funded by the Province with no net Regional impact.

School Years	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Parents of Children & Youth Receiving Parenting Information	1,347	111	0	300	600
Number of Consultations Provided to School Staff, Students and Parents Related to Promoting Health in the School-Aged Child	24,586	5,884	142	6,250	25,000
Number of Schools Receiving non-COVID Services	16	0	0	42	160

Vaccine Clinics includes enforcement of the *Immunization of School Pupils Act* (ISPA) and the *Child Care and Early Years Act* (CCEYA), and the administration of certain immunizations through the school-based program. Public Health has been making progress since efforts began in 2015 towards achieving full enforcement of the ISPA for students aged 7 to 17. A plan was developed to reach full compliance with the ISPA and the CCEYA by 2022, consistent with the action items in the 2019-2022 Halton Region Strategic Business Plan. The impact of COVID-19 significantly disrupted normal operations of the program in 2020, 2021, and 2022. Consequently, full compliance with the ISPA and the CCEYA was not achieved in 2022.

In 2021, the Vaccine Clinics program began planning the administration of immunizations (Hep B, HPV and Meningococcal) for students who were in Grade 7 between 2019 to June 2022. 32,907 students in birth cohorts from 2004 to 2009 were identified as not being complete for the school-based vaccines. This number does not ascertain whether the student requires one, two or three of the eligible school-based vaccines. From April to mid-June 2022, the Vaccine Clinics program focused on in-school catch-up clinics for students in Grades 7 and 8. It was estimated that the number of eligible students requiring one or more vaccines was 8,258. By June 2022, 7,858 students had been immunized. Over Summer 2022 community catch-up clinics across the four municipalities were conducted. These clinics targeted high school students who missed their school-based vaccines due to the pandemic. The program aimed to have these students caught up with immunization for Hep B, HPV and Meningococcal disease by September 2022. The Vaccine Clinics program will continue with the catch-up clinics in-school during the 2022-2023 school year.

The 2023 Budget for Vaccine Clinics has increased by \$72,000, or 5.9%, driven by inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health. The 2023 Budget also includes \$1.5 million in one-time COVID-19 recovery costs that are anticipated to be funded by the Ministry of Health. This includes:

- \$716,000 for 6 months of temporary staffing consisting of 5 Public Health Nurses, 1 Supervisor, 3 Program Assistants, and 12 Casual Nursing staff for 10 weeks, to support the School-Based Immunization Catch-Up Program with completing immunization of students who missed vaccinations from prior school years;
- \$713,000 for 12 months of temporary staff including 3 Public Health Nurses, 3 Program Assistants and 2 Admin Coordinators are included to support the QA, AEFI, and Intake functions required for the implementation of ISPA in 2023 and the increase in school-based vaccinations; and
- \$104,000 for personal protective equipment (PPE) for program staff, courier services, and space rental for community immunization clinics due to the uncertainty of sustained availability of school sites for school-based clinics

The following table shows an expected 27% compliance rate with ISPA requirements for 16 and 17-year-old students, and an expected 35% compliance rate with ISPA requirements for the 7 and 8-year-old students in the 2022-2023 school year. As youth who previously experienced ISPA enforcement prior to the pandemic

age out of the school system, compliance rates will be lower due to a pause in ISPA enforcement since March 2020. As families adjust to catching up on programs and services that were impacted by the pandemic, the Vaccine Clinics program is taking a supportive and promotional approach for the 2022-2023 school year and suspensions under ISPA will not be enforced. Enforcement is being deferred to the 2023-2024 school year. The projected compliance rates and the number of projected doses of Hep B, HPV and meningococcal vaccines administered in 2022 and projected for 2023 reflects an increase from 2021. This increase is a result of catch-up clinics both in-school and within the community.

Vaccine Clinics	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Per cent of all Students in Compliance with Immunization of School Pupils Act (ISPA) JK-12	65%	72%	45%	48%	50%
Per cent of 16/17 Year-Old Students in Compliance with ISPA Requirements	86%	93%	68%	46%	27%
Per cent of 7/8 Year-Old Students in Compliance with ISPA Requirements	36%	80%	22%	25%	35%
Number of HPV Doses Administered (School Year)	11,825	8,072	3,161	17,206	11,234
Number of Hep B doses Administered (School Year)	8,443	5,524	2,169	11,789	12,386
Number of Meningococcal conjugate A, C, Y, W Administered	7,983	8,324	2,082	10,752	5,872

Vaccine Management includes vaccine distribution to health care providers for all publicly-funded vaccines and inspections of fridges containing publicly funded vaccines to ensure safe storage and handling of vaccines.

In 2022, a permanent Pharmacy Team was established within Vaccine Management to support the ongoing functions of the vaccine depot. Consisting of pharmacists and pharmacy assistants, the team continues to manage and distribute the various COVID-19 vaccines as well as routine, special order, and school-based vaccines. Using their pharmaceutical knowledge, the team ensures that vaccines are handled and distributed in a manner that prevents waste and preserves the safety and integrity of the vaccines.

Due to COVID-19, in 2020 the vaccine distribution process to health care providers whereby they would come to the Halton Regional Centre to pick up their vaccine orders was replaced with an outsourced courier delivery service contracted by the Region. The courier delivery of COVID-19 vaccines in addition to other publicly-funded vaccines continued in 2022, and planning is underway for a long-term distribution plan of publicly-funded vaccines to health care providers in 2023 and beyond.

The expanding scope of practice for pharmacists has made it easier than ever for Halton residents over the age of five to receive their influenza immunization. Pharmacists now receive vaccines directly from a central distributor and no longer receive the vaccine from local Public Health. It is expected that Public Health will distribute 120,000 doses of influenza vaccine to health care providers (mainly primary care offices) in the 2022 to 2023 flu season. Through the Vaccine Management program, as shown in the table below, 50,000 doses of COVID-19 vaccines and 150,000 doses of routine vaccines (excluding influenza and COVID-19) will be distributed to primary care in 2023.

As more publicly funded vaccines are distributed within the community, the number of refrigerators requiring routine annual inspections increases. For 2023, continued growth due to existing and new offices and pharmacies opening, and COVID-19 vaccine being administered by more community Health Care Providers, will lead to additional fridges requiring inspections.

The 2023 Budget for Vaccine Management increased by \$68,000 or 7.3% driven by inflationary cost increases applied where applicable to maintain service levels and increased corporate support costs required to support the implementation of the Digital Strategy, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health. The 2023 Budget also includes \$517,000 in one-time COVID-19 recovery costs that are anticipated to be funded by the Ministry of Health. This includes \$358,000 for 12 months of temporary staffing including 2 Pharmacists and 1 Pharmacy Assistant, to support the distribution of COVID-19 Vaccine directly and for vaccine administration through community partners, \$125,000 for courier services for delivering vaccines to physicians and \$34,000 for the transportation and storage of vaccines.

Vaccine Management	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Doses of Influenza Vaccine Distributed to Community Partners	110,895	118,360	142,535	111,920	120,000
Number of Doses of COVID-19 Vaccine Distributed to Primary Care	N/A	N/A	27,052	18,604	50,000
Number of Doses of Publicly Funded Vaccines (excluding Influenza and COVID-19 Vaccine) Distributed to Primary Care	179,119	141,030	139,425	150,000	150,000
Number of refrigerators that store publicly funded vaccine that received their routine annual inspection	430	441	498	521	545

Infectious Disease Control

The Infectious Disease Control division works to prevent the spread of communicable diseases and other infectious diseases of public health significance, including new and emerging diseases such as COVID-19, monkeypox and avian influenza, which are identified through continuous monitoring and surveillance of current and available population health data. Infectious disease control is achieved through individual case and contact management, outbreak management, and Infection Prevention and Control (IPAC) education in a variety of settings including workplaces, childcare centres, schools, long-term care homes and other congregate settings. In addition, the division is responsible for harm reduction activities, harm reduction supply distribution, naloxone distribution, and delivers sexual health clinic services to priority populations.

Budget Impacts

The 2023 Budget reflects an increase of \$164,000, or 4.8% over the 2022 budget driven by inflationary cost increases that have been applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health. Both Direct Costs and Subsidies are decreasing due to the reduced COVID-19 related one-time expenditures and funding included in the 2023 Budget compared to 2022. The 2023 Budget includes \$989,000 for one-time COVID-19 response costs to support congregate and community outbreaks including schools, and ongoing COVID-19 case management, follow-up of hospitalized cases and re-positive cases, conducting data management, and quality assurance. These costs are fully offset in the 2023 Budget by funding anticipated from the Ministry of Health. A strategic investment is proposed to transition to a mobile delivery model for sexual health services in north Halton, as reported in Report No. **MO-02-22**, with no net Regional impact.

Infectious Disease Control Divisional Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Infectious Disease Control									
Communicable Diseases	\$ 2,643	\$ 730	\$ 3,373	\$ (2,068)	\$ 1,305	\$ 1,270	\$ 34	2.7%	
Outbreak Management	1,741	312	2,053	(1,495)	557	533	24	4.5%	
Sexual Health	2,265	725	2,990	(1,715)	1,274	1,183	91	7.7%	
Harm Reduction	797	262	1,059	(606)	453	439	14	3.2%	
Total	\$ 7,446	\$ 2,029	\$ 9,474	\$ (5,885)	\$ 3,590	\$ 3,426	164	4.8%	
2022 Budget	\$ 9,268	\$ 1,860	\$ 11,127	\$ (7,702)	\$ 3,426				
\$ Change	(1,822)	169	(1,653)	1,817	164				
% Change	-19.7%	9.1%	-14.9%	-23.6%	4.8%				
FTE					47.5	47.5	-	0.0%	

Schedule may not add due to rounding.

Communicable Diseases responds to reports of new and emerging diseases, respiratory communicable diseases and vaccine preventable diseases in the community to prevent the spread of disease. Education and timely follow up is provided to manage suspect, probable and confirmed cases. This area is focused on preventing the further transmission of respiratory and vaccine preventable diseases of public health significance including tuberculosis (TB), COVID-19, pertussis, monkeypox and many others. The work involves assessment and investigation of cases to identify potential exposures that may have led to the acquisition and/or transmission of disease, as well as identification of close contacts who are at risk for acquiring disease. Case follow-up is provided to assess the well-being of the case and compliance with Infectious Disease Protocols Public Health direction or guidance. Education and timely follow up to all contacts of cases is also provided, maintaining confidentiality.

The 2023 Budget for Communicable Diseases is increasing by \$34,000, or 2.7%, due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health. The Communicable Diseases budget includes \$264,000 in one-time COVID-19 response costs for 6 months of temporary staffing including 4 Public Health Nurses and 1 Program Assistant required for ongoing COVID-19 case management, follow-up of hospitalized cases and re-positive cases, conducting data management, and quality assurance.

Communicable Disease	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of TB Case Investigations	16	17	25	20	20
Number of TB Contact Investigations	101	94	83	80	80
Number of COVID-19 Case Investigations	N/A	6,401	23,014	28,000	5,000

Outbreak Management manages respiratory outbreaks in the community by reducing the spread of infectious diseases in a variety of settings (e.g., Long-term Care, Rest and Retirement Homes, correctional facilities, migrant farms and other congregate settings). Outbreak Management controls the spread of disease within congregate settings and prevents the secondary spread of infection into the larger community. Program staff educate staff and health care providers in institutional and congregate settings about effective outbreak and infection prevention and control (IPAC) practices. The COVID-19 pandemic has required a much larger outbreak management response to proactively ensure all IPAC processes are in place to prevent the spread of COVID-19 in congregate settings.

The 2023 Budget reflects a net increase of \$24,000 or 4.5% due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health. The Outbreak Management budget includes \$726,000 in one-time COVID-19 response costs for 6 months of temporary staffing including 11 Public Health Nurses, 1 Supervisor and 1 Program Assistant, to support congregate and community outbreaks including schools.

Outbreak Management	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Non-COVID-19 Respiratory Outbreaks Investigated at Institutions (LTC Homes, Rest and Retirement Homes, Hospitals)	113	106	10	30	100
Number of COVID-19 Respiratory Outbreaks Investigated at Institutions (LTC Homes, Rest and Retirement Homes, Hospitals, Group Homes and Corrections)	N/A	44	103	200	50

Sexual Health clinics provide contraception, pregnancy testing, sexually transmitted infection (STI) screening and treatment and case management with a focus on priority populations. The Sexual Health program also conducts STI case management for STI cases diagnosed in the community, ensuring adequate treatment has been provided by primary care in order to reduce transmission. The decrease in client visits starting in 2020, as noted in the table below, is the result of reduced clinic hours and locations where services are offered due to staff redeployment in response to the COVID-19 pandemic. Staff continued to provide limited service to priority populations throughout the pandemic at the Burlington location. Reestablishment of clinic services took place in 2022, starting with the reopening of the Oakville clinic in the summer of 2022, with the goal to reopen services in north Halton in 2023.

The 2023 Budget reflects a net increase of \$91,000, or 7.7%, due to inflationary cost increases applied where applicable to maintain service levels and increased corporate support costs required to support the implementation of the Digital Strategy, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health. The Sexual Health budget includes a strategic investment to support the transition from fixed clinics for Sexual Health services in north Halton to a Mobile Service Delivery model, as reported in Report No. **MO-02-22**. This change in service delivery will require the purchase of a medical van with associated annual operating costs, which will be offset with the occupancy cost savings resulting from the closure of the Acton Sexual Health Clinic, resulting in no net Regional impact.

Sexual Health	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Client Visits - Sexual Health Clinics	4,614	1,128	316	975	2,100
Number of Sexually Transmitted Infections Cases Managed	1,527	1,176	1,135	1,200	1,500
Per cent of confirmed Gonorrhoea cases treated according to recommended Ontario treatment guidelines	79%	70%	61%	70%	75%

Harm Reduction strategies aim to lessen the negative impact of substance use. The scope of work consists of needle exchange, an opioid strategy, and smoking cessation services to targeted populations. The opioids strategy aims to collect and report on local data and community needs, increase naloxone distribution to community organizations, paramedic services, police and fire services, and develop an early warning system to identify and respond to a surge in opioid overdoses. The COVID-19 pandemic impacted services into 2022 with the closure of public health clinic fixed sites and decreased participation of community partners in provision

of harm reduction services until late spring of 2022 when services began reopening. The number of safe needles distributed is expected to increase in 2022-2023 as agreements were established with two community partners to distribute harm reduction supplies mid-2022.

The 2023 Budget reflects a net increase of \$14,000, or 3.2%, due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health.

Harm Reduction	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of safe needles distributed by Halton Public Health Needle Exchange for harm reduction	252,506	196,352	147,759	200,000	250,000
Number of client contacts - Needle Exchange Program	1,209	1,137	1,162	900	1,100
Number of client appointments - Smoking Cessation Clinic	770	604	400	500	600
Number of new clients - Smoking Cessation	154	15	0	20	100
Total number of naloxone kits distributed by Halton Public Health	230	320	430	450	550
Total number of naloxone kits distributed by community partners or organizations that have agreements with public health	236	71	388	400	500
Total number of community partners or organizations that have agreements with public health to receive and distribute naloxone	9	10	12	14	16

Public Health Resources

Public Health Resources provide services in the areas of Professional Support and Public Health Surveillance and Evaluation to Halton residents.

Budget Impacts

The 2023 Budget reflects an increase of \$102,000, or 4.4%, from the 2022 budget. Direct Costs are increasing by \$263,000, due to inflationary cost increases applied where applicable to maintain service levels, and \$198,000 included for one-time COVID-19 response costs. Subsidies and Revenue are increasing by \$388,000 driven by an increase in Provincial funding for base-funded programs to maintain the current cost-share level with the Ministry of Health and funding for the one-time COVID-19 response costs.

Public Health Resources Divisional Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Public Health Resources									
Professional Support	\$ 3,291	\$ 622	\$ 3,914	\$ (2,324)	\$ 1,589	\$ 1,531	\$ 58	3.8%	
Public Health Surveillance & Evaluation	1,534	431	1,965	(1,141)	824	780	44	5.6%	
Total	\$ 4,825	\$ 1,054	\$ 5,879	\$ (3,466)	\$ 2,413	\$ 2,311	\$ 102	4.4%	
2022 Budget	\$ 4,562	\$ 826	\$ 5,389	\$ (3,078)	\$ 2,311				
\$ Change	263	227	490	(388)	102				
% Change	5.8%	27.5%	9.1%	12.6%	4.4%				
FTE					23.0	23.0	-	0.0%	

Schedule may not add due to rounding.

Professional Support

Professional Support provides quality improvement support to public health programs, public health and preventive medical consultations, physician engagement and public health emergency management.

Provision of continuous quality improvement support to programs helps to ensure evidence-informed decision-making and promotion of best practices. Staff members assist all Public Health programs with operational planning and ensure compliance with the Ontario Public Health Standards by conducting reviews, identifying gaps in service delivery and preparing reports to the Ministry. In 2023, while there may continue to be some support for the COVID-19 response, the focus will primarily be on pandemic recovery, supporting programs focussed on the community's health needs as well as organizational recovery following the acute phase of the COVID-19 pandemic.



Public health and preventive medicine consultations including communicable disease investigation and outbreak management are provided through the Medical Officer of Health and Associate Medical Officers of Health to all Public Health programs relating to the Ontario Public Health Standards and supports to collaborations with community partners on Public Health matters.

The Physician Engagement Initiative aims to support the health and well-being of the Halton community by providing physicians and other relevant health care professionals with information and guidance on emerging public health issues in our community. This initiative also provides outreach support such as regular public health updates, Continuing Medical Education events, and public health guidance to community partners such as hospitals and medical practices. The number of communications to healthcare providers in recent years have been high due to COVID-19 and vaccination efforts, however, a return to pre-pandemic levels is anticipated in 2023.

Public Health Emergency Management ensures that Public Health is prepared to respond to mitigate risks, and recover from threats to public health or disruptions to Public Health programs and services. This is done through a range of activities carried out in coordination with corporate and other community partners.

Professional Support	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of communications issued to healthcare providers	N/A	64	111	60	40

The 2023 Budget for Professional Support reflects an increase of \$58,000 or 3.8% due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health. The Professional Support budget includes \$198,000 in one-time COVID-19 response costs for one temporary Associate Medical Officer of Health (AMOH) for 12 months in order to backfill AMOH operational responsibilities while the two permanent AMOHs focus their attention on the COVID-19 response including COVID-19 Case and Contact Management, Outbreak Management, Vaccination and COVID-19 related knowledge and communications.

Public Health Surveillance and Evaluation

Public Health Surveillance and Evaluation provides support to Public Health programs, services and community partners related to population health assessment, surveillance, program planning, performance measurement and evaluation. In 2022, this team continued COVID-19 surveillance and reporting, providing accurate and timely data related to COVID-19 cases, outbreaks, and vaccination, as well as provided support for the Provincial Case and Contact Management (CCM) System and the COVax vaccination database. However, Public Health Surveillance and Evaluation is also playing an important role in recovery planning, as Public Health assesses the community’s post-pandemic health needs and plans how best to address them. This includes providing effective public health practice support to teams to “build back better”, relying on evidence about the greatest community needs and developing strong program plans. As other Public Health programs resume services, this team is working to ensure the availability of the most recent health data for their use, and is partnering with teams to evaluate the impact of changes they have implemented or are planning to implement. Public Health Surveillance and Evaluation is also re-engaging with community partners to collect data on shared priority issues.

Public Health Surveillance and Evaluation creates or updates infographics, health indicator reports, status reports, and interactive dashboards regularly to support Public Health program decisions. Ongoing surveillance monitoring is also completed to provide actionable information regarding topics such as influenza and opioid use. Using population health data allows Public Health to target programs and services to populations with the greatest need, prioritize resources to the most important health problems in Halton, respond quickly to emerging issues, and engage the public and community partners to take action to improve health. The indicator below (number of data and surveillance products updated or created) remained higher than usual in 2022 due to continued COVID-19 vaccine reporting,



but is projected to decrease in 2023 given the shift to dashboard products (which are not captured in this indicator) and reducing the frequency of COVID-19 vaccine reports.

Public Health Surveillance & Evaluation	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of data and surveillance products updated or created	62	64	213	233	75

The 2023 Budget for Public Health Surveillance and Evaluation reflects an increase of \$44,000, or 5.6% due to inflationary cost increases applied where applicable to maintain service levels, partially offset by an increase in subsidies to maintain the 2022 cost-share level with the Ministry of Health.

Paramedic Services

The Paramedic Services division provides advance, pre-hospital care and delivers public awareness programs, including CPR, public access defibrillation, injury prevention, community paramedic programs and emergency information.

Budget Impacts

The 2023 Paramedic Services budget reflects an increase of \$2.1 million, or 9.1%, over the 2022 Budget. Direct Costs are increasing by \$1.9 million and include strategic investments for an additional 7.0 FTEs (6.0 Paramedics FTEs converted through 13,152 relief hours and 1.0 Logistics Fleet Coordinator FTE) and a leased storage facility to address pressures in paramedic operations. Capital Financing & Other Costs are increasing by \$1.1 million, mainly driven by increases in corporate support costs to support the implementation of the Digital Strategy, increased costs related to risk management and insurance, building maintenance and technology, and a planned increase of \$117,000 in capital transfers to support new and replacement vehicles and power cots. The \$856,000 increase in Subsidies & Revenue reflects an increase in Provincial funding comprised of \$472,000 in base funding and \$271,000 for the strategic investments, reflective of the current funding model which reflects growth but not inflation. The Paramedic Services budget also includes an increase of \$113,000 in one-time funding for the Community Paramedicine initiative from the Ministry of Long-Term Care which has been fully offset with additional expenditures to support the program.

Paramedic Services Divisional Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
Paramedic Services	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Paramedic Care	\$ 39,556	\$ 10,278	\$ 49,833	\$ (24,601)	\$ 25,233	\$ 23,131	\$ 2,102	9.1%	
Total	\$ 39,556	\$ 10,278	\$ 49,833	\$ (24,601)	\$ 25,233	\$ 23,131	\$ 2,102	9.1%	
2022 Budget	\$ 37,683	\$ 9,193	\$ 46,876	\$ (23,745)	\$ 23,131				
\$ Change	1,873	1,085	2,958	(856)	2,102				
% Change	5.0%	11.8%	6.3%	3.6%	9.1%				
FTE					217.5	210.5	7.0	3.3%	
Relief Hours					75,781.8	88,933.8	(13,152.0)	-14.8%	

Schedule may not add due to rounding.

Paramedic Services provides services from 15 stations with 27 emergency response vehicles. In 2021, Paramedic Services responded to more than 55,000 calls and transported more than 33,000 patients. As outlined in Report **MO-05-22** (re: Paramedic Services Division Annual Update), over the past ten years (2012 to 2021) call volumes have increased by 53%. Call volume increased by 12% in 2021 as the utilization of healthcare services increased compared to the early waves of the COVID-19 pandemic. In 2022 call volume has increased beyond pre-pandemic levels as of mid-year and is expected to further increase as the economy re-opens. In 2022, call volume is expected to increase by 7%, as shown in the following table.



Paramedic Care	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Patient Transports	33,353	29,838	33,686	36,000	38,160
Total Call Volume	54,091	49,499	55,158	59,020	65,560
Per cent of Arrivals of Defibrillator on the Scene of Sudden Cardiac Arrest (SCA) within 6 Minutes - Target 55%	67%	52%	52%	52%	55%
Per cent of Paramedic Arrival at Life Threatening Calls within 8 Minutes - Target 75%	76%	72%	72%	72%	75%
Per cent of CTAS 2 Arrivals of Paramedics Within 10 Minutes - Target 75%	84%	84%	80%	80%	80%
Per cent of CTAS 3 Arrivals of Paramedics Within 15 Minutes - Target 75%	90%	91%	89%	90%	80%
Per cent of CTAS 4 Arrivals of Paramedics Within 20 Minutes - Target 75%	94%	94%	95%	90%	80%
Per cent of CTAS 5 Arrivals of Paramedics Within 25 Minutes - Target 75%	97%	97%	97%	95%	80%
Total \$ Cost per Vehicle In-Service Hour	\$223	\$245	\$238	\$250	\$266
90th Per centile transfer of care time (all Halton Hospitals) - target 30 minutes	0:36:53	0:34:21	0:47:15	0:45:00	0:45:00
Number of minutes Central Ambulance Communications Centre (CACC) processing time T0 - T2 at the 90th Per centile - Target 2:00	3:18	4:15	3:57	4:00	4:00

The 2023 Budget includes strategic investments for an additional 7.0 FTEs (6.0 Paramedics FTEs with a conversion of 13,152 relief hours and 1.0 Logistics Fleet Coordinator FTE) to address increasing pressures in paramedic operations due to continuous growth. The strategic investments also include a leased storage facility to address the current lack of storage and functional space required to support frontline Paramedic Operations. Additional storage is critically needed for multiple ambulances and logistic vehicles, medical supplies and equipment, personal protective equipment, uniforms, preventative equipment maintenance and cleaning supplies. Provincial funding is anticipated for the strategic investments based on the current funding model, with a net Regional impact of \$305,000. The 2023 Budget also includes inflationary adjustments where applicable to maintain service levels.

Capital Budget & Forecast

Paramedic Services Capital Program (\$ Millions)							
	2023	2024	2025	2026	2027	2028 - 2032	Total
PS Master Plan	\$ 0.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.20
PS Vehicles	1.27	1.81	5.06	2.54	2.31	17.35	30.34
Defibrillators	0.06	0.06	1.26	0.13	0.13	2.13	3.77
Storage Facility	0.33	-	-	-	-		0.33
Total	\$ 1.86	\$ 1.87	\$ 6.32	\$ 2.66	\$ 2.44	\$ 19.48	\$ 34.64

Does not include financing cost. Schedule may not add due to rounding.

The Paramedic Services capital program includes \$34.6 million over the next 10 years, which is \$1.0 million lower than the 2022 10-year program. This is primarily due to the accelerated purchase of 2023 ambulances to 2022 as identified through report [MO-03-22](#).

The 2023 Capital Budget and Forecast includes \$30.3 million to purchase new and replacement vehicles and power stretcher/lift systems for ambulances over the next 10 years. In 2023, the capital program includes \$1.27 million for vehicle replacement and new acquisitions which includes two vehicles (\$251,000) to support program pressures. In addition, there is \$3.8 million to purchase new and replacement defibrillators over the next 10 years with \$59,000 identified in 2023 along with a Paramedic Services Storage Facility Leasehold Improvements planned for \$0.33 million in 2023. The next 10-year Paramedic Services master plan study is planned for 2023 and will include a review for any additional station requirements.

The Paramedic services capital program is primarily funded from the Paramedic Vehicle reserve, which is replenished from annual operating transfers and development charges. The 2023 Budget includes capital financing (i.e. transfer to reserves) of \$3.2 million which represents a \$117,000 increase from the 2022 Budget, primarily due to the planned increase to Paramedic Services vehicles.

Halton Region

Budget and Business Plan

BUDGET REPORT 2023

TAX OVERVIEW

SOCIAL & COMMUNITY SERVICES

Social & Community Services Department

The Social & Community Services department delivers programs and services that enhance the quality of life for children, youth, families, adults and older adults in Halton Region. Social & Community Services consists of four divisions: Children's Services, Employment & Social Services, Housing Services, and Services for Seniors. It is supported by the Human Services Planning & Program Support unit.

Budget Impacts

The 2023 Social & Community Services budget reflects an increase of \$5.8 million, or 6.7%, over the 2022 Budget and includes strategic investments to stabilize and enhance services. Included are investments to strengthen resident care in the Long-Term Care (LTC) homes through an additional 20.8 FTEs and 7,099.2 relief hours, largely offset with increased funding from the Ministry of Long-Term Care. Strategic investments are proposed to convert temporary resources to permanent with no net tax impact for 2.0 FTEs to support the Ontario Autism program in Children's Services, and 1.0 FTE in Housing Services to provide strategic and operational oversight for homelessness prevention programming. There is also a strategic investment proposed to increase the Halton Region Community Investment Fund (HRCIF) by \$250,000 to enhance the capacity to address community safety and well-being (CSWB) issues and other emergent community priorities including strengthening equity, diversity and inclusion in Halton.

Social & Community Services Departmental Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Social & Community Services Department									
Children's Services	\$ 119,726	\$ 4,014	\$ 123,740	\$ (110,653)	\$ 13,087	\$ 12,725	\$ 362	2.8%	
Employment & Social Services	32,521	2,965	35,486	(28,011)	7,475	7,477	(2)	0.0%	
Housing Services	51,510	8,450	59,959	(20,656)	39,304	36,953	2,351	6.4%	
Human Services Planning & Program Support	9,403	1,064	10,467	(1,329)	9,138	8,741	397	4.5%	
Services for Seniors	72,359	14,908	87,267	(63,247)	24,020	21,322	2,698	12.7%	
Total	\$ 285,518	\$ 31,401	\$ 316,919	\$ (223,895)	\$ 93,024	\$ 87,218	\$ 5,805	6.7%	
2022 Budget	\$ 279,399	\$ 28,419	\$ 307,818	\$ (220,599)	\$ 87,218				
\$ Change	6,120	2,982	9,101	(3,296)	5,805				
% Change	2.2%	10.5%	3.0%	1.5%	6.7%				
FTE					840.0	816.2	23.8	2.9%	
Relief Hours					123,409.2	116,310.0	7,099.2	6.1%	

Schedule may not add due to rounding



Capital Financing & Other Costs are increasing by \$3.1 million mainly due to the removal of one-time transfers from the COVID-19 Stabilization reserve of \$2.0 million to offset COVID-19 cost pressures in the 2022 Budget related to funding pressures in Children's Services and rent supplements in Housing Services, and removal of a one-time transfer of \$250,000 from the Tax Stabilization reserve to support Dementia Strategy training for LTC staff. There are also increased Corporate Support costs to support the implementation of the Digital Strategy, and increased capital financing costs related to the Allendale production kitchen modernization. Subsidies & Revenue are increasing by \$3.3 million, or 1.5% mainly due to the increases in Provincial subsidies in Services for Seniors and Children's Services divisions. The 2023 subsidy budget for Housing Services has been reduced to reflect the removal of one-time Federal and Provincial funding enhancements in the 2022 Budget, and there is also a decrease in the Employment and Social Services' subsidy budget to reflect the transformation of the employment services delivery model by the Ministry of Labour, Training and Skills Development.

Children's Services

The Children's Services division is responsible for the strategic planning, administration of funding, and oversight of the early years and child care sector in Halton Region. The division directly provides fee subsidies to families for child care, services for children with special needs, oversight of EarlyON Child and Family Centres and supports for the early years and child care sector in Halton. The division is responsible for the implementation and ongoing administration of the Canada-Wide Early Learning and Child Care System. The division also operates three child care centres.

Budget Impacts

The 2023 Children's Services budget reflects an increase of \$362,000, or 2.8% over the 2022 Budget mainly due to inflationary increases. Subsidies and Revenue are increasing by \$1.7 million or 1.6% to align with the latest confirmed funding allocation received from the Ministry of Education, which includes a one-time transitional grant to offset the previous administration funding reductions, an increase in EarlyON and Federal Early Learning and Child Care funding of \$1.0 million, and an increase in Wage Enhancement Grant (WEG) administrative funding of \$132,000, partially offset with a reduction in Utilization funding, which is a component of base funding, of \$1.9 million. As reported in **FN-26-22**, in April 2022 the Ministry of Education advised that the administrative funding reductions would be reversed, and funding would be restored to 2021 levels. The increased funding is mostly offset with equivalent expenditures in Grants. Capital Financing & Other Financing Costs are increasing by \$1.5 million due to the removal of the one-time transfer from the COVID-19 Stabilization reserve which was intended to offset funding pressures in the 2022 budget.

Children's Services Divisional Summary (\$000's)									
\$000s	2023 Budget					2022 Budget	Change		
	Capital		Total Gross	Subsidies &	Net Tax	Net Tax	2023 - 2022		
Children's Services	Direct Costs	Financing & Other Costs	Expenditures	Revenue	Impact	Impact			
Canada-Wide Early Learning and Child Care	\$ 50,129	\$ 457	\$ 50,587	\$ (50,587)	\$ -	\$ -	\$ -	\$ -	0.0%
Community Support	33,476	1,746	35,222	(32,242)	2,980	2,982	(2)	-0.1%	
Special Needs Child Development	12,630	1,521	14,151	(9,471)	4,679	4,530	149	3.3%	
Regional Child Care Centres	3,310	112	3,422	(2,555)	867	820	46	5.6%	
Fee Subsidy	20,181	179	20,359	(15,798)	4,561	4,392	169	3.8%	
Total	\$ 119,726	\$ 4,014	\$ 123,740	\$ (110,653)	\$ 13,087	\$ 12,725	\$ 362	2.8%	
2022 Budget	\$ 119,207	\$ 2,428	\$ 121,635	\$ (108,910)	\$ 12,725				
\$ Change	519	1,586	2,105	(1,743)	362				
% Change	0.4%	65.3%	1.7%	1.6%	2.8%				
FTE					108.8	106.8	2.0	1.9%	
Relief Hours					3,587.5	3,587.5	-	0.0%	

Schedule may not add due to rounding

A strategic investment for 2.0 FTEs is proposed, including 1.0 Development Consultant and 1.0 Occupational Therapist to provide early intervention services for children and families registered with the Ontario Autism Program. This strategic investment is fully funded through ErinoakKids Centre for Treatment and Development with funding received from the Ministry of Children, Community and Social Services (MCCSS), and will convert two temporary positions into permanent, with no net Regional impact.

The Canada-Wide Early Learning and Child Care System (CWELCC) represents a substantial investment in early years and child care by the Government of Canada and the Province of Ontario. As reported through Report No. **SS-12-22**, in 2022 Halton Region received an allocation of \$50.6 million as part of the Canada-Wide Early Learning and Child Care System to reduce child care fees for families. This allocation was based on full participation of eligible licensed child care operators in the System. This investment is in addition to existing funding allocations provided by the Provincial government. In March 2022, the Federal government and Province of Ontario signed the Canada-Ontario Canada-Wide Early Learning and Child Care Agreement, which will lower licensed child care fees for parents/caregivers to \$10-a-day, on average, by September 2025. In 2022, child care fees were reduced by 25%, beginning April 1, 2022. Effective January 2023, fees will be reduced by a further 25%, resulting in a total child care fee reduction for families of 50% on average. Further reductions are expected to take place in 2024 and 2025. Increased demand for licensed child care is expected as the cost of care decreases. The investment also includes funding to support a new minimum wage for registered early childhood educators, supervisors and home child care visitors working in licensed child care. In 2023, eligible educators will receive an increase of \$1 per hour, up to a maximum wage of \$25/hour.

The 2023 Budget for CWELCC funding is based on 2022 funding levels, as the confirmed funding allocation for 2023 had not been received prior to finalization of the 2023 Budget and Business Plan. Staff will report back to Council in 2023 with further updates on the Canada-Wide Early Learning and Child Care System.

Community Support builds capacity and quality in the early learning and child care system through funding, professional learning, research and community development. In 2022, Halton Region's Early Learning and Child Care Plan, 2022-25 was approved through Report No. **SS-12-22**. The Plan focuses on responsive, high quality, affordable, accessible and inclusive early years and child care programs across the Region. These objectives align with the Canada-Wide Early Learning and Child Care System. The Community Support budget is decreasing by \$2,000, or -0.1%, mainly due to an increase in Provincial funding.

In 2022, the Government of Canada and Province of Ontario signed a Canada-Ontario Early Childhood Workforce Agreement to support the recruitment and retention of a high quality child care and early years' workforce. Halton Region received a one-time investment of \$3.6 million in 2022, and an additional \$900,000 to be spent by March 31, 2023. Halton Region, in partnership with The Halton Resource Connection, is supporting the professional learning of early childhood educators in equity, diversity and inclusion through various learning opportunities. The Region is also partnering with colleges in the Greater Toronto Area to increase the number of registered childhood educators and build the leadership competencies of supervisors. On behalf of the Region, Sheridan College is undertaking a study of the workforce needs of the local early years and child care sector to inform future planning to address the workforce shortage. Work is also underway to develop a modernized quality system framework, which aligns with the Canada-Wide Early Learning and Child Care System, and incorporates a strong philosophy of equity, diversity and inclusion. The quality system framework, associated professional development and mentoring will support early learning and child care in Halton.

In 2023, the Children's Services division is projecting to distribute \$24.6 million of Provincial child care investment directly to child care operators and staff through General Operating Grants (GOG) (\$12.6 million) and Wage Enhancement Grants (WEG) (\$12 million). GOG supports the operation of licensed child care operators in Halton. WEG helps child care operators recruit and retain skilled child care professionals by narrowing the wage gap for comparable positions in full-day kindergarten. In 2022, 2,542 eligible child care employees benefited from up to \$2 per hour wage increase through the WEG. The \$1 per hour wage increase under the Canada-Wide Early Learning and Child Care plan is in addition to WEG. There is an increase in the total investment in GOG in 2023 as the Ministry has implemented a cap on child care fee subsidy for children aged 0-6 years and therefore, funding has been reallocated to GOG. The \$12 million for WEG has been included in the 2023 Budget.

Ongoing investments in licensed home child care base funding will continue to support increased access to high quality licensed child care in Halton Region. The Children’s Services division has been working closely with licensed child care agencies in Halton to grow a strong system of licensed home child care across the region. Licensed home care provides an opportunity to address the unique needs of children and families in Halton by offering smaller home environments and alternative hours of care.

Halton Region is responsible for EarlyON Child and Family Centres service planning, funding and oversight. EarlyON Child and Family Centres provide a broad set of free programs and resources for children ages 0 to 6, their families and caregivers. In 2023, the Children’s Services division will continue working with EarlyON Child and Family Centres to understand the impacts of COVID-19 on families and the development of young children in the community. EarlyON Child and Family Centres are uniquely positioned to provide programs and services to vulnerable and marginalized children and families who may be at greater risk due to the pandemic. Working with EarlyON Child and Family Centres, the Region will continue to focus on meeting the needs of Halton’s diverse residents and reduce barriers to participation.

Community Support	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Licensed Child Care (LCC) spaces in Halton	30,177	30,644	30,703	31,569	32,042
Amount invested in General Operating Grants (GOG) for child care operators (\$000s)	\$9,000	\$5,600	\$9,700	\$9,700	\$12,600
Number of child care operators receiving General Operating Grants (GOG)	78	75	72	71	71
Amount invested in Wage Enhancement Grants (WEG) for child care staff (\$000s)	\$11,000	\$6,200	\$10,000	\$12,000	\$12,000
Number of full time child care staff receiving a Wage Enhancement Grant (WEG)	2,291	1,497	1,904	2,542	2,670
Amount invested in building system capacity inclusive of children, youth, parents and service providers (\$000s)	\$2,400	\$1,700	\$2,610	\$2,500	\$2,500
Percentage of Licensed Child Care (LCC) programs in Halton enrolled in Regional Quality Initiatives	91%	91%	91%	91%	91%

Special Needs Child Development delivers three programs that assist children with or at risk for developmental needs in Halton. Services are provided for children from birth to age 21 in different settings. *Infant and Child Development services* are delivered to children and families in their home and community settings. These services are for children who do not attend licensed child care. *Inclusion services* supports children attending licenced child care programs. Supports are provided to educators to assist with the successful inclusion of all children in the classroom. The *Family and Community Behaviour Services program* works to increase parent and caregiver capacity to assist children and youth to be successful across home, community and school environments.

Halton Region has seen an increase in the number of children in licensed child care with developmental needs since the COVID-19 pandemic. More children are presenting with social, emotional and developmental needs. It is anticipated that the demand for inclusion services will increase as the number of licensed child care spaces grows under the Canada-Wide Early Learning and Child Care System.

The 2023 Budget has increased by \$149,000, or 3.3%, mainly due to inflationary cost increases. The Infant and Child Development and Family and Community Behaviour Services programs are intended to be 100% funded by the Province; however, the Ministry of Children, Community and Social Services (MCCSS) does not provide the funding required to meet the needs in Halton. The Region funds \$4.7 million of the total special needs program cost of \$14.2 million to minimize wait times for services and to support children with special needs and their families.

A strategic investment for 2.0 FTEs is proposed, including 1.0 permanent Development Consultant and 1.0 Occupational Therapist to provide early intervention services for children and families registered with the Ontario Autism Program. This strategic investment is fully funded through ErinoakKids with funding received from the MCCSS and will convert two temporary positions into permanent positions, with no net Regional impact.

Special Needs Child Development	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Amount invested in children (birth to 12 years) with special needs (\$000s)	\$10,715	\$9,496	\$9,796	\$13,054	\$14,151
Number of children (birth to 12 years) in Licensed Child Care (LCC) with special needs	1,168	702	763	885	1,025

Regional Child Care Centres, directly operated by Children's Services, provide high-quality child care using the Provincial pedagogy "*How Does Learning Happen?*" to support the development of each child's learning. In 2022, the Regional Child Care Centres (RCCCs) offered seven virtual education sessions to child care professionals. Education sessions continued to focus on the various ways that centres could offer quality child care while implementing Provincial and Halton Region Public Health COVID-19 protocols. RCCCs will continue to provide virtual education sessions in 2023, along with in-person sessions where appropriate, to offer support and mentorship to the sector. The Program also ensures that Region-owned Child Care Centres are maintained in a state-of-good-repair by providing capital funding (detailed in the Capital Budget section). In 2023, there is a net increase in the RCCC budget of \$46,000, or 5.6%, mainly due to inflationary increases and increased support costs.

Regional Child Care Centres	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Regional Child Care Centre (RCCC) spaces	120	120	120	120	120
Regional contribution to the Regional Child Care Centres (RCCC) (\$000s)	\$451	\$721	\$811	\$878	\$867
Number of educational sessions provided by Regional Child Care Centres (RCCC) to community professionals	N/A	11	5	7	11

Fee Subsidy provides funding for eligible families to assist with the cost of child care or for those who are in receipt of Ontario Works (OW) benefits. In 2022, the Ministry of Education implemented a cap on child care fee subsidy due to the fee reduction implemented as part of the Canada-Wide Early Learning and Child Care System. As a result of the cap, funding has been reallocated from fee subsidy to General Operating Grants. The cap does not reduce the number of subsidized child care spaces as it reflects the offset from funding through the Canada-Wide Early Learning and Child Care System. In 2022, 3,622 children accessed child care through subsidies. In 2023, the number of subsidized child care spaces is anticipated to increase slightly, and the cost per space is expected to decrease with the investments from the Canada-Wide Early Learning and Child Care System. The 2023 Budget includes a net increase of \$169,000, or 3.8%, to offset inflationary cost increases to subsidized child care spaces.

Fee Subsidy	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Amount invested by the Province and Region in child care subsidies (\$000s)	\$24,940	\$15,015	\$16,894	\$24,316	\$20,359
Average annual cost per subsidized child care space	\$7,556	\$7,503	\$7,329	\$6,005	\$5,543
Percentage of child care spaces that are subsidized	6.9%	3.7%	4.3%	5.6%	5.6%
Average number of child care subsidy spaces	2,628	1,417	2,097	2,418	2,454
Number of children rotating through the child care subsidy spaces	4,926	4,404	3,586	3,622	3,673
Number of fee subsidy applications received	3,065	1,691	2,294	2,316	2,351

Employment & Social Services

The Employment & Social Services division provides employment assistance to job seekers and employers, financial assistance to eligible individuals and families through the Provincially-mandated Ontario Works (OW) program, and regionally funded supports to low-income households.

Budget Impacts

The 2023 Employment & Social Services budget reflects a net decrease of \$2,000, or 0.0% over the 2022 Budget mainly due to new funding received for the Halton Newcomer Strategy – Canada Connects Program, which offsets existing program expenditures to support new immigrants to Canada. A funding reduction related to the Provincial employment services transformation and social assistance reform has been offset with equivalent expenditure reductions in the 2023 Budget. As shown in the following table, the 2023 Budget for Employment & Social Services includes a Regional investment of \$7.5 million, of which \$3.1 million is the Provincially-legislated contribution to the program and \$4.4 million is an additional investment above the legislated requirement to provide additional supports in the community.

Employment & Social Services Divisional Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Employment & Social Services									
Employment Halton	\$ 3,247	\$ 329	\$ 3,577	\$ (2,410)	\$ 1,167	\$ 1,262	\$ (95)	-7.5%	
Low Income Financial Benefits	2,024	9	2,033	(100)	1,933	1,933	-	0.0%	
Ontario Works	27,250	2,627	29,876	(25,502)	4,375	4,282	93	2.2%	
Total	\$ 32,521	\$ 2,965	\$ 35,486	\$ (28,011)	\$ 7,475	\$ 7,477	\$ (2)	0.0%	
2022 Budget	\$ 32,687	\$ 2,941	\$ 35,629	\$ (28,152)	\$ 7,477				
\$ Change	(166)	23	(143)	140	(2)				
% Change	-0.5%	0.8%	-0.4%	-0.5%	0.0%				
FTE					57.0	57.0	-	0.0%	

Schedule may not add due to rounding

Employment Halton provides services to job seekers and employers through programs designed to help individuals with barriers to employment become successful in obtaining and maintaining employment. As demonstrated in the following table, the COVID-19 pandemic has had a significant impact on the services provided and outcomes achieved by Employment Halton. Until March 2020, all Employment Halton services (i.e., individual supports, workshops and job fairs) were provided in person. At the onset of the COVID-19 pandemic, all in-person services were suspended and individual job seeker and employer supports were provided virtually and by telephone. Transformative service delivery changes that included the provision of virtual supports were implemented to better support both job seekers and



employers alike. Due to the pandemic, the number of job seekers who accessed supports from Employment Halton in 2022 continued to be lower than pre-pandemic numbers.

Noted in Report No. **SS-19-22**, as part of its employment services transformation, the Provincial government selected Fedcap Canada to be the employment services system manager for Halton region. As the service system manager, Fedcap Canada became responsible for the overall direction and funding of employment services within Halton region effective July 1, 2022. Effective April 1, 2023, responsibility for the delivery of employment supports to Ontario Works clients will also be transferred to Fedcap. With approval granted in Report No. **SS-19-22**, staff have entered into an agreement with Fedcap to continue to deliver the Region's employment programs. In addition, staff are working closely with Fedcap to ensure a seamless transition to the provision of employment supports for the Region's Ontario Works recipients. Halton Region's Employment Ontario funding and targets for 2022 – 2023 remain unchanged from previous years. Fedcap has verbally advised that it expects the Region's 2023 – 2024 funding allocation and targets to remain relatively unchanged. Once an agreement is received from Fedcap for the 2023 – 2024 fiscal year, staff will better understand Employment Halton's performance requirements. The 2023 Projected metrics below reflect anticipated targets which are subject to change once Fedcap's contractual terms are known. Notably, the decrease in the number of clients accessing Employment Halton services reflects anticipated changes in service delivery that will be mandated by Fedcap as well as a decrease in the number of Ontario Works clients that will be supported by Employment Halton as a result of Fedcap assuming responsibility for their employment supports.

Mental health supports continue to be required to help individuals overcome barriers to employment. It is expected that 175 individuals will access mental health supports in 2023 to assist them in reaching their employment goals.

The 2023 Budget reflects a reduction in Ontario Works Employment Assistance funding of \$300,000 which is offset with an equivalent reduction in costs. The reduction in the Ontario Works Employment Assistance funding is a result of the Provincial employment services transformation and the transfer of responsibility for the delivery of employment supports to Ontario Works job seekers from Halton Region to our service system manager, Fedcap. The net impact of the reduction has been mitigated through equivalent expenditure reductions in the 2023 Budget. Throughout 2023, as the Employment and Social Services division determines the requirements of Fedcap and the Provincial government's vision for social assistance reform, a review will be undertaken to ensure that staff roles and responsibilities align with the new program delivery standards, and funding allocations align with expenditures. Additional information regarding the transformation will be brought forward to Council in 2023 as details become known.

The budget for Employment Halton has decreased by \$95,000, or 7.5%, as a result of new funding received for the Halton Newcomer Strategy – Canada Connects Program, which offsets existing program expenditures to support new immigrants to Canada.

Employment Halton	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Total Investment in Employment Halton (\$000s) (1+2+3)	\$3,462	\$3,301	\$3,195	\$3,308	\$3,577
Employment Halton Regional Investment (\$000s) (1)	\$869	\$880	\$588	\$656	\$1,167
Employment Halton Provincial Investment (\$000s) (2)	\$2,432	\$2,167	\$2,324	\$2,300	\$1,996
Employment Halton Federal Investment (\$000s) (3)	\$161	\$254	\$283	\$352	\$413
Number of clients that accessed Employment Halton Services (1+2+3)	8,297	4,511	4,473	3,900	2,700
Number of clients that accessed Employment Halton Services Resource Centre (1)	1,887	493	0	0	700
Number of clients that accessed Employment Halton Services Workshop (2)	4,224	1,745	1,849	1,700	500
Number of clients that accessed Employment Halton Services Individual Support (3)	2,186	2,273	2,624	2,200	1,500
Number of clients placed directly into a job by Employment Halton	180	172	214	200	287
Number of employers that partner with Employment Halton	475	498	500	500	500
Percentage of individuals employed or participating in an educational opportunity 3 months after leaving the program	78%	61%	74%	70%	70%
Number of individuals accessing mental health supports for assistance with reaching employment goals	429	287	339	175	175

Ontario Works (OW) is a Provincially-mandated program that provides financial assistance to eligible individuals and families. As shown in the following table, the 2022 projected average monthly caseload is 1,840. The Province fully funds the discretionary and mandatory benefits associated with the OW program. Based on caseload projections provided by the Province and an analysis of local trends, the Ontario Works caseload is projected to increase by 9% in 2023. The 2022 projected monthly costs per OW case are expected to be less than the cost in 2021 due to caseloads increasing at a greater rate than costs. The 2023 projected monthly costs per OW case are not expected to be significantly different than the cost in 2021.

With the onset of the COVID-19 pandemic, Ontario Works caseloads decreased significantly due to Federal benefits that became available to Canadians impacted by the pandemic. Once these Federal benefits ended in October 2021, the number of Ontario Works applications and caseload began to increase. In addition, the Region received a significant number of Ontario Works Emergency Assistance applications from Ukrainians who arrived in Halton Region under the Canada-Ukraine Authorization for Emergency Travel (CUAET) immigration stream. Despite the increase in application volumes, the number of days to process a request for assistance is expected to remain at the Provincial standard of four days.

The Provincial government continues to implement its new vision for social assistance. The new vision, proposed to occur over three to four years, includes the transfer of responsibility for employment supports to Ontario Works job seekers to a service system manager (as noted above this will occur in Halton Region effective April 1, 2023), as well as the centralization of some social assistance functions, wherein Ontario Works applicants will be assessed and granted benefits by the Province, rather than municipal service managers. It also includes the transfer and expansion of accountability to municipal service managers for stability supports of all social assistance recipients (i.e., Ontario Works and the Ontario Disability Support Program (ODSP) recipients). The Province has also begun implementing a Provincially-managed centralized intake process which was implemented in Halton Region in November 2022.

The OW program budget has increased by \$93,000, or 2.2%, mainly due to inflationary cost increases.

Ontario Works	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Average monthly number of Ontario Works recipients	2,108	2,000	1584	1,840	1,999
Gross monthly cost per Ontario Works case	\$1,116	\$1,140	\$1,205	\$932	\$1,234
Average length of time clients received Ontario Works assistance (in months)	25	28	34	26	25
Average number of days to determine eligibility	11	9	2	4	4
Percentage of Ontario Works recipients with employment income	14%	9%	8%	9%	14%

Low Income Financial Benefits are 100% Regionally funded and promote community well-being through a variety of supports for Halton residents in financial need. These supports are demand-driven and include programs such as the Subsidized Passes for Low Income Transit (SPLIT) program, the Halton Food Connect program (formerly known as the Food Voucher program), recreation subsidies, funerals and other health-related benefits for low-income clients. The program budget has remained level with 2022.

SPLIT provides a subsidy for low-income residents so they can access affordable public transportation in Burlington, Halton Hills, Milton and Oakville. Approximately 8,500 passes are expected to be purchased in 2022. As the economy continues to rebound, this number is expected to increase.

Regionally Funded Financial Benefits for Low Income Residents	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Regional investment in Subsidized Passes for Low Income Transit (SPLIT) (\$000s)	\$561	\$376	\$401	\$520	\$520
Number of individuals who purchased a Subsidized Pass for Low Income Transit (SPLIT) pass or tickets	10,271	5,516	6,491	8,500	8,500
Regional investment in the Low-Income Program (\$000s)	\$312	\$349	\$343	\$272	\$308

Housing Services

The Housing Services division provides programs across the full housing continuum, and is responsible for the provision of government assisted housing, homelessness prevention and emergency shelter programs, supportive housing, as well as the operation of the Halton Community Housing Corporation (HCHC).

Budget Impacts

The 2023 Budget for Housing Services is increasing by \$2.4 million, or 6.4%, mainly due to an increase of \$1.2 million in assisted housing provider grants based on legislated Provincial indices benchmarks, \$750,000 in Rent Supplement programs to continue phasing-in the impact of the 2022 investment in the Halton Regional Rental Assistance Program (HRAP) and Provincially-mandated Housing Program (Commercial) and \$130,000 in additional HCHC program subsidy. Subsidies and Revenue are decreasing by \$1.8 million mainly due to the removal of one-time COVID-19 Provincial and Federal funding enhancements, partially offset with increases due to the annualization of Homelessness Prevention Program funding (HPP) and an increase in ongoing Federal Block Funding for Community Housing Providers. A strategic investment is proposed for a Quality and Compliance Coordinator to provide strategic and operational oversight for homelessness prevention programming. This strategic investment is fully funded through base Federal Reaching Home program funding and will convert a temporary position into a permanent position, with no net Regional impact.

Housing Services Divisional Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
Housing Services	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Assisted Housing	\$ 35,972	\$ 7,663	\$ 43,634	\$ (4,804)	\$ 38,830	\$ 36,497	\$ 2,333	6.4%	
Homelessness	13,906	71	13,977	(13,503)	474	457	18	3.8%	
HCHC	1,632	716	2,348	(2,348)	-	-	-	0.0%	
Total	\$ 51,510	\$ 8,450	\$ 59,959	\$ (20,656)	\$ 39,304	\$ 36,953	\$ 2,351	6.4%	
2022 Budget	\$ 50,872	\$ 8,581	\$ 59,453	\$ (22,499)	\$ 36,953				
\$ Change	638	(131)	507	1,844	2,351				
% Change	1.3%	-1.5%	0.9%	-8.2%	6.4%				
FTE					44.0	43.0	1.0	2.3%	

Schedule may not add due to rounding

Assisted Housing is housing that is subsidized through government programs. Assisted Housing (sometimes referred to as community housing or social housing) helps make rent affordable for lower-income individuals and families primarily through the provision of rental subsidies directly to assisted housing providers, private market landlords and Halton residents.

The 2023 Budget is increasing by \$2.3 million, or 6.4%. The budget includes a \$1.2 million net increase in assisted housing provider grants, an increase of \$750,000 in Rent Supplement programs to continue phasing-in the impact of the 2022 investment in the Halton Regional Rental Assistance Program (HRAP) and Provincially-mandated Housing Program (Commercial), an increase of \$130,000 in HCHC subsidy and an increase of \$220,000 for compensation and other inflationary increases.

Vulnerable populations have been disproportionately impacted by the COVID-19 pandemic, including populations that are homeless and at risk of homelessness. Throughout the pandemic, this population has been prioritized for permanent housing options (with supportive services as required) in community housing environments and in Halton Region's private market place with rental subsidies funded through the Halton Rental Assistance Program (HRAP).

In addition to funding for new assisted housing opportunities, there are several key housing subsidies provided by the Region to make rental costs more affordable:

- Rent-geared-to-income (RGI): a subsidy made available to low-to-moderate-income residents selected from the Halton Access to Community Housing (HATCH) government assisted housing waitlist. The subsidy is calculated based on 30% of total household income. In 2023, the Region is expected to provide 4,026 RGI subsidies. While the number of RGI units has decreased, this has been offset by the increase in Halton Rental Assistance Program units where Halton Region has successfully negotiated agreements with housing providers who reached the end of their legislated obligations to continue to support vulnerable Halton residents.
- Portable Housing Benefits: provided directly to vulnerable Halton residents on the HATCH waitlist to assist them with their ongoing rental costs. In 2023 it is projected that a total of 150 households will be supported with a Portable Housing Benefit. Where feasible these households are transitioned to the Provincially-funded Canada-Ontario Housing Benefit (COHB).
- Halton Rental Assistance Program (HRAP): provides funding directly to private market landlords and community agencies to make rent affordable to HATCH clients. In 2022, Halton funded 479 HRAP rent supplement opportunities. This number is projected to grow to 494 by the end of 2023

The HATCH applicant numbers are expected to grow due to the limited availability of private market rental options, an increase in private market rental rates in the Greater Toronto Area, continued population growth in Halton Region and pandemic related pressures. The COVID-19 pandemic contributed to increased HATCH applications in 2020, as well as a reduced number of tenants moving out of assisted housing units. This trend continued throughout 2021. In addition, new electronic annual update capabilities were implemented for HATCH in 2020 and continued in 2021 and 2022 which has resulted in a higher response rate from waitlist applicants and lower file cancellations than in previous years.

Assisted Housing	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Total net operating budget for assisted housing opportunities (\$000s)	\$35,095	\$35,795	\$35,884	\$36,819	\$38,830
Total stock of assisted housing	5,171	5,271	5,439	5,429	5,464
Number of households receiving Rent-Geared-to-Income (RGI) support annually	4,199	4,121	4,105	4,026	4,026
Number of households receiving portable housing benefit support annually.	290	290	230	150	150
Number of households receiving Halton Rental Assistance Program (HRAP) support annually	278	370	459	479	494
Number of other assisted housing units supported by Halton Region annually	200	212	204	198	198
New assisted housing opportunities in Halton (Cumulative total opportunities since 2014)	814	913	1,005	1,021	1,056
Annual investment in assisted housing stock (\$000s)	\$9,791	\$6,250	\$15,271	\$18,000	\$18,000
Percentage of new investment that is Regional funding	47%	100%	48%	46%	100%
Percentage of new investment that is Federal/Provincial funding	53%	0%	52%	54%	0%
Number of applicants on the Halton Access to Community Housing (HATCH) waitlist	3,989	4,364	4,681	4,675	4,900
Percentage of Halton Access to Community Housing (HATCH) waitlist applicants who are Halton residents	50%	48%	47%	47%	47%

The **Homelessness Prevention** program provides emergency shelter solutions, the Housing with Related Supports program (former Domiciliary Hostels), and homelessness prevention initiatives to temporarily house vulnerable residents or keep them housed safely in their current homes.

Congregate living environments continue to present a high risk for COVID-19 transmission during the pandemic. Achieving safe physical distancing in congregate environments is a priority. The Region will continue to utilize hotels to pre-emptively reduce shelter populations to a safe level and house a higher number of vulnerable individuals and families. In 2021, Regional Council approved a modified emergency shelter program that saw the acquisition of a facility in Burlington to serve families with children, couples and single women, while the Lighthouse Shelter in Oakville was converted to a men's only shelter with on-site supports. In 2022, transformation of Halton Region's emergency shelter program continued with the completion of a renovation at the Lighthouse Shelter increasing the capacity to 40 beds while improving resilience to COVID like transmissible viruses.

There are no significant increases in the 2023 Budget for Homelessness Prevention. Subsidies have been reduced by \$2.2 million in one-time Provincial Social Services Relief Fund (SSRF) funding and \$585,000 in Federal Reaching Home funding which is offset with an equivalent reduction in expenditures. The budget also

reflects a \$700,000 annualized base increase under the new Provincially-funded Homelessness Prevention Program which is directly offset by an equivalent increase in expenditures.

A strategic investment is proposed for a Quality and Compliance Coordinator to provide strategic and operational oversight for homelessness prevention programming. This strategic investment is fully funded through the Federal Reaching Home program and will convert a temporary position into a permanent position, with no net Regional impact.

The total number of individuals and families needing support through the Housing Stability Fund is expected to increase in 2023 as rental costs continue to significantly rise for units in the private market and more individuals/families are at risk of eviction.

Key Homelessness Prevention programs include:

- Housing Stability Fund: provides one-time financial assistance to low-income residents struggling with energy arrears, moving costs, essential furniture and last month's rent or rental arrears.
- Halton Housing Help: provides individuals and families with access to safe and affordable housing and connects at-risk residents to the supports they need.
- Halton Housing First: provides permanent housing and intensive case management supports to individuals and families who are experiencing chronic homelessness.
- Housing with Related Supports: provides 152 subsidized beds that give permanent housing with on-site support services for residents who cannot live independently in the community.
- The Emergency Shelter program: provides temporary shelter and services to individuals and families experiencing homelessness. Hotels will continue to be used in 2023 to address surge capacity as needed.

Homelessness	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Households Receiving Housing Stability Fund (HSF) Support Annually	2,032	1,819	2,131	1,418	1,985
Number of youth accessing Bridging the Gap (BTG) annually	125	169	155	150	200
Number of clients accessing Halton Housing Help (HHH) annually	1,845	1,396	1,371	1,200	1,200
Number of clients in receipt of Halton Housing First (HF) support annually	19	30	25	20	25
Total number of monthly Housing with Related Supports provided annually	1,685	1,685	1,685	1,685	1,685
Lighthouse Shelter for Single Men Individuals Served	N/A	N/A	385	350	350
Shelter for Single Women Individuals Served	N/A	N/A	60	60	90
Shelter for Families # Served	N/A	N/A	71	70	85
Percentage of households contacted that remain permanently housed 6 months after receiving funding support through the Housing Stability Fund	92%	84%	91%	90%	89%
Number of individuals and families who moved from homelessness to permanent housing	357	258	210	220	225
Number of vacancies filled using the By-Name List	43	52	60	50	50
Number of individuals and families who moved to Community Housing	N/A	55	84	20	40

The **Halton Community Housing Corporation (HCHC)** provides property management and tenant support services to residents in its rent-geared-to-income (RGI), market rent and condominium units.

HCHC directly manages a total of 2,210 units. HCHC's housing stock is anticipated to grow incrementally over time in conjunction with new assisted housing units created in support of the Comprehensive Housing Strategy (CHS) Update: 2014-2024 as reported in **SS-11-21** and **LPS84-21/ SS-25-21**. HCHC communities include townhouses, apartments, condominium units and several single and semi-detached dwellings. HCHC balances fiscal responsibility with keeping vulnerable populations housed. HCHC works with residents to support tenancies and promote community safety and well-being and has a resident informed multi-year Community Development Strategy in place to guide these activities. HCHC manages 102 units on behalf of Halton Region (which form part of the total 2,210 units) as shown in the following table.

The 2023 Budget includes no net change as the costs are fully recovered by HCHC administration fees. The 2023 gross expenditures are increasing by \$107,000, or 4.8%, mainly due to inflationary increases.

Halton Community Housing Corporation (HCHC)	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Total gross operating budget for Halton Community Housing Corporation (HCHC) (\$000s)	\$27,421	\$27,719	\$29,851	\$30,379	\$30,067
Number of units in the Halton Community Housing Corporation (HCHC) portfolio	2,210	2,210	2,210	2,210	2,210
Number of Regional units managed by the Halton Community Housing Corporation (HCHC)	102	102	102	102	102
Percentage of total households who are in arrears	8%	12%	13%	14%	12%
Number of households in repayment plans	N/A	N/A	61	75	80
Number of residents accessing programming offered through community partnerships	N/A	1,016	2,646	2,750	2,800
Asset management state-of-good-repair spending (\$000s)	\$4,278	\$4,108	\$4,473	\$5,552	\$9,099
Asset management state-of-good-repair capital projects	37	39	49	30	30

Human Services Planning & Program Support

Human Services Planning & Program Support (HSPPS) provides community development and professional support services for the Social & Community Services department. HSPPS is instrumental in overall human service planning and investment strategies. Key initiatives are Community Safety and Well-Being (CSWB) planning and the Halton Region Community Investment Fund (HRCIF). The unit also provides support services to all program areas in the department, which includes compliance reviews, business improvement and change management.

Budget Impacts

The 2023 Budget reflects an increase of \$397,000, or 4.5%, over the 2022 Budget driven by a strategic investment of \$250,000 to enhance the capacity of the HRCIF to address Community Safety and Well-Being issues (CSWB) and other emergent community priorities including strengthening equity, diversity and inclusion in Halton. The 2023 Budget also includes \$1.3 million in time-limited Federal funding from the Building Safer Communities Fund to develop community-based prevention and intervention strategies to prevent gun and gang violence through local programming, which is offset with an equivalent increase in expenditures resulting in no net Regional impact.

Human Services Planning & Program Support Divisional Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
Human Services Planning & Program Support	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Community Development	\$ 6,372	\$ 41	\$ 6,413	\$ (1,329)	\$ 5,084	\$ 4,819	\$ 265	5.5%	
Professional Support	3,031	1,022	4,054	-	4,054	3,922	132	3.4%	
Total	\$ 9,403	\$ 1,064	\$ 10,467	\$ (1,329)	\$ 9,138	\$ 8,741	\$ 397	4.5%	
2022 Budget	\$ 7,835	\$ 906	\$ 8,741	\$ -	\$ 8,741				
\$ Change	1,568	158	1,726	(1,329)	397				
% Change	20.0%	17.4%	19.7%	0.0%	4.5%				
FTE					27.0	27.0	0.0	0.0%	

Schedule may not add due to rounding

Community Development supports numerous community partners and initiatives to achieve better health, safety and well-being outcomes for Halton residents. This includes the development and ongoing implementation of the Community Safety and Well-Being Plan in partnership with the Halton Regional Police Service and a wide range of community partners. The Plan is built on a model to continuously identify and address broader community and system-level issues to proactively support populations that are vulnerable to negative health and social outcomes.

The net increase of \$265,000, or 5.5%, in the 2023 Budget for Community Development is mainly due to the strategic investment to increase funding for the HRCIF, which will enhance Halton’s capacity to meet new and emerging community needs and continue with recovery from the impacts of the COVID-19 pandemic.

As reported through Report No. **SS-21-22** (re: Building Safer Communities Fund (BSCF) in 2022 – 2026) the Building Safer Communities Fund (BSCF) is a Federally funded initiative under Public Safety Canada. This funding has been introduced as a targeted, time-limited contribution program totalling \$250 million for municipalities and Indigenous communities to develop community-based prevention and intervention strategies to prevent gun and gang violence through local programming. Halton Region has been selected as a recipient to receive a funding allocation of approximately \$3.9 million over four years. The allocation included in the 2023 Budget is \$1.3 million which is offset with an equivalent increase in expenditures, resulting in no net Regional impact.

A key component of the Region’s overall approach to support health, safety and well-being is the HRCIF. As shown in the following table, with the additional investment proposed in the 2023 Budget, the Region has increased HRCIF funding by \$1.3 million since 2019. The HRCIF is a 100% Regionally funded program that provides single and multi-year grants for human services programs that support the health, safety and well-being of Halton residents. In 2022, the HRCIF is providing 76 grants that address community needs or are aligned with CSWB planning priorities such as supporting mental health, maintaining housing and preventing homelessness, improving food security, supporting residents vulnerable to negative social and health outcomes and strengthening services to older adults, children and youth. A commitment to equity, diversity and inclusion informs HRCIF investments. This includes funding for the Halton Equity and Diversity Roundtable. HRCIF investments also enhanced the capacity of community organizations to meet the needs of vulnerable populations throughout the COVID-19 pandemic and continue to respond to a wide range of emergent issues.

The number of HRCIF grants to community organizations continues to demonstrate a high impact in achieving outcomes for Halton residents.

Community Development	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Amount invested in community programs through the Halton Region Community Investment Fund (HRCIF) (\$000s)	\$2,680	\$3,000	\$3,500	\$3,750	\$4,000
Number of active HRCIF Grants	58	63	65	76	76

Professional Support provides services across the Social & Community Services department in the areas of policy and program support, business improvement, emergency social services, eligibility review, navigation supports for individuals and families, revenue recovery and records management. The Professional Support budget has increased by \$132,000, or 3.4%, mainly due to inflationary increases in compensation and increased corporate support costs to support the implementation of the Region’s Digital Strategy.

The Region is committed to ensuring accountability in the delivery of human services. The eligibility review team within this group investigates allegations of potential misrepresentation for Ontario Works (OW) and Children’s Services. Through these investigations, it is projected that \$640,000 in overpayments will be identified in 2022 and subject to recovery, which will be used to offset OW benefits and child care fee subsidy.

The Provincial Social Benefits Tribunal hears appeals from people who are determined to be ineligible for social assistance or disagree with decisions made during the administration of assistance. In 2021 only 50% of the decisions were upheld by the Social Benefits Tribunal, which was due the fact that there was decline in the

number of reviews and decisions heard by the Tribunal due to the pandemic. It is projected that 75% of decisions by the Region will be upheld by the Social Benefits Tribunal in 2022.

Professional Support	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Amount of overpayments identified by investigations into misrepresentation for clients in Housing Services, Children's Services, and Ontario Works (\$000s)	\$1,049	\$1,394	\$1, 853	\$640	\$1,000
Percentage of social assistance review decisions upheld at Provincial Tribunal	82%	87%	50%	75%	80%

Services for Seniors

The Services for Seniors division is responsible for providing a wide range of medical and non-medical support services designed to meet the specific needs of residents and clients. The Region operates three accredited Long-Term Care (LTC) homes (Allendale, Creek Way Village and Post Inn Village). LTC homes provide skilled nursing care, activities and daily living supports to 572 individuals. The division also provides Supportive Housing programs at five locations in Halton and Adult Day programs in both Milton and Georgetown that enable older adults to live in their own homes longer and maintain their independence.

Budget Impacts

The 2023 Services for Seniors budget reflects a net increase of \$2.7 million, or 12.7%, over the 2022 Budget. Direct Costs are increasing by \$3.6 million. The 2023 Budget includes strategic investments proposed for 19.8 Personal Support Worker FTEs and 7,099.2 relief hours that are fully offset with increased Direct Care Hours funding from the Ministry of Long-Term Care, and 1.0 Contracts Administration Coordinator that includes Provincial funding based on the current cost-share level. Increases in the cost of food, supportive housing visits, laundry and linen services and janitorial services have also been reflected which are partially offset with increased funding. Subsidies & Revenue are increasing by \$2.2 million, or 3.6%, due to an increase of \$1.6 million for increased Direct Care Hours funding, \$562,000 for Supportive Housing PSW Permanent Compensation Enhancement Program, \$305,000 for Raw Food per diem funding, \$78,000 for Community Support Services Base funding, partially offset by the removal of \$347,000 in one-time COVID-19 funding and \$96,000 for LTC minor capital funding.

Services for Seniors Divisional Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
Services for Seniors	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Adult Day Programs	\$ 1,629	\$ 266	\$ 1,894	\$ (1,485)	\$ 410	\$ 423	\$ (14)	-3.2%	
Long-Term Care Homes	66,206	14,236	80,442	(57,341)	23,101	20,472	2,629	12.8%	
Supportive Housing Programs	4,524	406	4,930	(4,421)	509	426	83	19.5%	
Total	\$ 72,359	\$ 14,908	\$ 87,267	\$ (63,247)	\$ 24,020	\$ 21,322	\$ 2,698	12.7%	
2022 Budget	\$ 68,798	\$ 13,563	\$ 82,361	\$ (61,039)	\$ 21,322				
\$ Change	3,561	1,345	4,906	(2,208)	2,698				
% Change	5.2%	9.9%	6.0%	3.6%	12.7%				
FTE					603.2	582.4	20.8	3.6%	
Relief Hours					119,821.7	112,722.5	7,099.2	6.3%	

Schedule may not add due to rounding

The Region's LTC homes continue to experience significant staffing challenges associated with the COVID-19 pandemic and province-wide health human resourcing shortages. Provincial policy and directives related to personal protective equipment, COVID-19 testing of staff, residents and visitors, have required new procedures, staffing roles, and accountabilities. The Region's homes continue to work through these challenges including the implementation of the *Fixing Long-Term Care Act, 2021* and new requirements related to Regulation 246/22.

Adult Day programs provide day-time social and therapeutic recreational programming for older adults living in the community. The Adult Day programs (ADP) were closed for extensive periods in 2021/2022, and since reopening in August 2022, they have operated on a reduced capacity. Client to staff ratios have been reduced and client cohorts have been established to adhere to infection prevention and control measures. This has resulted in lower client user fee revenue. It is anticipated Public Health guidelines will allow for an anticipated return to full capacity by Q2 2023, and therefore client capacity will increase.

The 2023 Budget for the Adult Day programs includes a decrease of \$14,000, or 3.2%, mainly driven by a 2% or \$27,000 increase in base funding partially offset by inflationary increases.

Adult Day Programs	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Total gross operating cost of Regional Adult Day programs (\$000s)	\$1,610	\$1,506	\$1,455	\$1,797	\$1,825
Number of clients served	143	106	90	106	115
Overall satisfaction with the quality of care and service	92%	96%	100%	100%	100%

Long-Term Care (LTC) homes provide high quality care and accommodation to older adults who are no longer able to live on their own. This is achieved through 572 LTC beds, the production kitchen which prepares meals for Halton's three LTC homes, the Adult Day programs, and a community Meals on Wheels program which provides meals for older adults in Milton and Halton Hills.

LTC homes continue to respond to the impacts of COVID-19 in our community and maintain screening, testing and Infection Prevention and Control measures to minimize the transmission and spread in the homes, in addition to an industry wide health human resource shortage. These process changes /challenges have and will continue to impact staffing levels, admissions and place increased pressures on overall use of resources.

The 2023 Budget for the LTC homes reflects a net increase of \$2.6 million, or 12.8%, over the 2022 Budget largely driven by inflationary increases in compensation costs, increased corporate support costs to support the implementation of the digital strategy, and increased capital financing costs to support the Allendale facility replacement.

In the base budget, subsidies are decreasing by \$139,000. The 2022 and 2023 re-indexing of eligible CMI funding by the Ministry of Long-Term Care (MLTC) rates will remain unchanged at the 2021 and 2022 rates. The MLTC defines the CMI as a numeric value assigned to an LTC home and is used as a measure of the care requirements of residents.

The following strategic investments for 20.8 FTEs and 7,099.2 relief hours are proposed in the 2023 Services for Seniors budget with a gross cost of \$1.7 million, and net Regional impact of \$29,000.

- 19.8 Personal Support Worker FTEs and 7,099.2 relief hours to increase the direct care hours in the Long-Term Care homes. This investment is fully offset with increased Direct Care Hours funding from the Ministry of Long-Term Care.
- 1.0 FTE Contracts Administration Coordinator to develop and maintain contract documents, track contract renewals and activities and coordinate procurement. Subsidy has been included based on the current cost-share level, but has not yet been confirmed, for a net Regional impact of \$29,000.

The LTC homes' 24/7 operations require regular utilization of casual relief staff when permanent staff are absent from work due to various reasons (e.g., vacation, illness, injury, training, etc.) to maintain service levels.

As shown in the table below, the 2023 Budget includes a total of 119,182 relief hours, which is an increase of 7,099 from the 2022 Budget due to a strategic investment to increase the Direct Care hours in the Long-Term Care (LTC) homes. The following table reflects the allocation of budget, FTEs and relief hours for each LTC home and the Meals on Wheels program.

Long-Term Care Homes Budget (\$000s)										
	Allendale		Creek Way Village		Post Inn Village		Meals on Wheels		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Gross Cost	\$ 29,253	\$ 27,613	\$ 20,685	\$ 19,655	\$ 30,336	\$ 28,808	\$ 168	\$ 169	\$ 80,442	\$ 76,245
Subsidies & Revenues	(19,758)	(19,271)	(14,823)	(14,411)	(22,618)	(21,949)	(143)	(143)	(57,341)	(55,773)
Net Tax Impact	\$ 9,496	\$ 8,343	\$ 5,862	\$ 5,244	\$ 7,718	\$ 6,859	\$ 25	\$ 27	\$ 23,101	\$ 20,472
FTE	219.1	213.1	147.2	140.6	212.8	204.4	1.2	1.2	580.2	559.4
Relief Hours	25,003.1	19,783.1	39,610.5	39,088.5	54,568.6	53,211.4	-	-	119,182.2	112,083.0

The 10-year capital program includes \$6.6 million over the next 10 years, which is \$0.3 million lower than the 2022 10-year program as a result of the production kitchen at Allendale and the receiving kitchen at Post Inn Village moving into the construction phase.

Services for Seniors Capital Program (\$ Millions)							
	2023	2024	2025	2026	2027	2028 - 2032	Total
LTC Facility Equip. Replacement	0.65	0.65	0.65	0.65	0.65	3.37	6.62
Total	\$ 0.65	\$ 3.37	\$ 6.62				

Schedule may not add due to rounding.

In addition, the Region expects to continue to receive a total of \$1.4 million in Provincial capital subsidies in 2023, which will be transferred to the Regional capital reserve to repay the Region's initial financing of the LTC homes and future replacements. This is consistent with the funding strategy for LTC homes. The Region invested \$58.0 million in the construction of the Post Inn Village and Creek Way Village LTC homes between 2000 and 2005. The Provincial subsidy is expected to continue over the next seven years.

The Services for Seniors capital program is funded from reserves, which will be replenished from annual operating transfers. The 2023 Budget includes capital financing (i.e., transfer to reserves) of \$2.2 million.

As shown in the following table, 795 residents are projected to be cared for at the Regional LTC homes in 2023, and 91% of residents and families would recommend the LTC homes.

Long-Term Care Homes	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Total gross operating cost of the 3 Regional Long-Term Care Homes (\$000s)	\$62,954	\$71,123	\$76,461	\$82,230	\$78,158
Percentage of Long-Term Care Homes operating budget from Regional investment	28%	26%	26%	24%	29%
Gross Operating Cost of a bed/day in Regionally operated Long-Term Care Homes	\$302	\$341	\$366	\$394	\$374
Percentage of residents satisfied with the Long-Term Care Homes as a place to live as reported to the Ministry of Long-Term Care	91%	79%	88%	91%	91%
Number of beds	572	572	572	572	572
Number of residents served at Regionally operated Long-Term Care Homes	759	698	792	792	795
Percentage of municipal long-term care beds per population over 75 years of age	5.0%	5.0%	5.0%	5.0%	5.0%
Allendale - Funded CMI	112.0%	114.4%	114.6%	114.6%	114.6%
Post Inn Village - Funded CMI	108.0%	109.6%	111.0%	111.0%	111.0%
Creek Way Village - Funded CMI	112.0%	114.2%	115.2%	115.2%	115.2%

Supportive Housing programs provide in-home care and support to older adults living in five designated housing buildings and surrounding neighbourhoods (Martin House, Bruce Apartment, John R. Rhodes, Bonnie Place and Wellington Terrace). Four of these five housing environments are HCHC properties, including Wellington Terrace where the Senior's Community Hub pilot is made available (HC-16-19). As shown in the following table, in 2022, the Supportive Housing programs provided personal support services to 238 Halton residents allowing them to remain safely living at home. The Supportive Housing program had 100% of its clients satisfied with the quality of care and services offered.

The 2023 Budget for Supportive Housing programs includes a net increase of \$83,000, or 19.5%, mainly driven by increased contract costs for visits and food supplies. The 2023 Budget includes funding in the amount of \$4.3 million from Ontario Health (OH), which includes an increase of \$585,000 comprised of a \$77,000 or 2% increase in base funding, and \$407,000 for the Personnel Support Workers Permanent Compensation Enhancement Program which is directly offset by equivalent costs.

Supportive Housing	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Total gross operating cost of Supportive Housing (\$000s)	\$4,269	\$4,581	\$4,753	\$4,458	\$4,999
Amount of Regional funding for Supportive Housing programs (\$000s)	\$401	\$347	\$470	\$623	\$578
Amount of OH funding for Supportive Housing programs (\$000s)	\$3,763	\$3,763	\$3,763	\$3,763	\$4,349
Number of clients served at Regionally operated Supportive Housing locations (1+2+3+4)	247	244	238	238	245
Number of clients served at Bonnie Place (1)	69	65	71	71	70
Number of clients served at Wellington Terrace (2)	54	57	52	52	52
Number of clients served at Martin House (3)	62	64	53	53	61
Number of clients served at John Rhodes Residence (4)	62	58	62	62	62
Overall Satisfaction with the quality of care and service	98%	98%	98%	100%	100%

Halton Region

Budget and Business Plan

BUDGET REPORT 2023

TAX OVERVIEW

LEGISLATIVE & PLANNING SERVICES

Legislative & Planning Services Department

The Legislative & Planning Services department provides land use planning and growth management direction, economic development, small business services, tourism promotion, and heritage services. The department consists of five divisions: Planning Services, Economic Development, Legal Services, Human Resource Services, and Performance, Emergency & Enterprise Risk Management. The Legal Services, Human Resource Services, and Performance, Emergency & Enterprise Risk Management budgets are reported through Corporate Administration where the net expenditures have been allocated to program budgets to show the full cost of program delivery. The 2023 Budgets for Legal Services, Human Resource Services, and Performance, Emergency & Enterprise Risk Management are discussed in the Corporate Administration section.

Budget Impacts

As shown in the following table, the Legislative & Planning Services 2023 Budget reflects a net increase of \$603,000, or 3.6%, over the 2022 budget. Direct Costs are increasing by \$78,000, or 0.7%, primarily due to inflationary cost increases, partially offset with savings in Economic Development due to a reduction in the annual fee for Toronto Global for foreign direct investment attraction services to reflect the new funding and governance model. Capital Financing & Other Costs are increasing by \$549,000, or 7.5%, mainly due to increased capital financing costs to support Ontario Land Tribunal (OLT) hearings. Subsidies & Revenue are increasing by \$24,000, or 1.6%, primarily due to inflationary increases on user fees.

Legislative & Planning Services Departmental Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Legislative & Planning Services									
Planning Services	\$ 8,269	\$ 6,652	\$ 14,921	\$ (1,375)	\$ 13,546	\$ 12,867	\$ 679	5.3%	
Economic Development	2,750	1,186	3,935	(216)	3,719	3,796	(76)	-2.0%	
Total	\$ 11,019	\$ 7,838	\$ 18,857	\$ (1,591)	\$ 17,266	\$ 16,663	\$ 603	3.6%	
2022 Budget	\$ 10,940	\$ 7,289	\$ 18,229	\$ (1,567)	\$ 16,663				
\$ Change	78	549	627	(24)	603				
% Change	0.7%	7.5%	3.4%	1.6%	3.6%				
FTE					68.0	68.0	0.0	0.0%	

Schedule may not add due to rounding

Planning Services

The Planning Services division is responsible for Regional land use planning, growth management and environmental protection through development and implementation of the Regional Official Plan (ROP). The ROP is implemented through development review, protection of the Region's Natural Heritage System, the Allocation Program (Greenfield Development) and the securement of assisted housing.

Budget Impacts

The Planning Services 2023 Budget reflects a net increase of \$679,000, or 5.3%, over the 2022 budget. Direct Costs are increasing by \$177,000, or 2.2%, primarily due to inflationary cost increases. Capital Financing & Other Costs are increasing by \$526,000, or 8.6%, mainly due to increased capital financing costs to support Ontario Land Tribunal (OLT) hearings. Subsidies & Revenue are increasing by \$24,000, or 1.8%, primarily due to inflationary increases on user fees.

Planning Services Divisional Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Planning Services									
Planning Policy Development & Implementation	\$ 2,619	\$ 1,869	\$ 4,488	\$ (176)	\$ 4,312	\$ 4,206	\$ 106	2.5%	
Development Approval	3,511	3,527	7,039	(937)	6,102	5,666	435	7.7%	
Environmental Protection	2,139	1,256	3,395	(262)	3,133	2,994	139	4.6%	
Total	\$ 8,269	\$ 6,652	\$ 14,921	\$ (1,375)	\$ 13,546	\$ 12,867	\$ 679	5.3%	
2022 Budget	\$ 8,092	\$ 6,126	\$ 14,218	\$ (1,351)	\$ 12,867				
\$ Change	177	526	704	(24)	679				
% Change	2.2%	8.6%	4.9%	1.8%	5.3%				
FTE					52.0	52.0	0.0	0.0%	

Schedule may not add due to rounding

As noted previously, the *More Homes Built Faster Act, 2022* (Bill 23) makes changes to the *Planning Act* by identifying Halton Region as an "Upper-tier Municipality Without Planning Responsibilities", which in large part removes Regional Council's statutory responsibilities for land use planning and growth management. While Bill 23 has been passed, at the time of preparing the 2023 Budget and Business Plan, the date for which all components of the Bill come in to force and effect has not been proclaimed, including those related to Regional jurisdiction in respect to land use planning. The 2023 Budget and Forecast does not take into consideration any impacts from this Bill. Further updates will be provided to Regional Council throughout 2023.

Planning Policy Development & Implementation is responsible for Regional land use planning and growth management through development and implementation of the ROP. The 2023 program budget is increasing by \$106,000, or 2.5%, mainly due to inflationary cost increases.

The ROP is Halton's guiding document for land use planning. It contains the goals, objectives, and policies that manage growth and direct physical change and its effects on the social, economic and natural environment of the Region. The ROP is reviewed periodically to ensure that it remains responsive to Halton's needs and the vision of Regional Council. A comprehensive update to the ROP is currently underway and has begun being brought forward in staged amendments for Regional Council approval starting in 2021.

Under ROPA 38, Halton's vision for its future landscape includes a Natural Heritage System that preserves and enhances the biological diversity and ecological function of Halton's natural environment. As shown in the following table, the Region has consistently ensured that 50% of the Region's land is maintained in the Natural Heritage System. 2023 is projected to increase to 52% as a result of the anticipated approval of ROPA 50, which will incorporate the new Growth Plan Natural Heritage System mapping as mapped by the Growth Plan 2020 into the Region's Natural Heritage System.

Planning Policy Development & Implementation	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Percent of Region Maintained in Natural Heritage System	50%	50%	50%	50%	52%
Percent of Growth in Intensification Areas	33%	29%	49%	40%	40%

The amount of growth occurring in the built-up areas of Halton Region fluctuates from year to year. Significant development activity within Halton's built boundary in 2021 resulted in an upward trend in intensification. However, more greenfield development in North Oakville and Milton relative to the built boundary resulted in a decrease in intensification as a percentage of overall development activity in 2022. For 2023, the projected increase is based on the 40% target in the Regional Official Plan.

Development Approval involves professional advice and recommendations on all local municipal planning applications as well as the preparation of area servicing plans. Development review and approval is undertaken by the Community Planning unit in Planning Services. The development approval service area also includes the implementation of the Regional Waterfront Parks program. The 2023 program budget is increasing by \$435,000, or 7.7%, primarily due to increased capital financing costs to support the Ontario Land Tribunal (OLT) hearings.

The number of development applications shown in the table below are affected by economic conditions, Provincial planning legislation, the timing of the Regional Allocation Program and other factors that are managed through local municipal development review and approval processes. Housing activity is anticipated to be strong over the long-term; however, new housing completions stagnated through 2022 as a result of rising interest rates and lower demand from consumers. This short-term downward trend has also impacted the number of development applications in 2022. The number of new housing completions are projected to increase in 2023. However, the slowdown in the number of development applications observed in 2022 is expected to continue to slow further into 2023.

Development Approval	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Development Applications	695	714	1,132	1,050	900
Number of New Housing Completions	3,208	3,338	3,963	2,400	3,400

Environmental Protection includes the environmental planning, forestry and hydrology portfolios, and provides integrated web-mapping services in support of the ROP. As discussed above, a minimum of 50% of the Region has been maintained and will continue to be maintained in the Natural Heritage System. The 2023 program budget is increasing by \$139,000 or 4.6%, primarily due to inflationary cost increases.

The Woodlands Stewardship Program was developed to assist landowners with establishing woodland plantations, the preparation of forest management plans and tree marking services. As shown in the following table, it is estimated that the applications for 2023 will increase due to anticipated increase in private landowner interest as well as the availability of Provincial funding.

Environmental Protection	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Applications for the Woodlands Stewardship Program	10	19	16	15	20

Planning Services Capital Budget & Forecast

The 2023 Budget also provides funding to support the following capital projects.

Planning Services Capital Program (\$ Millions)							
	2023	2024	2025	2026	2027	2028 - 32	Total
ROP Update & Implementation	\$ -	\$ 0.10	\$ 1.10	\$ 2.20	\$ 1.70	\$ 7.30	\$ 12.40
Planning Litigation - OLT and Other Hearings	1.50	2.00	1.00	1.00	1.00	6.50	13.00
Burlington Waterfront Master Plan Implementation	1.25	4.22	23.00	-	-	9.25	37.72
Burloak Waterfront Park	-	1.00	-	-	-	1.00	1.00
Assisted Housing Development	9.45	11.20	10.00	10.00	10.00	50.00	100.65
Forest Management Program	-	0.02	0.02	0.02	0.02	0.10	0.18
20-Year Forest Management Plan	-	-	0.15	-	-	-	0.15
Vehicle Replacement	-	-	-	0.04	-	-	0.04
Total	\$ 12.20	\$ 18.54	\$ 35.27	\$ 13.26	\$ 12.72	\$ 74.15	\$ 165.14

Schedule may not add due to rounding.

The \$165.14 million 10-Year Planning Services capital program is \$1.1 million lower than the 2022 program.

The ROP update and implementation requires \$12.4 million over the next 10 years, with no allocation in 2023. The plan updates will address policy updates of the Greenbelt Plan, Places to Grow, and the Provincial Policy Statement. The ROP Implementation will address implementation issues arising from the 5-year plan

updates. This program will be financed from development charges (DCs) (49.5%) and the Tax Capital reserve, which will be replenished from annual operating transfers.

The total 10-year budget allocated for Planning Litigation (OLT & Other Hearings) is \$13.0 million to support several pending or likely OLT and Joint Board Hearings of which \$1.5 million is planned for 2023. The significant files to be addressed in 2023 are CN Logistics Hub, Visions Georgetown, and potential proposed aggregate extractions. This program is financed from the Tax Capital reserve.

The Burlington Waterfront Master Plan Implementation (**LPS54-15 & LPS59-15**) requires \$37.7 million over a 10-year period. As identified in **LPS88-20** (re: Burlington Beach Regional Waterfront Park Update), a consultant is required to provide expertise in transmission design to better inform discussions with Hydro One Networks Inc. and support Council's future decision making with respect to hydro line burial or relocation. Once obtained, the technical studies and construction drawings can be completed and, as a result, the Hydro Relocation costs have been deferred to 2025 from 2024 and remain at \$23.0 million which is the mid-level cost estimate provided by Hydro One's Class 5 Estimate.

The Assisted Housing Development program requires \$100.6 million over the next 10 years, with \$9.45 million allocated in 2023, to deliver new assisted and affordable housing units in Halton in accordance with the updated Comprehensive Housing Strategy (CHS) (SS-21-13). The 2023 to 2024 capital budget aligns with the CHS 2014-2024 – Five Year Review (**SS-19-19/ LPS86-19**). This program will be funded from the Housing New Units reserve and DCs.

The Forest Management program requires \$0.2 million over the next 10 years to address improvements to the Regional Forests as set out in the Regional Forest Master Plan (PPW96-06). The required funding is provided from the Forest Agreement reserve, which is supported by an aggregate lease (Cox Tract Haul Route) and royalty revenues collected in the operating budget.

Based on the above, the total capital financing included in the 2023 Budget totals \$2.6 million, which is a \$0.3 million increase from the 2022 Budget. This includes planned increases to support the OLT & other hearings.

Economic Development

The Economic Development division fosters economic development and job growth in Halton, thereby contributing to the quality of life for Halton residents. The division provides services to support Halton entrepreneurs to start up and grow their businesses, recover from the COVID-19 pandemic and expand into global markets. The division attracts and facilitates new non-residential development, conducts economic research and implements the cycling tourism strategy, and supports local heritage organizations and raises awareness of Halton's heritage through the Heritage Services Five-year Operational Plan.

Budget Impacts

The Economic Development 2023 Budget reflects a net decrease of \$76,000, or 2.0%. Direct Costs are decreasing by \$99,000, or 3.5%, primarily due to a reduction in the annual fee for Toronto Global for foreign direct investment attraction services to reflect the new funding and governance model. Capital Financing & Other Costs are increasing by \$23,000, or 2.0%, mainly due to inflationary cost increases.

Economic Development Divisional Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Economic Development									
Business Attraction & Retention	\$ 1,142	\$ 694	\$ 1,836	\$ (2)	\$ 1,835	\$ 1,949	\$ (114)	-5.9%	
Small & Medium Enterprise Development	977	163	1,141	(214)	927	903	24	2.6%	
Heritage Services	630	328	958	-	958	944	14	1.5%	
Total	\$ 2,750	\$ 1,186	\$ 3,935	\$ (216)	\$ 3,719	\$ 3,796	\$ (76)	-2.0%	
2022 Budget	\$ 2,849	\$ 1,163	\$ 4,012	\$ (216)	\$ 3,796				
\$ Change	(99)	23	(76)	(0)	(76)				
% Change	-3.5%	2.0%	-1.9%	0.1%	-2.0%				
FTE					16.0	16.0	0.0	0.0%	

Schedule may not add due to rounding

Business Attraction & Retention provides services to attract and facilitate new non-residential development and job growth. Services include providing insight into Halton's economy, labour force and demographics, economic and competitiveness research, assisting with site selection inquiries and providing investors with concierge support through Regional development approvals to foster new non-residential development and job growth. Key initiatives in 2023 include the development and implementation of the 2023-2026 Economic Development Action Plan that will direct the priorities and activities of the Economic Development division over the four-year term of Regional Council. The 2023 program budget is decreasing by \$114,000, or 5.9%, primarily due to the reduction in the annual fee for services provided by Toronto Global.

As outlined in Report No. **LPS47-22** (re: Toronto Global Municipal Funding Agreement Renewal), the Region entered into a new funding agreement with Toronto Global for the provision of foreign direct investment marketing, lead generation, lead servicing and research services for a three-year term commencing April 1, 2022 to March 31, 2025 for the annual amount of \$50,000, subject to the Provincial and Federal governments continuing their funding of Toronto Global at current levels. This fee reduction resulted in savings of \$115,000 for the Region.

As shown in the following table, non-residential development in Halton recovered in 2021 with 4.0 million sq ft of non-residential gross floor area approved for construction, driven by strong demand for warehouse and logistics space. This pace of development is expected to level off in 2022 with continued growth in 2023. Halton's employment market saw gradual recovery from the COVID-19 pandemic in 2021, however, the return to pre-pandemic employment levels is expected to be prolonged through 2023.

Business Attraction & Retention	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Amount of Non-Residential Gross Floor Area with Building Permits Issued in Halton (Million Sq. Ft.)	2.9	1.7	4.0	2.8	4.0
Annual Growth in the Number of Businesses in Halton	13,650	13,647	13,600	13,700	13,800
Annual Growth in Number of Jobs in Halton (000s)	241	228	235	236	238

Small & Medium Enterprise Development provides small business support services and resources and implements the cycling tourism strategy. The Region's Small Business Enterprise Centre provides support services to help Halton entrepreneurs start up and grow their businesses and recover from the COVID-19 pandemic, and through the Global Business Centre program helps business owners expand into global markets. Services include free one-on-one business consultations, programs for starting, managing or growing a small business, exporting support, COVID-19 resources for businesses, small business recovery webinars and entrepreneurial training programs. The 2023 program budget is increasing by \$24,000, or 2.6%, mainly due to inflationary cost increases.

As shown in the following table, the Small Business Enterprise Centre continued to support the Halton business community through the COVID-19 pandemic, assisting over 1,000 local entrepreneurs with their business start-up, growth and recovery in 2021. Supporting small businesses in their recovery from the COVID-19 pandemic remained important in 2022 and is expected to continue into 2023, along with renewed focus to support local entrepreneurs to expand internationally. With respect to cycling tourism, the number of bicycle friendly businesses in Halton designated under the Ontario by Bike program remained steady through the pandemic and is expected to increase in 2023.

Small & Medium Enterprise Development	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Unique Small Business Consultations Conducted Annually	962	947	1070	950	900
Number of Unique Global Business Centre Consultations Conducted Annually	46	44	22	30	60
Number of Bicycle Friendly Businesses in Halton Designated Under the Ontario By Bike Program	60	61	60	68	70

Heritage Services provides support to local heritage organizations through advisory services, facilitating opportunities for professional education and networking, and collaborating to deliver heritage exhibits and educational programming in the community. Heritage Services also manages and preserves the Region's historical collections. Key initiatives in 2023 include ongoing implementation of the Heritage Services Five-year Operational Plan approved by Regional Council in November 2021 (Report No. **LPS55-21**) and the historical collections deaccessioning and disposal project approved by Regional Council in November 2020 (Report No. **LPS83-20**). The 2023 program budget is increasing by \$14,000, or 1.5%, mainly due to inflationary cost increases.

As shown in the following table, the number of Heritage Services exhibit and partner projects declined in 2021 with the COVID-19 pandemic affecting local heritage partner operations and due to available staff capacities. Recovery in external programming will be gradual in 2023 as the Heritage Services team focuses efforts on the historical collections deaccessioning and disposal project.

Heritage Services	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Heritage Network Partner Projects Undertaken Annually	16	10	5	7	7
Heritage Network Partner Satisfaction Level with Heritage Network Partner Projects (%)	N/A	N/A	N/A	80	80

Economic Development Capital Budget & Forecast

The 2023 Budget also provides funding to support the following capital project.

Economic Development Capital Program (\$ Millions)							
	2023	2024	2025	2026	2027	2028 - 2032	Total
Halton Heritage Centre	\$ -	\$ -	\$ 8.00	\$ -	\$ -	\$ -	\$ 8.00
Total	\$ -	\$ -	\$ 8.00	\$ -	\$ -	\$ -	\$ 8.00

Schedule may not add due to rounding.

The construction of the Halton Heritage Centre (**LPS55-21**) is deferred to 2025 and requires an estimated \$8.0 million. A full needs assessment, refined space accommodation requirements and refreshed capital costs determination for this facility will be completed prior to the Halton Heritage Centre proceeding.

Halton Region

Budget and Business Plan

BUDGET REPORT 2023

TAX OVERVIEW

PUBLIC WORKS - TAX

Public Works Department - Tax

The Public Works department provides tax-supported services under the Waste Management and Road Operations division. Waste Management is responsible for the collection and disposal of solid waste. Road Operations supports all aspects of the transportation system throughout Halton Region.

Budget Impacts

The 2023 Budget is increasing by \$4.1 million or 4.0%, which is comprised of increases of \$2.2 million or 4.9% for Waste Management and \$1.9 million or 3.3% for Road Operations. Key drivers include increases of \$1.3 million for waste management contracts, \$1.0 million in operating contributions to fund the Road Resurfacing and State-Of-Good-Repair capital programs, \$528,000 for regional and local road maintenance contracts, and inflationary increases applied where necessary to maintain service levels. In addition, a strategic investment of 1.0 FTE is being proposed as a Project Manager II to assist with the delivery of the Transportation Capital Implementation Plan.

Public Works Department - Tax - Divisional Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Public Works - Tax									
Waste Management	\$ 43,679	\$ 12,231	\$ 55,910	\$ (8,068)	\$ 47,842	\$ 45,624	\$ 2,218	4.9%	
Road Operations	23,993	37,204	61,197	(714)	60,483	58,571	1,912	3.3%	
Total	\$ 67,671	\$ 49,436	\$ 117,107	\$ (8,782)	\$ 108,325	\$ 104,195	\$ 4,130	4.0%	
2022 Budget	\$ 65,114	\$ 47,794	\$ 112,908	\$ (8,713)	\$ 104,195				
\$ Change	2,557	1,641	4,199	(69)	4,130				
% Change	3.9%	3.4%	3.7%	0.8%	4.0%				
FTE					87.4	86.4	1.0	1.2%	

Schedule may not add due to rounding

Waste Management

Waste Management is responsible for an integrated and sustainable waste management system of collection, processing and disposal of municipal solid waste for approximately 233,400 residential dwelling units, eight designated Business Improvement Areas (BIAs), and 2,200 commercial locations, as well as the operation and maintenance of the Halton Waste Management Site (HWMS) and 11 closed landfills.

Asset Management activities include monitoring asset conditions as well as developing and implementing infrastructure renewal plans through the Asset Management program.

Budget Impacts

The 2023 Waste Management Budget reflects a net increase of \$2.2 million over the 2022 Budget. Key drivers include an increase of \$1.3 million for waste management contracts and inflationary increases required to maintain service levels.

Waste Management Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
	Capital			Subsidies &	Net Tax	Net Tax Impact	2023 - 2022		
Waste Management	Direct Costs	Financing & Other Costs	Total Gross Expenditures	Revenue	Impact				
Collection	\$ 28,908	\$ 4,678	\$ 33,586	\$ (5,846)	\$ 27,740	\$ 25,921	\$ 1,819	7.0%	
Processing / Transfer	10,367	(1,618)	8,748	(187)	8,561	8,899	(338)	-3.8%	
Residual Management	4,404	9,172	13,576	(2,035)	11,541	10,804	737	6.8%	
Total	\$ 43,679	\$ 12,231	\$ 55,910	\$ (8,068)	\$ 47,842	\$ 45,624	\$ 2,218	4.9%	
2022 Budget	\$ 42,008	\$ 11,722	\$ 53,730	\$ (8,106)	\$ 45,624				
\$ Change	1,671	509	2,179	38	2,218				
% Change	4.0%	4.3%	4.1%	-0.5%	4.9%				
FTE					43.4	43.4	-	0.0%	

Halton residents continued participation in waste diversion programs and services has been instrumental in diverting most waste from landfill, and Halton Region continues to be a leader in waste diversion. The diversion rate is targeted at 59% in 2022, and in combination with the approval of the Recommended Solid Waste Management Strategy (Report No. **PW-10-22** (re: Recommended Solid Waste Management Strategy 2023-2030)) will continue to extend the landfill lifespan and defer the significant capital investment required to expand the landfill capacity.

As reported in Report No. **PW-10-22**, public engagement was undertaken during the fall of 2021 to obtain input and feedback on the proposed Solid Waste Management Strategy. Based on results of the Public Engagement and level of community support for the proposed initiatives, Regional Council endorsed the Solid Waste Management Strategy and the recommended key initiatives. The recommended Solid Waste Management Strategy provides the framework to develop policy directions that meet the environmental, economic and social outcomes that established the key initiatives. Once implemented, the key initiatives have the ability to increase the total diversion of waste generated in Halton from landfill from the current 58 per cent to between 64 per cent and 70 per cent by the year 2030. In addition, the Strategy proposes to reduce greenhouse gas emissions by over 13,000 tonnes per year and extend the lifespan of the landfill out to 2050-2054. Staff are undertaking a comprehensive analysis of costs and will incorporate financial impacts into annual budgets for Council's consideration based on the timing of the implementation plan for the various initiatives.

As reported in Report No. **PW-06-22** (re: Blue Box Transition and Negotiation with Producer Responsibility Organizations), staff continue to plan for the transition of the Blue Box program to full Producer responsibility in April 2025, and will continue to monitor the regulations of the *Resource Recovery and Circular Economy Act, 2016* to ensure that the impacts are taken into consideration when developing programs and services to support the key initiatives of the Solid Waste Management Strategy.

Collection Services include residential pickup of garbage, blue box, organics, bulk waste, metal items and appliances, yard waste and Christmas trees. The 2023 Budget is increasing by \$1.8 million or 7.0%, largely driven by inflationary contract increases and a 1.0% increase in budgeted tonnages.

As reported in Report No. **PW-17-22**, the COVID-19 pandemic has had a significant impact on the amount of solid waste material generated in Halton Region. This has resulted in increased costs of \$1.7 million and \$1.6 million in 2020 and 2021 respectively, as reported in the Year-end Variance Reports (**FN-07-21**, **FN-06-22**). As reported through the August Variance Report (**FN-32-22**), this trend is anticipated to continue in 2022 with a projected impact of \$1.7 million driven by higher waste tonnage trends experienced year-to-date in 2022. It is not yet certain if the tonnage increase is temporary in nature or related to permanent changes in resident behavior. Staff will continue to monitor tonnages in the various collection streams to determine if an adjustment to growth assumptions will be required to address this operating pressure.

As shown in the table below, total collected waste is projected to be 175,000 metric tonnes in 2023. The collection costs per metric tonne are increasing slightly due to the annual price adjustment for inflation. Customer satisfaction and confidence in the Region's waste collection programs and services remains high and continues to be a priority.

Collection	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Resident Complaints Received Regarding the Collection of Waste Materials per 1,000 Households	47	50	48	48	47
Metric Tonnes of Solid Waste Collected (000s)	172	183	184	181	175
Average Cost / Metric Tonne of Materials Collected	\$141	\$144	\$141	\$152	\$158

Processing/Transfer Services represents the programs that support the diversion of waste materials from landfills and the recovery of resources that can be recycled and composted. The 2023 Budget is decreasing by \$338,000 or 3.8% mainly due to favourable pricing for a new composting contract and an anticipated increase in revenue from the sale of blue box materials.

As discussed in **PW-17-22**, the amount of non-acceptable material placed in the Blue Box continues to be high. Items such as paper towels, tissues, plastic toys and small electronic devices are examples of common non-acceptable material placed in the Blue Box. In addition, as a result of the COVID-19 pandemic, facemasks and disposable gloves are also frequently placed in the Blue Box. This has posed significant challenges on municipal Blue Box programs to meet market conditions and handle the additional residual waste.

Processing / Transfer	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Market Price of Recycled Materials per Tonne	\$90	\$82	\$204	\$268	\$268
Green Bin Material Processed (Metric Tonnes)	29,553	32,667	34,319	34,290	29,991
Average Cost of Recyclables Processed (per Metric Tonne)	\$59	\$54	\$60	\$64	\$56
Average Cost to Haul and Process Green Bin Material	\$144	\$163	\$126	\$131	\$136

Residual Management facilitates the operation and maintenance of open and closed landfills within Halton. The 2023 Budget is increasing by \$737,000 or 6.8%, mainly due to a higher contract prices for wood-chipping and the rental of earth moving equipment for the Halton Waste Management Site.

The 2023 Budget continues to provide funding to open the landfill site on Sundays from May to June. As shown in the table below, the Region continues to maintain high waste diversion rates resulting in an extension of the life of the existing landfill, which is now projected to last to between 2044 and 2048. However, as reported through Report No. **PW-17-22**, if the amount of garbage generated per capita continues to exceed 155 kilograms over the next few years (2022 – 2024), the landfill lifespan could be reduced to between 2040 and 2044.

Residual Management	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Tonnes of Waste (including Residual) Managed and/or Handled at Landfill	97,785	100,001	99,932	98,000	99,000
Halton Waste Management Site Tip Fee	\$165	\$170	\$170	\$175	\$185
Residential Solid Waste Diversion Rate	57.5%	58.8%	58.0%	59.0%	60.0%

Capital Budget & Forecast

The 2023 Waste Management budget provides funding to support the following capital projects.

Waste Management Capital Program (\$ Millions)							
	2023	2024	2025	2026	2027	2028 - 2032	Total
Cell Construction & Gas System	\$ 2.78	\$ 0.09	\$ 17.03	\$ 5.20	\$ 3.14	\$ 16.43	\$ 44.66
Buffer Lands & Other	1.54	0.65	8.08	0.70	0.23	1.98	13.17
Closed Landfill Studies, SCADA, etc	0.13	0.30	-	-	-	-	0.43
Studies, Technology & Other	1.01	0.75	0.09	0.20	0.58	0.78	3.42
Equipment & Vehicles	3.21	0.50	0.15	0.26	0.40	4.10	8.62
Total	\$ 8.66	\$ 2.30	\$ 25.35	\$ 6.35	\$ 4.35	\$ 23.29	\$ 70.29

Schedule may not add due to rounding.

The \$70.3 million 10-year Waste Management capital program is \$22.5 million higher than the 2022 program, mainly due to forecasted Lifecycle Model projects. A total of \$44.7 million has been identified for the landfill cell constructions and gas system installations over the next 10 years, including \$17.5 million for the Cell 4 West construction in 2025 and \$23.0 million for Lifecycle Model projects between 2026 and 2032. In addition, \$13.2 million has been included for Buffer Lands and Other, which includes \$7.1 million for transfer facility construction in 2025. The remaining program includes vehicles and equipment (\$8.6 million for bulldozers and compactors etc.) and studies, which include the Asset Management Road Map Implementation for \$1.4 million. The \$8.7 million 2023 Waste Management capital program is \$2.2 million higher than the 2023 forecast included in the 2022 budget mainly due to the Transfer Station Study & Construction, and the new project for the Compost Pad Expansion.

Funding for the program is initially provided from capital reserves (i.e., Tax Capital, Vehicle and Equipment reserves), which are then replenished through annual operating contributions. The capital financing in the operating budget to support the State-of-Good-Repair program in 2022 is \$7.4 million which includes a \$1.3 million reserve transfer to secure future landfill capacity based on the financing plan approved by Council in the 2006-2010 Waste Management Strategy (Report No. PPW91-05/CS-81-05).

Road Operations

Road Operations includes all aspects of the Regional transportation system including the planning, design, construction, operations, maintenance and overall management of road and related infrastructure of assets with a net book value of approximately \$1.1 billion. The Regional transportation system includes 1,159 lane kilometres of major arterial roads, 304 signalized intersections, 313 bridges and major culverts, and 7,076 streetlights to be maintained in 2022.

The 2023 Budget includes Asset Management, Multi-Modal Transportation Master Plan and Transit Priority Network - Operationalization Study and enhanced safety measures to improve the Region's transportation network. Asset Management activities include monitoring asset conditions as well as developing and implementing infrastructure renewal plans through the Asset Management program.

Budget Impacts

The 2023 Road Operations Budget reflects a net increase of \$1.9 million or 3.3% over the 2022 Budget. Key drivers include an increase of \$1.0 million in operating contributions to fund the Road Resurfacing and State-Of-Good-Repair capital programs, an increase of \$528,000 for regional and local road maintenance contracts, and inflationary increases applied where necessary to maintain service levels. In addition, a strategic investment of 1.0 FTE is being proposed as a Project Manager II to assist with the delivery of the Transportation Capital Implementation Plan.

Road Operations Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Road Operations									
Road Operations & Maintenance	\$ 13,736	\$ 10,642	\$ 24,379	\$ (382)	\$ 23,997	\$ 22,972	\$ 1,025	4.5%	
Traffic Control & Safety	4,958	2,019	6,977	(202)	6,775	6,373	403	6.3%	
Infrastructure Management	5,298	24,543	29,841	(131)	29,710	29,226	484	1.7%	
Total	\$ 23,993	\$ 37,204	\$ 61,197	\$ (714)	\$ 60,483	\$ 58,571	\$ 1,912	3.3%	
2022 Budget	\$ 23,106	\$ 36,072	\$ 59,177	\$ (607)	\$ 58,571				
\$ Change	887	1,133	2,019	(107)	1,912				
% Change	3.8%	3.1%	3.4%	17.7%	3.3%				
FTE					44.0	43.0	1.0	2.3%	

Schedule may not add due to rounding

Road Operations & Maintenance includes services for winter maintenance, summer maintenance, road resurfacing, pedestrian and bicycle travel, and storm water management. The 2023 Budget is increasing by \$1.0 million or 4.5%, mainly driven by increases in regional and local road maintenance contracts, which includes winter maintenance, summer maintenance, and storm water management activities, and an increase in operating contributions to fund the Road Resurfacing capital program.



Roads Operations & Maintenance	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Pavement Quality Index of Regional Roads	76.3%	76.6%	75.8%	78.3%	77.2%
Lane KM of Road Resurfaced	30	36	11	71	43
Number of (lane) Kilometers of New Active Transportation Infrastructure on Regional Roads (On Road ATMP)	8	19	7	34	27
Road Lane Kilometres	1,131	1,154	1,159	1,159	1,160
Road Resurfacing Expenditures (\$000s)	\$8,625	\$7,373	\$2,658	\$13,050	\$11,655
Number of Customer Service Enquiries	1,434	1,018	1,828	1,427	1,427

Halton strives to maintain a network average Pavement Quality Index (PQI) which reflects a state-of-good-repair for the overall road network. Through continued investments in the capital road resurfacing and road maintenance programs for the aging and expanding roads network, Halton is able to maintain this rating while accommodating growth and increased traffic volumes. PQI fluctuation is due to capital works in progress and timing of the projects. The index will improve with completion of forthcoming growth capital projects. For 2023, the operating contribution to the Road Resurfacing reserve is increasing by \$500,000 for a total transfer of \$8.3 million to ensure sustainable funding is available for the 10-year Road Resurfacing program. The 10-year Road Resurfacing program totals \$102.7 million with \$11.7 million planned for 2023.

The Region has initiated a region-wide Integrated Master Plan for Water, Wastewater, and Transportation that will identify road network upgrades and expansions required to accommodate approved growth which will require expanded road resurfacing and maintenance programs to maintain the state-of-good-repair.

The majority of the active transportation infrastructure on regional roads is tied directly to the capital investment of road reconstruction and widening to include on-road bike lanes and multi-use paths, as well as the Road Resurfacing program to include paved shoulders to accommodate active transportation. Halton is also working with local municipalities to complete links for a Region-wide active transportation network in accordance with Halton's Active Transportation Master Plan (ATMP). Through the Road Capital and Resurfacing programs and the implementation of the ATMP, the active transportation network will continue to grow, improving the safety of all road users.

The **Traffic Control & Safety** program includes operation and maintenance of traffic signals, streetlights, red light cameras and traffic sign controls. The 2023 Budget is increasing by \$403,000, or 6.3%, as a result of increases in speed display sign maintenance to maintain road safety, higher corporate support costs to support the implementation of the Region's Digital Strategy, and other inflationary increases where required to maintain service levels. In addition, a strategic investment of 1.0 FTE is being proposed as a Project Manager II to assist with the delivery of the Transportation Capital Implementation Plan.

Traffic Control & Safety	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Streetlights Maintained	6,461	6,851	7,044	7,076	7,116
Number of Red Light Camera Intersections Operated	20	20	20	25	25
Number of Traffic Signals Maintained	266	271	300	304	308

As stated above, the overall road network and number of lane kilometres, streetlights and traffic signals maintained continues to grow. One of the major costs associated with the Traffic Control & Safety program is the energy costs related to streetlights. As reported in Report No. **PW-29-22** (re: 2021 Transportation Progress Report), the retrofit program to convert the Region's high pressure sodium street lights to LED technology is now complete. In total, approximately 5,900 high-pressure sodium (HPS) streetlights were replaced with more energy efficient LED streetlights. Savings related to reduced energy consumption have been incorporated in the Road Operations budget and forecast to mitigate the street light hydro cost.

The **Infrastructure Management** budget provides for the engineering planning, assessment and design and policy activities required to maintain the overall condition of the assets as infrastructure ages and expansions are constructed to service growth.

Key activities include the planning studies to support growth and monitoring of asset conditions and developing infrastructure renewal plans through the Asset Management program in order to support the design and construction of new infrastructure and renewal of aging infrastructure. The Asset Management Program and Lifecycle Models Update, 2017 (**PW-01-22/ FN-11-22/ DI-01-22**) and 2023 Budget Directions (**FN-26-22**), outline the objective of the annual budget development and goals to invest appropriately in the State-Of-Good-Repair program.

Halton's Asset Management program assesses the condition of assets through various inspections and condition assessments to determine the appropriate level of annual capital investment which has resulted in most road assets being rated as good to very good condition and meeting desired service levels. The Life Cycle Models, updated through the Asset Management Plan, provide a long-term projection of the cost of rehabilitation and replacement interventions throughout the life of the Region's road network.

Infrastructure Management	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Percent of Roads, Bridges and all road related assets rated Good, Very Good or Excellent	89.0%	89.0%	73.0%	73.0%	73.0%
Percent of Paved Lane KM's Rated Good or Very Good	56.0%	59.3%	58.8%	66.8%	69.1%

The 2023 Infrastructure Management Budget is increasing by \$484,000, or 1.7%, mainly due increased operating contributions to fund the State-Of-Good-Repair capital program, partially offset by increased construction permit revenues.

Capital Budget & Forecast

As discussed in the Executive Summary, since the approval of the 2020 Financing Plan approved in Report No. **FN-46-19/ PW-50-19/ LPS112-19** (re: 2020 Allocation Program Options), a number of projects have progressed through the design stage and are projecting an increase in costs. The increase associated with the transportation program is predominantly driven by land acquisition and higher than anticipated construction estimates. As shown in the following table, the 2023 10-year Transportation capital program totals \$3.0 billion and will facilitate significant road widening, new road construction, and grade separations. The development-related infrastructure requirements for 2032 was estimated based on the 9-year average for comparison purposes and will be refined once the Transportation Master Plan is updated to reflect the new planning period.

The 10-year program in 2023 is \$397.0 million higher than the 2022 program and reflects updated state-of-good-repair investments identified through the Public Works Asset Management Plan, and cost updates based on EA and design work. The capital project details are included in the Capital Report (excluding the 2032 Transportation development-related projects).

10-Year Transportation Capital Expenditures

Regional Road Program (\$ Millions)							
	2023	2024	2025	2026	2027	2028-2032*	Total
Trafalgar Road	\$ 94.55	\$ 119.81	\$ 2.20	\$ 9.81	\$ 39.88	\$ 66.85	\$ 333.10
Regional Road 25	0.38	2.24	52.71	54.56	144.94	-	254.83
James Snow Parkway	0.85	5.02	33.18	62.02	6.15	147.60	254.82
Tremaine Road	57.89	36.90	27.94	-	-	95.87	218.59
Steeles Avenue	9.29	12.94	23.96	66.04	65.73	39.97	217.92
5 1/2 Line	1.60	-	11.03	-	91.04	79.14	182.81
Upper Middle Road	0.85	3.40	6.56	19.79	6.21	141.65	178.46
Derry Road	0.39	-	2.42	0.85	0.84	143.81	148.31
Road Resurfacing & Related Works	13.77	14.73	14.73	14.84	11.78	51.49	121.33
Dundas Street	72.01	-	38.28	-	-	-	110.28
North Service Road	-	-	-	1.10	-	92.31	93.41
Ninth Line	30.26	2.44	11.92	46.17	-	-	90.79
Winston Churchill Boulevard	6.89	6.06	6.83	39.59	2.96	13.78	76.12
Appleby Line	-	-	8.16	4.02	5.64	54.21	72.03
No. 10 Sideroad	2.11	-	0.85	-	4.94	59.24	67.15
Brant Street	0.85	-	3.90	27.79	28.06	6.30	66.90
Guelph Line	0.85	-	2.50	9.58	18.05	28.41	59.38
Burloak Drive	-	3.44	0.85	4.49	6.04	31.90	46.72
Traffic Signals & Intersections	4.40	3.50	4.13	3.60	4.48	19.81	39.91
Wyecroft Road Extension	39.79	-	-	-	-	-	39.79
Bridges, Culverts & Other	6.20	4.97	0.50	3.31	1.44	3.28	19.71
Road Studies (eg. Travel Demand)	3.07	2.50	1.66	2.27	1.48	8.60	19.58
Miscellaneous Works (eg. Operational Improvements)	3.35	1.93	1.05	1.17	0.90	6.25	14.64
Noise Attenuation Barriers	2.34	1.92	1.56	3.01	0.05	4.65	13.52
Campbellville Road	0.60	-	-	-	-	6.04	6.64
William Halton Parkway	-	5.85	-	-	-	-	5.85
Active Transportation (Study & Infill Projects)	0.65	0.05	0.05	0.05	0.05	0.57	1.42
Vehicles & Equipment	0.08	-	0.12	-	-	0.22	0.42
Sub-total	\$ 352.99	\$ 227.69	\$ 257.09	\$ 374.06	\$ 440.64	\$ 1,101.94	\$ 2,754.41
*2032 Development Related Roads Projects (Estimated)	-	-	-	-	-	280.27	280.27
Total	\$ 352.99	\$ 227.69	\$ 257.09	\$ 374.06	\$ 440.64	\$ 1,382.21	\$ 3,034.68

Schedule may not add due to rounding.

2023 Capital Budget

The following table summarizes the 10 largest projects budgeted for 2023. These projects account for 94.9% (\$335.0 million) of the \$353.0 million total in 2023.

2023 Major Transportation Capital Projects 10 Largest Capital Expenditures in 2023 (\$ Millions)	
Project Descriptions	Cost
Trafalgar Road	\$ 94.5
Dundas Street	72.0
Tremaine Road	57.9
Wycroft Road	39.8
Ninth Line	30.3
Road Resurfacing & Related Works	13.8
Steeles Avenue	9.3
Winston Churchill Blvd	6.9
Bridges/Culverts/ Retaining Wall	6.2
Traffic Signals & Intersections	4.4
Total	\$ 335.0

Schedule may not add due to rounding.

10-year Transportation Capital Financing

The following table summarizes the financing of the 10-year Transportation capital expenditures.

2023 Transportation Capital Program (2023-2032) (\$ Millions)					
	Total	DC Res. Share	Capital Reserve		Recovery
			Non-res Share	Region Share	
2023 Budget	\$ 353.0	\$ 167.0	\$ 93.3	\$ 85.0	\$ 7.7
2024-2032 Forecast	2,681.7	1,531.1	708.9	441.7	-
Total	\$ 3,034.7	\$ 1,698.0	\$ 802.3	\$ 526.7	\$ 7.7

Schedule may not add due to rounding.

With a total cost of \$3.0 billion, \$526.7 million (17.4%) is related to Region's State-of-Good-Repair program to continue to enhance the Regional investment in support of expanding asset base, \$2.5 billion (82.4%) is the growth portion, which will ultimately be financed by development charges (DCs) and \$7.7 million for external

recovery related to the Tremaine Road new 4 Lane Road from the Ministry of Transportation (0.3%). The 10-year Transportation program has been financed based on the Development Financing Plan (FN-46-19/PW-50-19/LPS-112-19) where:

- **\$1,698.0 million residential development share** will be financed entirely from residential DCs.
- **\$802.3 million non-residential development share** will initially be funded from the Regional Tax Capital reserve. This represents Regional interim financing due to the timing differences between the expenditures and the revenue collections and reflects the Region’s commitment to economic development. This interim financing will be fully recovered from DCs, including any carrying costs.
- **\$526.7 million Regional share (non-growth) share** represents the benefit attributed to the existing community from the road improvements, as well as the cost to provide enhanced levels of service. This cost will be financed from the Regional Tax Capital reserve (\$347.8 million), the Roads Resurfacing reserve (\$92.2 million) and Community-Building Fund (CCBF) (\$86.7 million).
- **\$7.7 million** recovery related to Ministry of Transportation

The 2023 Budget includes \$46.0 million in operating contributions to support the Roads State-of-Good-Repair capital program, including roads resurfacing. The \$46.0 million includes \$38.1 million in Regional funding and \$7.9 million of CCBF funding. The \$46.0 million of operating transfers increases by \$1.0 million from the 2022 Budget. This \$1.0 million increase is due to \$0.5 million increase for transfers to Roads Resurfacing and \$0.5 million increase to accommodate revised expenditure of the State-of-Good-Repair capital program through Asset Management Plan (AMP) update.

Transportation Capital Financing (\$ Millions)			
	2022	2023	Difference
State-of-Good-Repair	\$ 29.3	29.8	\$ 0.5
Roads Resurfacing	7.8	8.3	0.5
CCBF - Roads State-of-Good-Repair	6.9	6.9	-
CCBF - Roads Resurfacing	1.1	1.1	-
Total	\$ 45.0	\$ 46.0	\$ 1.0

Schedule may not add due to rounding

Halton Region

Budget and Business Plan

BUDGET REPORT 2023

TAX OVERVIEW

CORPORATE ADMINISTRATION

Corporate Administration

Corporate Administration includes the Finance department, the Digital & Information Services department, the Legal Services, Human Resource Services, and Performance, Emergency & Enterprise Risk Management divisions from the Legislative & Planning Services department, the CAO's Office, and the Office of the Chair & Regional Council. These areas provide governance and internal support to the departments that deliver services to Halton residents and businesses.

Budget Impacts

The 2023 Corporate Administration operating budget reflects a net increase of \$6.0 million, or 6.8%, over the 2022 budget. This includes strategic investments for 15.0 FTEs which will ensure service levels are maintained and Council priorities are achieved. Of the 15.0 FTEs, 4.0 FTEs will support Finance, 2.0 FTEs will support Legal Services, 2.0 FTEs will support Human Resource Services, and 7.0 FTEs will support Digital & Information Services, three of which will provide maintenance support for the HCHC housing portfolio and will be recovered from the HCHC budget. These investments will support the strategic objectives approved by Regional Council to leverage technology to improve service delivery, create efficiencies and provide needed capacity to respond to needs within the organization.

Corporate Administration Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Corporate Administration									
Finance	\$ 15,033	\$ (14)	\$ 15,019	\$ (750)	\$ 14,269	\$ 13,403	\$ 866	6.5%	
Digital & Information Services	47,219	11,287	58,506	(3,356)	55,150	52,310	2,840	5.4%	
LPS Corporate Administration*	19,761	(923)	18,838	(238)	18,600	16,518	2,082	12.6%	
CAO's Office	4,153	4	4,158	-	4,158	3,982	176	4.4%	
Office of the Chair & Regional Council	2,057	(48)	2,008	-	2,008	1,948	60	3.1%	
Program Costs	\$ 88,222	\$ 10,306	\$ 98,529	\$ (4,344)	\$ 94,185	\$ 88,162	\$ 6,023	6.8%	
Program Recoveries (Corporate Support)	-	-	-	-	(88,708)	(81,985)	(6,723)	8.2%	
Non-Program Recoveries (Governance)	-	-	-	-	(5,477)	(6,177)	700	-11.3%	
Total	\$ 88,222	\$ 10,306	\$ 98,529	\$ (4,344)	\$ -	\$ -	\$ -	-	-
2022 Budget	\$ 82,823	\$ 9,215	\$ 92,038	\$ (3,875)	\$ -				
\$ Change	5,400	1,091	6,491	(468)	-				
% Change	6.5%	11.8%	7.1%	12.1%	-				
FTE					429.2	414.2	15.0	3.6%	

Schedule may not add due to rounding

*Includes Legal Services, Human Resource Services, and Performance, Emergency & Enterprise Risk Management



A significant driver of the base budget increase in Corporate Administration is the increase in Legal Services of \$1.0 million in insurance premiums driven by unfavourable market conditions. The 2023 Budget also includes \$600,000 to support the new Customer Relationship Management System (Salesforce), which will form the foundation to digitally deliver the most requested services. As reported through Report No. **DI-06-22**, the modern customer relationship management system will provide a consistent user experience for customers while accessing services fulfilled by a variety of Regional processes and software applications.

The costs of these Corporate Administration divisions have been allocated to program budgets to show the full cost of program delivery through Corporate Support charges, with the exception of Governance-related services. To align with FIR and MBNCanada guidance, the cost of Governance-related services of the Office of the Chair, Regional Council, the CAO's Office, Performance, Emergency & Enterprise Risk Management and Regional Clerks & Council Services is reported separately in Non-Program for tax-supported services. Continued efforts ensure that the support provided by Corporate Administration to the service departments is done in an efficient manner, thus contributing to the delivery of services that meet the ongoing needs of Halton residents. The following discussions provide an overview of the internal services and related key performance measures provided by Corporate Administration divisions.

Finance

The Finance department is included in Corporate Administration. The 2023 Finance department budget reflects a net increase of \$866,000, or 6.5%, over the 2022 budget, primarily due to strategic investments proposed for 4.0 FTEs, as well as inflationary increases.

Finance Departmental Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Finance									
Budgets & Tax Policy	\$ 3,374	\$ 1	\$ 3,375	\$ -	\$ 3,375	\$ 3,065	\$ 310	10.1%	
Capital & Development Financing	2,917	28	2,944	(592)	2,352	2,291	61	2.7%	
Financial Services & Payroll	5,351	(225)	5,126	(123)	5,003	4,853	150	3.1%	
Supply Chain Management	3,391	182	3,574	(35)	3,539	3,194	345	10.8%	
Program Costs	\$ 15,033	\$ (14)	\$ 15,019	\$ (750)	\$ 14,269	\$ 13,403	\$ 866	6.5%	
Program Recoveries	-	-	-	-	(14,269)	(13,403)	(866)	6.5%	
Total	\$ 15,033	\$ (14)	\$ 15,019	\$ (750)	\$ -	\$ -	\$ -	-	
2022 Budget	\$ 14,188	\$ (34)	\$ 14,153	\$ (750)	\$ -				
\$ Change	845	21	866	-	-				
% Change	6.0%	-60.5%	6.1%	0.0%	-				
FTE					106.5	102.5	4.0	3.9%	

Schedule may not add due to rounding

The following strategic investments for 4.0 FTEs are proposed in the 2023 Budget:

- 1.0 FTE in Budgets & Tax Policy for a Senior Financial Analyst - Financial Planning (\$134,000),
- 1.0 FTE in Financial Services & Payroll for a Payroll Financial Analyst (\$122,000),
- 1.0 FTE in Supply Chain Management for a Strategic Sourcing Specialist (\$124,000), and
- 1.0 FTE in Supply Chain Management for a Senior Strategic Sourcing Specialist (\$136,000) (fully funded from Capital).

The strategic investments are discussed further in the Budgets & Tax Policy, Financial Services & Payroll, and Supply Chain Management sections below.

The **Budgets & Tax Policy** division prepares and monitors the operating component of the annual Budget and Business Plan, develops and maintains financial policies and plans to ensure the Region's Business Plan is financially sustainable in conjunction with the Capital & Development Financing division, and prepares and implements Tax Policy in consultation with the Region's local municipalities. The division works with operating departments to develop business cases for new initiatives, and monitors the annual budget performance through variance and ministry reporting.

The 2023 Budget is increasing by \$310,000, or 10.1%, primarily due to inflationary cost increases, a position reclassification to better align with organizational needs and a strategic investment for a Senior Financial Analyst – Financial Planning to provide support for the preparation and monitoring of the annual operating budget. The size and complexity of the operating budget continues to grow every year, however staffing resources to support the annual operating budget process have remained the same in the Budgets and Tax Policy division. The division is responsible for all financial reporting related to Federal and Provincial subsidy funding, which totalled more than \$276 million, or more than 30% of the 2022 gross operating budget, with more than 150 financial reports expected to be submitted in 2022 to the Federal and Provincial governments. The division is also responsible for the development and monitoring of the Region-wide compensation budget (excluding Police), which includes 2,386.8 Full-time Equivalents (FTEs) and 200,541.2 relief hours in the 2023 Budget.

As a result of the growth in the operating budget, volume and complexity of financial reporting and monitoring requirements, the following additional resource is proposed as a strategic investment to support the Budgets & Tax Policy division:

- 1.0 FTE **Senior Financial Analyst - Financial Planning** (\$134,000) will support the division with coordinating and consolidating the Tax-Supported Operating Budget, support the preparation of the annual Budget and Business Plan, provide backup and cross-training support for the Region-wide compensation budget, and support strategic priorities and financial planning needs across the organization.

The **Capital & Development Financing** division prepares and monitors the capital component of the annual Budget and Business Plan, develops and maintains financial policies and plans to ensure the Region's Business Plan is financially sustainable in conjunction with the Budgets & Tax Policy division, works with operating departments to develop sustainable financial strategies to fund key capital projects in alignment with the regional Strategic Plan approved by Council, updates the Development Charge (DC) by-laws, coordinates and compiles financial information to support the annual credit rating review process, and prepares and implements development financing plans to ensure that the cost of growth-related infrastructure does not impact residents. The division also provides investment services for the Region's \$2.9 billion investment portfolio and issues debentures as needed to meet the financing requirements of the Region and local municipalities as approved by Regional Council. The 2023 Budget is increasing by \$61,000, or 2.7%, primarily due to inflationary cost increases.

The **Financial Services & Payroll** division maintains the Region's financial records in compliance with legislation and in accordance with Canadian Public Sector Accounting Standards for the preparation of the annual consolidated financial statements, and is responsible for preparing the Halton Community Housing Corporation's budget and financial statements. In addition, the division prepares ministry reports such as the Financial Information Return and Annual Financial Report. The division manages the water and wastewater billing service contract with the four Local Distribution Companies (LDCs) and also provides payroll services

to approximately 3,600 full-time equivalents, including Police Services (2021 FIR), in compliance with legislation, collective agreements, and Regional benefit programs.

The 2023 Budget is increasing by \$150,000, or 3.1%, primarily due to inflationary cost increases and a strategic investment for a Payroll Financial Analyst to provide permanent payroll support. As the workload for Payroll Services has grown over the past 5+ years (i.e. the number of T4s produced has increased by 40% from 2015 to 2021) the staffing resources in Payroll have remained the same. In addition to the increasing number of Regional employees, the number of systems that Payroll supports has also increased, including bringing the net payroll in-house, Workforce Management, and Success Factors Recruitment. Payroll has resource gapping in the areas of OMERS compliance and reporting, COMPASS time and attendance technical support and business continuity for critical payroll resources. As a result, the following additional resource is proposed as a strategic investment to support the Financial Services & Payroll division:

- 1.0 FTE **Payroll Financial Analyst** (\$122,000) is required to support Payroll as a result of the growth in the number of FTEs, and the related impacts such as OMERS compliance and reporting, and COMPASS time and attendance technical support. In addition, this position will support business continuity through secondary SAP HR Payroll system business support and payroll processing coverage for vacations and high volume periods, as well as support cross training opportunities.

The **Supply Chain Management** division is responsible for overseeing the procurement of goods, services and construction required by the Region in the delivery of the services mandated and approved through the annual Budget and Business Plan in an open, fair and transparent method. The division maintains and upholds the Council approved Purchasing By-law by establishing and implementing policies, procedures and guidelines that result in delivering the by-law's objectives in an impartial, efficient and effective manner. The division also supports various essential Regional services through inventory management by maintaining and providing required materials, supplies and equipment to departments.

The 2023 Budget is increasing by \$345,000, or 10.8%, primarily due to inflationary cost increases and strategic investments proposed for a Strategic Sourcing Specialist and a Senior Strategic Sourcing Specialist. These roles are required in order to provide support for complex and high valued Region-wide procurement initiatives, and expertise in procuring vendor pre-qualification for capital construction services and consulting, ensuring that procurement activities are carried out in compliance with the Purchasing by-law and policies and procedures, related legislation, industry practice and professional standards. The Strategic Sourcing division currently procures approximately \$737 million of goods, services, consulting, & construction for the Region annually. Procurements have increased by 9-12% per year with an increase of 31% in the last 5 years, and there has been a 12% increase in the number of contract renewals and a 20% increase in the number of price negotiated contracts. As a result of these pressures, the following additional resources are proposed as strategic investments to support the Supply Chain Management division:

- 1.0 FTE **Strategic Sourcing Specialist** (\$124,000) is required to conduct activities associated with the procurement of complex categories of spend, including high-value and hard-to-source products and services, at the best value, consistent with the specified quality in the required time. This position will lead and execute procurements in compliance with the Region's Purchasing by-law, support the rising demand of procurement requests, assist in the creation of improved processes and procedures, and ongoing best practice reviews to incorporate risk mitigating strategies.
- 1.0 FTE **Senior Strategic Sourcing Specialist** (\$136,000) is required to provide support for complex and high valued Region-wide capital construction-specific services, including innovative and high risk construction-related procurements, at the best value, consistent with the specified quality in the required time and related procurement initiatives. This position will lead and execute procurements in compliance with the Region's Purchasing by-law, support the rising demand of procurement requests, assist in the creation of improved processes and procedures, and ongoing best practice reviews to incorporate risk mitigating strategies. This position is fully funded from the capital budget.

The following table provides the key performance measures for the Finance department.

Finance	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Budget
Region's Credit Rating	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa	AAA/Aaa
Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award	Yes	Yes	Yes	Yes	Yes
GFOA Canadian Award for Financial Reporting	Yes	Yes	Yes	Yes	Yes
Gross % Realized Return on the Total Internally Managed Investment Portfolio	3.1%	3.2%	2.6%	2.2%	2.5%
Number of Public Procurements per Year	193	174	226	219	241

The Region's AAA/Aaa credit rating has been maintained in 2022, which is a testament to the financial position, policies and practices of the Region and local municipalities. Halton continues to receive the Government Finance Officers Association (GFOA) Award for the annual budget and financial reporting for developing fiscally responsible budgeting, and presenting financial information in an easy to understand format. The Realized Rate of Return on the Total Internally Managed Investment Portfolio is expected to be 2.5% for 2023. As reported through Report No. **FN-31-22** (re: Investment Performance to August 31, 2022), with the recent increases in short-term interest rates, interest earnings are expected to be favourable in 2022 compared to the budget target. The number of public procurements is projected to increase in 2023.

Digital & Information Services

Digital & Information Services (previously the Strategic Transformation Group) is included in Corporate Administration. The department's primary focus is on delivering the Region's Digital Strategy of becoming a "digital first", data-driven organization to improve the Region's services and internal processes, moving to a self-serve, digitally powered service model that uses data to support continuous improvement. Additional priorities include providing ongoing services to program areas, business process enhancements, the introduction of smart technologies, the Halton Regional Centre (HRC) Renovation and Modernization project, and other key initiatives.

The 2023 Digital & Information Services department budget reflects a net increase of \$2.8 million, or 5.4%, over the 2022 budget, primarily due to strategic investments proposed for 7.0 FTEs discussed further in the Energy, Fleet & Facilities divisional section below, as well as additional software maintenance costs, including an increase related to the new Customer Relationship Management System in support of the implementation of the Digital Strategy as set out in Report No. **DI-06-22** (re: Digital Strategy and Customer Relationship Management System Update), and increased capital financing costs related to Technology and Facility projects. Subsidies & Revenue are increasing by \$462,000, or 16.0%, primarily due to an increased recovery from the Halton Community Housing Corporation (HCHC) to support 3.0 additional FTEs to provide maintenance support for the HCHC housing portfolio.

Digital & Information Services Departmental Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Digital & Information Services									
Business Solutions & Process Transformation	\$ 5,424	\$ 2	\$ 5,426	\$ (185)	\$ 5,241	\$ 5,090	\$ 151	3.0%	
Digital Architecture & Portfolio Management	1,290	-	1,290	-	1,290	1,263	27	2.2%	
Digital Services & Data Management	7,037	(17)	7,019	(101)	6,918	6,470	448	6.9%	
Digital Workplace & Technology	9,566	4,446	14,012	-	14,012	13,045	966	7.4%	
Communications	3,741	15	3,757	-	3,757	3,680	77	2.1%	
Energy, Fleet and Facilities	20,162	6,841	27,003	(3,070)	23,933	22,763	1,170	5.1%	
Program Costs	\$ 47,219	\$ 11,286	\$ 58,506	\$ (3,356)	\$ 55,150	\$ 52,310	\$ 2,840	5.4%	
Program Recoveries (Corporate Support)	-	-	-	-	(55,150)	(51,633)	(3,517)	6.8%	
Non-Program Recoveries (Governance)	-	-	-	-	-	(677)	677	-100.0%	
Total	\$ 47,219	\$ 11,286	\$ 58,506	\$ (3,356)	\$ -	\$ -	\$ -	-	-
2022 Budget	\$ 45,007	\$ 10,197	\$ 55,204	\$ (2,894)	\$ -				
\$ Change	2,212	1,090	3,302	(462)	-				
% Change	4.9%	10.7%	6.0%	16.0%	-				
FTE					213.5	206.5	7.0	3.4%	

Schedule may not add due to rounding

A key strategic objective approved by Regional Council includes the delivery of high-quality digital services to residents and businesses. To achieve this objective, the Region has developed “Digital First: A Digital Strategy for Halton Region” (Report No. **ST-07-21**). The strategy provides the framework to enhance digital services by transforming business processes and services to ensure complete, high-quality online service delivery. To support the successful implementation of the Digital Strategy, a significant investment in digital technology services will be required. The 2023 Operating Budget includes \$600,000 to support the new Customer Relationship Management System (Salesforce), which will form the foundation to digitally deliver the most requested services. As reported through Report No. **DI-06-22**, the modern customer relationship management system will provide a consistent user experience for customers while accessing services fulfilled by a variety of Regional processes and software applications. .

The **Business Solutions & Process Transformation** division acts as a strategic partner in transformative service initiatives with a focus on coordinating, planning, and delivering Halton Region’s ERP Transformation project, designing and executing an application modernization and consolidation program to reduce the Region’s technology footprint and leverage our core enterprise systems to create efficiencies. The services provided by the division include implementing product management for our core applications to be more efficient and effective; improving value of technology investments by applying sound enterprise architecture practices and deriving value from current assets; supporting organizational readiness as it relates to the technology landscape and evolution; and planning, integrating and delivering systems and digital platforms effectively.

The 2023 Budget is increasing by \$151,000, or 3.0%, primarily due to ERP licensing and Workforce software costs to support the Digital Strategy and inflationary cost increases.

The **Digital Architecture & Portfolio Management** division is responsible for establishing and maintaining effective digital governance to focus on the Digital Strategy priorities. By collaborating through a governance structure comprised of representatives from a cross-section of departments and programs, the division maintains digital request intake, portfolio management, and reporting processes. The division develops and maintains an enterprise architectural program to inform digital initiative roadmaps and decision frameworks used by the Digital Strategy governance. In addition, in 2023 the division will continue to lead the HRC Modernization Change Management project and support the Halton Digital Access Strategy Implementation.

The 2023 Budget is increasing by \$27,000, or 2.2%, due to inflationary cost increases.

The **Digital Services & Data Management** division is responsible for delivering the Digital Services and Information Management priorities identified in Halton’s Digital Strategy (2021-2025). The digital services work includes setting standards for online service delivery, establishing a Digital First technology architecture, including a customer relationship management (CRM) system that can support the Region’s digital service aspirations, and delivering a range of new digital services. The division supports planning, integrating and delivering systems and digital platforms effectively, and managing the data analytics and decision support program to use as strategic assets to enhance customer service and inform policy, strategic and operational decision making. Services also include enhancing information and document management capabilities to support information access, storage and retrieval. The team is also the first point of contact for community inquiries. Access Halton provides high quality customer service and engagement through phone, email, online, social media and in-person channels, responding to more than 688,000 inquiries and service requests during 2021. Access Halton continues to receive the highest customer satisfaction awards in the industry.

The 2023 Budget is increasing by \$448,000, or 6.9%, primarily due to an increase to support Halton’s new Customer Relationship Management System (Salesforce) as part of the Digital Strategy implementation as approved through Report No. **DI-06-22**.

The **Digital Workplace & Technology** division is responsible for provisioning, managing and maintaining the Region’s core digital information and technology infrastructure, assets and services. The team maintains and supports more than 370 software applications and 10,000 hardware assets in a state-of-good-repair and provides secure, reliable access to these assets and services. This division is responsible for delivering new modern digital services to support both the front office

and back office platforms including both the Internet of Things (IoT) and cloud services. These platforms are supported by a robust and modern Cybersecurity program.

The 2023 Budget is increasing by \$966,000, or 7.4%, primarily due to additional software maintenance and Microsoft 365 licensing costs in support of the Digital Strategy, as well as increased capital financing costs for the state-of-good-repair program and inflationary cost increases.

The \$88.8 million 10-year Digital Workplace & Technology capital program is \$23.17 million higher than the 2022 program, primarily due to increased investments in software and hardware upgrades to support the Digital Strategy.

Digital Workplace & Technology Capital Program (\$ Millions)							
	2023	2024	2025	2026	2027	2028 - 2032	Total
Digital Services	\$ 0.45	\$ 1.32	\$ 0.75	\$ 0.90	\$ 0.65	\$ 3.25	\$ 7.32
Digital Workplace & Modern Technology	2.24	4.88	4.60	3.46	3.45	19.63	38.26
GIS, Data and Information Management	0.49	1.04	1.15	1.00	0.74	4.08	8.49
Service & Process Transformation	4.41	5.60	3.30	1.89	1.71	7.80	24.70
Program Specific	0.43	0.45	0.44	0.30	0.15	2.35	4.11
Rate Program Specific	-	0.57	0.76	0.88	0.88	2.84	5.93
Total	\$ 8.02	\$ 13.85	\$ 11.00	\$ 8.42	\$ 7.58	\$ 39.93	\$ 88.81

Schedule may not add due to rounding.

The 2023 Information Technology capital budget has increased by \$112,000 over the 2023 forecast from the 2022 budget primarily due software and hardware upgrades needed to support the Digital Strategy. The capital program is initially funded from the Technology Replacement reserve which is replenished by operating transfers that IT recovers from program areas. A total of \$4.3 million in capital financing (i.e. transfers to reserves) is budgeted in 2023. This represents a \$194,000 increase, or 7.1%, from the 2022 budget to support Corporate initiatives (new and replacement hardware, software, and infrastructure) and program-specific projects for Paramedic Services, Housing Services, Planning Services, and Emergency Management. The 10-year financing plan ensures that the Technology Replacement reserve is maintained at levels to ensure financial sustainability and is projected to increase each year over the forecast period. The operating contributions to reserves will continually be reviewed as part of the asset management plan.

The **Communications** division provides strategic advice to promote Halton's brand and reputation through the delivery of timely and accessible information to residents, businesses and stakeholders, and responds to critical issues and emergencies. The division creates impactful marketing and communications campaigns to promote the Region's programs and services to the community and support the priorities of Regional Council. The team oversees media relations, manages all corporate digital channels, including halton.ca and social media platforms, and provides internal and corporate communications, print and mail services to the organization.

The 2023 Budget is increasing by \$77,000, or 2.1%, primarily due to inflationary cost increases.

The **Energy, Fleet & Facilities** division provides high-quality and cost-effective facility and fleet services. The division manages fleet assets and ancillary equipment, and oversees facilities design and development, lifecycle analysis, asset renewal, renovation and construction, energy management, and ongoing maintenance and operations of Regional facilities and Halton Community Housing Corporation (HCHC) housing stock. The division maximizes efficiencies and conforms to codes and regulations, accepted industry standards and best practices in order to deliver customer service excellence in energy, fleet and facilities management. The 2023 Budget is increasing by \$1.2 million, or 5.1%, primarily due to increased capital financing costs for corporate facilities and strategic investments proposed for 7.0 FTEs as outlined below. The 2023 Budget also includes \$431,000 in COVID-19-related costs for cleaning, security and other facility-related costs which are funded through a one-time transfer from the COVID-19 Recovery reserve. The following additional resources are proposed as strategic investments to support the Energy, Fleet & Facilities division:

- 1.0 FTE **Manager, Continuous Improvement** (\$171,000) to streamline processes, centralize and analyze data to optimize outcomes and drive efficiencies and modify processes through incremental and breakthrough improvements across the division;
- 1.0 FTE **Facilities Maintenance Operator** (\$87,000) to support the increasing maintenance requirements of the Region's three long-term care facilities, three additional paramedic stations, emergency shelter in Burlington, and the East Block of HRC and all related equipment;
- 1.0 FTE **Maintenance Coordinator – Corporate** (\$126,000) to support vendor-related demand maintenance scheduling and reactive projects for the Corporate and LTC portfolios, and manage insurance and risk management incidents;
- 1.0 FTE **Maintenance Coordinator – HCHC** (\$126,000) to assist with HCHC portfolio changes and manage the increase in insurance-related reactive projects (fully funded from HCHC);
- 2.0 FTE **Project Manager I – HCHC** (\$251,000) to support the HCHC portfolio and complete unit turnovers (fully funded from HCHC); and
- 1.0 FTE **Energy Data Clerk** (\$82,000) to support the Energy Management team with data entry and reporting of the Region's energy information, and meet the growing needs to support database maintenance, liaising with stakeholders, and data quality assurance.

The \$103.9 million 10-year Energy, Fleet & Facilities capital program is \$18.9 million higher than the 2022 program; this is primarily driven by increased expenditures at the Long-Term Care homes, Woodlands Operation Centre and the North Operations Centre identified through updated building condition assessments.

Energy, Fleet and Facilities Capital Program (\$ Millions)							
	2023	2024	2025	2026	2027	2028 - 2032	Total
Halton Regional Centre - Rehab & Replacement	\$ -	\$ 0.85	\$ 0.90	\$ 0.80	\$ 0.94	\$ 3.07	\$ 6.56
Long Term Care Centres - Rehab & Replacement	3.58	1.66	3.29	2.71	1.03	12.74	25.01
Paramedic Stations - Rehab & Replacement	0.37	0.43	0.47	0.13	0.35	1.99	3.74
Facility Rehab & Replacement - Other	4.20	3.76	2.20	4.09	5.75	14.56	34.55
PS HQ and PW Operations Centre Expansion	-	2.00	-	29.60	-	-	31.60
Strategic Acquisition - Land	0.88	-	-	-	-	-	0.88
Energy Program	0.10	0.10	0.10	0.10	0.10	0.50	1.00
Vehicles & Equipment	0.15	0.06	0.10	0.03	0.10	0.16	0.59
Total	\$ 9.28	\$ 8.86	\$ 7.06	\$ 37.45	\$ 8.26	\$ 33.03	\$ 103.94

Schedule may not add due to rounding.

The \$9.3 million 2023 Energy, Fleet & Facilities capital program is \$5.6 million higher than the 2023 forecast included in the 2022 budget due to the updated expenditures resulting from new building condition assessments at the Long-Term Care Homes (\$2.7M) and Woodlands Operation Centre (\$2.4M).

The following are highlights of the 10-year program:

- \$69.9 million has been identified to facilitate ongoing building rehabilitation and replacement for all Regional facilities over the next 10 years.
- \$31.6 million is required for the Paramedic Services Headquarters for the paramedic centralized facility identified in the Paramedic Services Master Plan (MO-14-15) and for Public Works Operation Centre growth needs related to administration, vehicles, fleet services and the supply of central stores.
- \$0.9 million related to strategic land acquisition related to the 1 District site.
- \$1.0 million is required for the 10-year Energy Management program to address energy reduction opportunities identified by energy audits performed on corporate facilities.

The Energy, Fleet & Facilities capital program is financed from the Regional Facilities Replacement reserve and capital reserves. These reserves are replenished primarily from operating transfers recovered from program areas that benefit from the Energy, Fleet & Facilities' program. As a result, a total capital financing of \$5.2 million is included in the 2023 Budget.

The following table provides the key performance measures for the Digital and Information Services department.

Digital & Information Services	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
% of Customers who are Overall Satisfied with their Call Centre Experience	92%	92%	90%	90%	90%
Number of IT Devices Supported	3,599	4,183	4,263	4,797	4,950
Number of Digital Transactions	n/a	740,922	3,024,602	1,966,654	878,000
Number of Services that can be Accessed Online	86	75	83	85	125
Number of Visits to the Halton Website (000s)	1,711	6,148	12,001	3,800	3,400
Total Service Area - Corporate Facilities and Social Housing Sq. Ft. (000s)	4,581	3,252	3,307	3,356	3,356
Total Corporate kWh Energy Consumption (per Sq. Ft.)	35.5	29.7	26.3	26.0	25.7

The large increase in the number of IT devices supported was due to the shift toward Regional staff working from home and to support additional Regional staff as the Region steadily grows. The number of digital transactions increased significantly during 2021 due to COVID-19. In response to the COVID-19 pandemic, in 2020 Regional staff enhanced online access to Regional services, and are continuing throughout 2022 and are expected to further expand in 2023 as part of the Region's Digital Strategy. The number of visits to the Halton Website is slowly reaching stable levels, with some pandemic-related web traffic spikes. The projection for 2022 reflects expected increased demand for COVID-19 vaccination and information in the autumn and winter, while the projection for 2023 is based on continued COVID-19 and vaccine traffic on top of regular traffic for 2022. The increase in square footage in 2022 is expected upon the completion of the Halton Regional Centre (HRC) Modernization Project. As reported through CA-05-22 re: Halton Region Strategic Plan 2019-2022 Report, the reduced energy consumption per square foot is projected to surpass the target set through the 2019-2022 Strategic Business Plan by the end of 2022. This is partly due to lower building occupancy as a result of COVID-19 and working from home.

Legislative & Planning Services Corporate Administration

The Legal Services, Human Resource Services, and Performance, Emergency & Enterprise Risk Management divisions of the Legislative and Planning Services (LPS) department are included in Corporate Administration.

The 2023 LPS Corporate Administration budget reflects a net increase of \$2.1 million, or 12.6%, over the 2022 budget, primarily due to increased costs for insurance premiums and paid claims, as well as strategic investments proposed for 1.0 FTE Claims & Risk Specialist and 1.0 FTE Law Clerk – Risk & Insurance in Legal Services and 2.0 FTE Human Resource Business Partners in Human Resource Services which are outlined in the divisional sections below.

LPS Corporate Administration Departmental Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
LPS Corporate Administration									
Legal Services	\$ 11,266	\$ 56	\$ 11,322	\$ (238)	\$ 11,084	\$ 9,539	\$ 1,545	16.2%	
Human Resource Services	7,041	(982)	6,059	-	6,059	5,611	448	8.0%	
Performance, Emergency & Enterprise Risk Management	1,453	3	1,456	-	1,456	1,368	89	6.5%	
Program Costs	\$ 19,761	\$ (923)	\$ 18,838	\$ (238)	\$ 18,600	\$ 16,518	\$ 2,082	12.6%	
Program Recoveries (Corporate Support)	-	-	-	-	(17,286)	(15,114)	(2,172)	14.4%	
Non-Program Recoveries (Governance)	-	-	-	-	(1,314)	(1,404)	90	-6.4%	
Total	\$ 19,761	\$ (923)	\$ 18,838	\$ (238)	\$ -	\$ -	\$ -	-	-
2022 Budget	\$ 17,704	\$ (954)	\$ 16,750	\$ (232)	\$ -				
\$ Change	2,057	30	2,088	(6)	-				
% Change	11.6%	-3.2%	12.5%	2.7%	-				
FTE					85.0	81.0	4.0	4.9%	

Schedule may not add due to rounding

The **Legal Services** division is comprised of Legal, Realty, and Risk Management services, and includes the Regional Clerk & Council Services. The 2023 Budget is increasing by \$1.5 million, or 16.2% driven by an increase of \$1.0 million in insurance premiums and paid claim losses, and strategic investments proposed for 1.0 FTE Claims & Risk Specialist and 1.0 FTE Law Clerk - Risk & Insurance, as discussed below.

Legal Services Divisional Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
Legal Services	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Legal Services	\$ 3,556	\$ 3	\$ 3,559	\$ (235)	\$ 3,324	\$ 3,142	\$ 182	5.8%	
Realty Services	1,161	1	1,162	-	1,162	1,136	26	2.3%	
Risk Management	5,546	51	5,597	-	5,597	4,329	1,269	29.3%	
Regional Clerk	1,004	1	1,004	(3)	1,002	934	68	7.3%	
Program Costs	\$ 11,266	\$ 56	\$ 11,322	\$ (238)	\$ 11,084	\$ 9,539	\$ 1,545	16.2%	
Program Recoveries (Corporate Support)					(10,751)	(9,260)	(1,491)	16.1%	
Non-Program Recoveries (Governance)					(333)	(279)	(54)	19.3%	
Total	\$ 11,266	\$ 56	\$ 11,322	\$ (238)	\$ -	\$ -			
2022 Budget	\$ 9,760	\$ 11	\$ 9,771	\$ (232)	\$ -				
\$ Change	1,506	45	1,551	(6)	-				
% Change	15.4%	406.4%	15.9%	2.7%	-				
FTE					39.0	37.0	2.0	5.4%	

Schedule may not add due to rounding

Legal Services provides advice, counsel and legal representation to, and on behalf of, the Region. It also provides services related to records, data & information, including freedom of information, privacy and records management. The 2023 Budget is increasing by \$182,000, or 5.8% primarily due to inflationary cost increases.

Realty Services facilitates the Region's property requirements. The 2023 Budget is increasing by \$26,000, or 2.3%, primarily due to inflationary cost increases.

Risk Management administers the Region's insurance program, minimizes the Region's liability loss exposure, and manages property and liability claims. The 2023 Budget is increasing by \$1.3 million, or 29.3%, driven by a \$1.0 million increase in insurance premiums and paid claims losses. As a result of unfavourable market conditions, insurance premiums have increased annually by an average of 11% over the last 5 years, and securing insurance coverage has become increasingly challenging. In addition, the Risk Management area has continued to experience an overwhelming increase in its portfolio, driven by the increase in volume and complexity of claims, incidents, recoveries, subrogated claims, and the organization's need for general risk management support and advice. To address these pressures, the following resources are proposed as strategic investments to support Risk Management:

- 1.0 FTE **Claims & Risk Specialist** (\$130,000) to provide claims adjusting, subrogation, recovery, risk management, and insurance support, enabling streamlined file and claims management, proactive pursuit of financial recoveries, reduced claims adjusting expenses, and enhanced risk management.
- 1.0 FTE **Law Clerk - Risk & Insurance** (\$115,000) to provide risk management, insurance and litigation support which will allow for increased compliance from third party vendors and reduced risk of insurance gaps, streamlined file and claims management, and enhanced risk management

Regional Clerk & Council Services provides support to Regional Council, its Committees, and the Halton Police Board. It also provides services for freedom of information, privacy, and records management. The 2023 Budget is increasing by \$68,000, or 7.3%, mainly due to inflationary cost increases and a position reclassification to better align with organizational needs.

The following table provides the key performance measures for Legal Services.

Legal Services	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Property Acquisitions (Lease or Buy)	177	188	174	175	175
Number of Property Damage or Personal Injury Claims Received	254	138	142	186	190
Number of Outstanding Property Damage or Personal Injury Claims	82	45	51	76	80
Number of Formal Freedom of Information (MFIPPA) Requests	60	46	57	60	55

The number of property acquisitions is expected to remain relatively stable and is subject to capital project funding availability. The number of claims received and outstanding claims have been steadily increasing annually, with a decline in 2020 and 2021 due to the COVID-19 pandemic. These claims are expected to increase again for 2022 and 2023 based on prior year actual trends. Over time, the number of MFIPPA requests has continued to increase, with a decline in 2020 and 2021 due to the COVID-19 pandemic. 2023 is projected to decrease based on prior year actual trends.

The **Human Resource Services** division provides support to the Region and its programs in the attraction, engagement and retention of Regional staff. With approximately an average of 3,376 employees excluding Police Services, 257 are temporary employees who have been hired for the express purpose of responding to the COVID-19 pandemic, and 50% belong to one of the eight unionized bargaining units. The 2023 Budget includes 2,386.8 Full-time Equivalents (FTEs) and 200,541.2 relief hours. Human Resource Services provides support to the Region through developing, implementing and maintaining a fiscally responsible and market competitive total compensation program. The division also provides labour and employee relations guidance and expertise and ensures the Region maintains a legislatively compliant healthy and safe workplace with a focus on employee physical and mental wellness. Human Resource Services ensures the Region has the required number of employees with the correct skill sets in place to enable it to achieve its goals. In 2021, the Region transformed to a remote work environment and Human Resource Services continued to increase the Region’s online learning catalogue and staff and management training to support this effort as well as increased training and support of wellness

The 2023 Budget is increasing by \$448,000, or 8.0%, and includes the following strategic investment proposed to assist the organization in achieving its strategic objectives by optimizing how the Region deploys talent with a particular focus on advancing Equity, Diversity, and Inclusion:

- 2.0 FTE **Human Resources Business Partners** (\$333,000): The complexity and needs of the Region’s workforce has increased significantly since the onset of the COVID-19 pandemic. The pandemic fundamentally changed both how employees perform their work and what they expect of their employer. These factors have increased voluntary attrition from 5.4% to 6.9% and increased the number of annual hires from 300 to over 600 over the course of the past four years. Consequently, the Region is addressing a diverse and complex set of staff needs that includes mental well-being, career growth and learning, total compensation, and providing an inclusive workplace. The Region’s Strategic Business Plan incorporates key human resources objectives and two Human Resources Business Partner positions are required bridge that strategy with the Region’s existing human resources operational capability. The Business Partners will combine an understanding of the Region’s strategic objectives with in-depth line-of-business expertise. Business Partners will work

with department leadership to ensure that the organization’s strategies for acquiring, developing, and retaining talent align with the overall strategic objectives for transformation and service excellence, while meeting the evolving and growing needs of an increasingly diverse and skilled workforce.

The following table provides the key performance measure for Human Resource Services.

Human Resource Services	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
% of Voluntary Turnover of Permanent Positions per year	5.4%	3.7%	7.8%	6.9%	6.0%

The **Performance, Emergency & Enterprise Risk Management** division provides emergency management, business continuity planning, enterprise risk management and performance benchmarking. The division is also responsible for the development and implementation of the Region’s multi-year assisted housing portfolio. The Performance program facilitates the Region’s participation in the Municipal Benchmarking Network of Canada (MBNC) which, along with other municipal members, measure and report consistent and comparable data on their municipal service areas. The Emergency Management program monitors for community emergencies and coordinates incident response across the organization and with local area partners. The program creates and publishes emergency preparedness public education materials for Halton residents, develops the Region’s emergency response plans, and hosts exercises to ensure that Regional staff are ready to respond to community emergencies when they arise. In addition, the program’s business continuity planning program works with corporate departments to ensure Regional services are maintained during emergency events and disruptions. The Enterprise Risk Management program works to provide a systematic approach to identifying risk exposures, analyzing identified risks, and ensuring appropriate mitigation and response strategies are in place for each risk exposure. The Housing Action Team works in collaboration with other corporate partners towards the development and implementation of a multi-year assisted housing portfolio plan to create new assisted rental housing units in Halton Region consistent with the objectives of the Comprehensive Housing Strategy 2014-2024.

The 2023 Budget is increasing by \$89,000, or 6.5%, mainly due to inflationary cost increases and a position reclassification to better align with organizational needs.

The following table provides the key performance measure related to Performance, Emergency & Enterprise Risk Management.

Performance, Emergency & Enterprise Risk Management	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Annual Emergency Exercises Completed	Yes	No	Yes	Yes	Yes

Due to the COVID-19 pandemic, the Ministry of the Solicitor General exempted all Ontario municipalities from the 2020 annual emergency exercise requirement of the *Emergency Management and Civil Protection Act*.

Chief Administrative Officer's (CAO) Office

The CAO's Office is included in Corporate Administration. The 2023 CAO's Office budget reflects a net increase of \$175,000 or 4.4%, over the 2022 budget which is driven by inflationary cost increases as well as increases related to position reclassifications to better align with organizational needs and support the Region's strategic priorities including climate change response and advancing equity, diversion and inclusion initiatives.

CAO's Office Departmental Summary (\$000s)									
CAO's Office	2023 Budget					2022 Budget	Change		
	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Internal Audit	\$ 862	\$ -	\$ 862	\$ -	\$ 862	\$ 848	\$ 14	1.7%	
Strategic Policy & Government Relations	3,292	4	3,295	-	3,295	3,135	161	5.1%	
Program Costs	\$ 4,153	\$ 4	\$ 4,157	\$ -	\$ 4,157	\$ 3,982	\$ 175	4.4%	
Program Recoveries (Corporate Support)	-	-	-	-	(1,345)	(1,183)	(162)	13.7%	
Non-Program Recoveries (Governance)	-	-	-	-	(2,813)	(2,799)	(13)	0.5%	
Total	\$ 4,153	\$ 4	\$ 4,157	\$ -	\$ -	\$ -	\$ -	-	
2022 Budget	\$ 3,979	\$ 3	\$ 3,982	\$ -	\$ -				
\$ Change	174	1	175	-	-				
% Change	4.4%	24.8%	4.4%	0.0%	-				
FTE					23.2	23.2	0.0	0.0%	

Schedule may not add due to rounding

The **Internal Audit** division supports Council by providing an independent and objective evaluation of the processes and activities related to risk management, internal control and governance. Recommendations to improve the effectiveness of the processes are communicated as necessary. The 2023 Budget is increasing by \$14,000, or 1.7%, primarily due to inflationary increases.

The **Strategic Policy & Government Relations** division is focused on supporting Council's advocacy and government relations agenda, and supporting key policy initiatives including developing Indigenous Relationships, the Inclusion, Equity, Diversity and Anti-Black Racism Initiatives and the Region's Climate Change Response and Sustainability. Additionally, the division leads corporate policy development, supports public engagement, and meets and facilitates accessibility requirements in support of Halton residents. The 2023 Budget is increasing by \$161,000, or 5.1%, primarily due to inflationary cost increases and increases related to position reclassifications to better align with organizational needs and support the Region's strategic priorities including climate change response and advancing equity, diversity and inclusion initiatives.

Office of the Chair & Regional Council

The 2023 Office of the Chair & Regional Council budget reflects an increase of \$60,000, or 3.1%, over the 2022 budget, primarily due to increases in membership fees and inflationary cost increases.

Office of the Chair & Regional Council Departmental Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
Office of the Chair & Regional Council	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Office of the Chair	\$ 290	\$ 9	\$ 300	\$ -	\$ 300	\$ 293	\$ 6	2.2%	
Regional Council	1,766	(58)	1,709	-	1,709	1,655	53	3.2%	
Program Costs	\$ 2,057	\$ (48)	\$ 2,008	\$ -	\$ 2,008	\$ 1,948	\$ 60	3.1%	
Program Recoveries (Corporate Support)	-	-	-	-	(658)	(652)	(6)	0.9%	
Non-Program Recoveries (Governance)	-	-	-	-	(1,350)	(1,296)	(54)	4.1%	
Total	\$ 2,057	\$ (48)	\$ 2,008	\$ -	\$ -	\$ -	\$ -	-	-
2022 Budget	\$ 1,945	\$ 4	\$ 1,948	\$ -	\$ -				
\$ Change	112	(52)	60	-	-				
% Change	5.8%	-1367.6%	3.1%	0.0%	-				
FTE					1.0	1.0	0.0	0.0%	

Schedule may not add due to rounding

The **Office of the Chair** includes the Regional Chair, a directly elected position who is the head of Regional Council, and is the Chief Executive Officer of the Corporation. The 2023 Budget is increasing by \$6,000, or 2.2%, due to inflationary cost increases.

The **Regional Council** is comprised of 24 members, including the Regional Chair, who have been elected to represent the residents of Halton for a 4-year term from 2022 to 2026. The 2023 Budget is increasing by \$53,000, or 3.2%, primarily due to increases in Halton's membership fees for the Association of Municipalities of Ontario and the Federation of Canadian Municipalities, and inflationary cost increases.

Halton Region

Budget and Business Plan

BUDGET REPORT 2023

TAX OVERVIEW

NON-PROGRAM ITEMS & FISCAL TRANSACTIONS

Non-Program Items & Fiscal Transactions

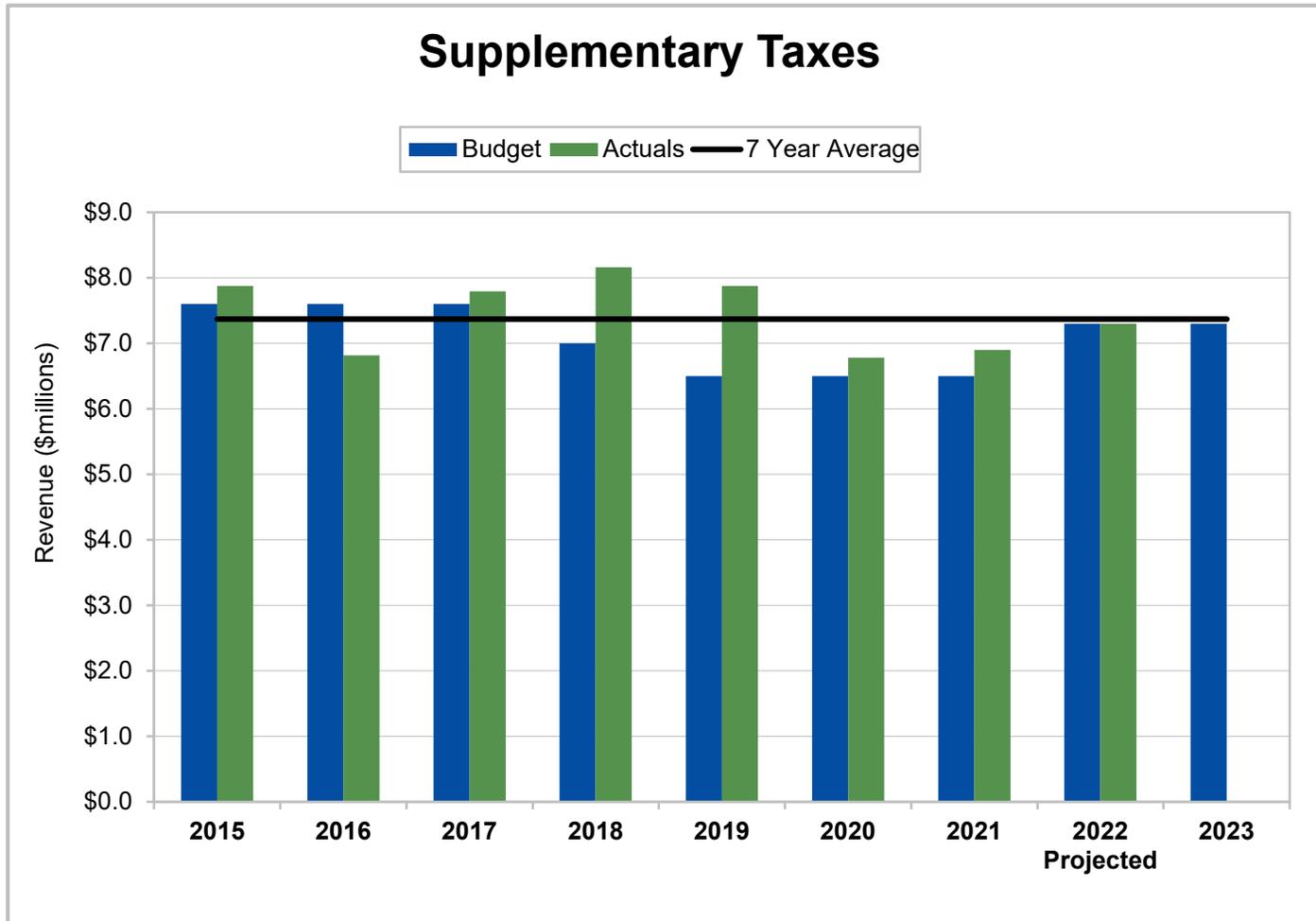
Budget Impacts

The 2023 Non-Program & Fiscal Transactions budget reflects a decrease of \$76,000, or 0.2%, over the 2022 budget mainly due a decrease in the chargeback of governance-related costs which are charged to Non-Program for tax-supported services. Also contributing to this net decrease is an increase in other tax revenue for payments-in-lieu of taxes (PIL) to reflect actual trends. The decrease is partially offset by increases in capital financing to support the Regional Accommodation Plan, Floodplain Mapping programs and tax write-offs to reflect actual trends.

Non-Program Summary (\$000's)									
	2023 Budget					2022 Budget	Change		
Non-Program	Direct Costs	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2023 - 2022		
Supplementary Tax Revenue	\$ -	\$ -	\$ -	\$ (7,300)	\$ (7,300)	\$ (7,300)	\$ -	0.0%	
Other Tax Revenue	-	-	-	(4,700)	(4,700)	(4,400)	(300)	6.8%	
Tax Write-Off Provision	4,900	-	4,900	-	4,900	4,700	200	4.3%	
Tax Policy Expenditures	748	(200)	548	-	548	548	-	0.0%	
Assessment Services	9,948	-	9,948	-	9,948	9,931	17	0.2%	
<i>Provincial Offences Act Revenue</i>	-	-	-	(2,328)	(2,328)	(2,328)	-	0.0%	
Net Interest Earnings	-	43,632	43,632	(51,383)	(7,751)	(7,751)	-	0.0%	
General Expenditures	3,682	36,128	39,810	(7,970)	31,840	31,133	708	2.3%	
Governance Chargeback	-	5,477	5,477	-	5,477	6,177	(700)	-11.3%	
Total	\$ 19,278	\$ 85,037	\$ 104,315	\$ (73,681)	\$ 30,634	\$ 30,710	\$ (76)	-0.2%	
2022 Budget	19,636	84,460	104,096	(73,386)	30,710				
\$ Change	(358)	578	219	(295)	(76)				
% Change	-1.8%	0.7%	0.2%	0.4%	-0.2%				

Supplementary Tax Revenue

Throughout the year, the Municipal Property Assessment Corporation (MPAC) provides the Region with additions to the assessment roll for supplementary and/or omitted assessment, which generates supplementary tax revenue. This revenue is difficult to predict as it is dependent on the quantity of properties assessed by MPAC, general economic conditions, and the level of development within each local municipality. For this reason, many municipalities choose not to budget for supplementary tax revenue as a recurring source of revenue. The Region uses prior year actual trends as the basis for budgeting supplementary tax revenue, shown in the following chart. The 2023 supplementary tax revenue budget remains unchanged from the 2022 budget of \$7.3 million. Staff will continue to monitor supplementary tax revenue to determine whether any adjustment needs to be made in future budgets.



The budget for tax policy includes revenues from payments-in-lieu of taxes (PIL) and rights-of-way taxes (ROW) as well as expenditures related to tax write-offs and tax rebate programs:

Other Tax Revenue

The Region receives Provincially-established PIL for various Federal and Provincial properties that are exempt from taxation, including hospitals, universities, colleges and correctional facilities. The Region also receives taxes on railway and utility ROW based on a per acre rate set by the Province. The 2023 Budget for other tax revenues from PIL and ROW is \$4.7 million, reflecting an increase of \$300,000 or 6.8%, over the 2022 budget to reflect the 7-year actual trend.

Tax Write-Off Provision

Tax write-offs are primarily due to current value assessment (CVA) reductions, such as from a successful assessment appeal, change in use of a property, or demolition. They result in less revenue collected, putting pressure on the continued delivery of the Region's core services. In recent years, owners of commercial and industrial properties have challenged the property assessment values as returned by MPAC through appeals to the Assessment Review Board (ARB). As a result of successful appeals between 2015 and 2021, the cumulative CVA loss on commercial and industrial properties amounted to \$4.6 billion. This decrease in the CVA results in an increase in the tax write-offs of the Region and local municipalities.

Future potential for additional tax write-offs is a risk for the Region. For the taxation years of 2015 to 2021, there are 59 commercial and industrial properties in Halton Region that are currently under appeal with a CVA greater than \$15.0 million. To demonstrate the magnitude of risk, the total CVA under appeal pertaining to these properties for just the 2021 taxation year is \$2.8 billion. It is important to note that appeals with the ARB can include multiple taxation years, which would mean the potential for numerous years' worth of tax write-offs resulting from one successful appeal.

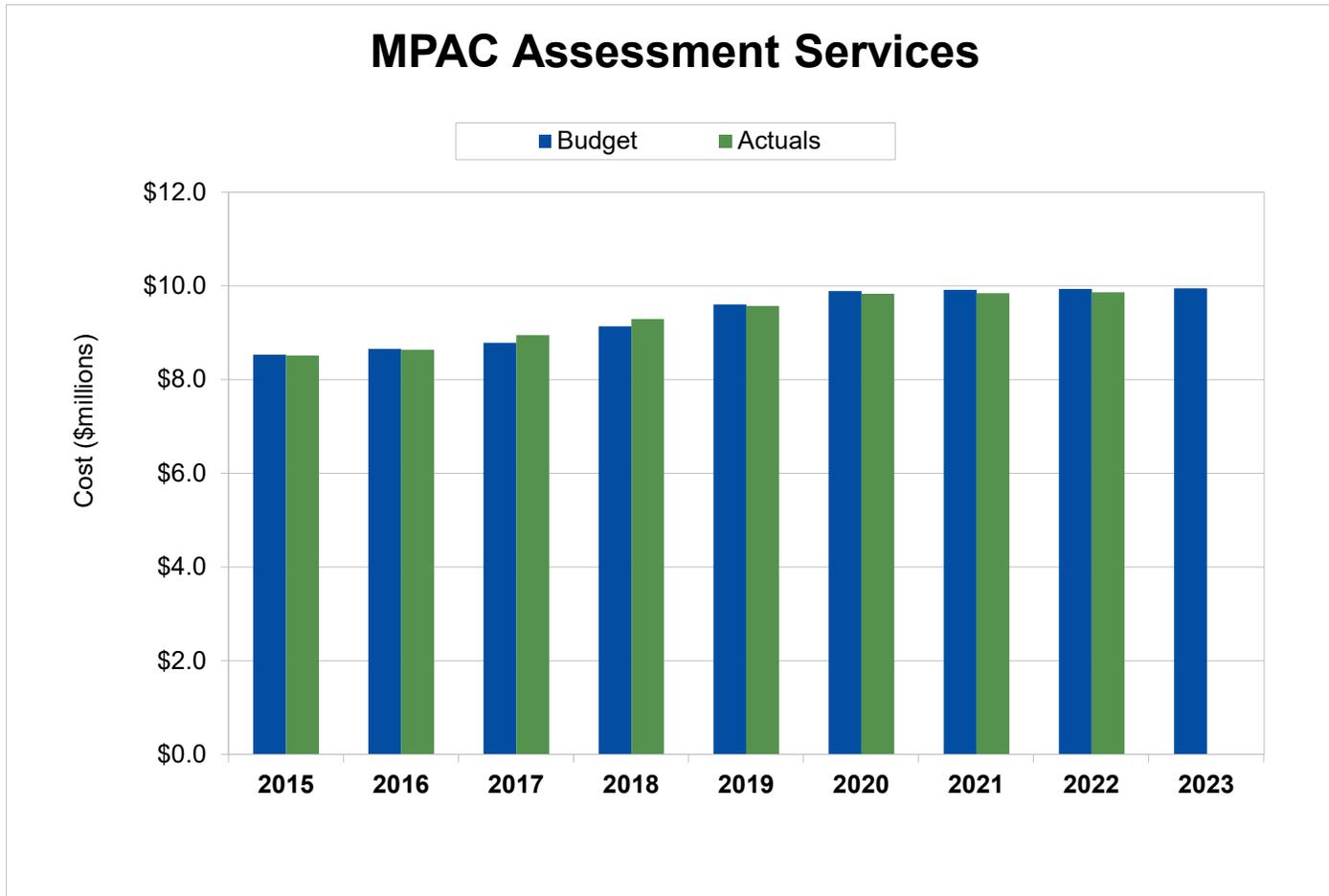
To mitigate this risk, the budget includes a tax write-off provision. The 2023 Budget for tax write-offs reflects an increase of \$200,000 or 4.3% over the 2022 budget to reflect the actual write-offs of the past 5-7 years of \$4.9 million. For 2023 the budget has increased to conservatively reflect the average actual trends and risk of appeals. Staff will continue to monitor developments in the appeal process and review whether any further adjustments are required for the tax write-off provision in future budgets.

Tax Policy Expenditures

The tax relief programs offered by the Region include both Provincially-mandated as well as discretionary programs. The mandatory programs include a property tax increase deferral for eligible older adults or persons living with disabilities and rebates for charities. The discretionary programs include the full deferral of property taxes for eligible older adults, for which the Region pays the interest, as well as rebate programs such as the Region's portion of the tax rebate for older adults provided by the local municipalities and rebates for eligible heritage properties. The 2023 Budget for tax relief programs remains unchanged over the 2022 budget of \$548,000. Included in the 2023 Budget is \$200,000 for consulting services for a design and implementation study of a proposed Vacant Home Tax in Halton Region as outlined in Report No. **FN-15-22** (re: Optional Vacant Homes Tax in Halton Region), fully offset with a transfer from the Tax Stabilization reserve for no net tax impact.

Assessment Services

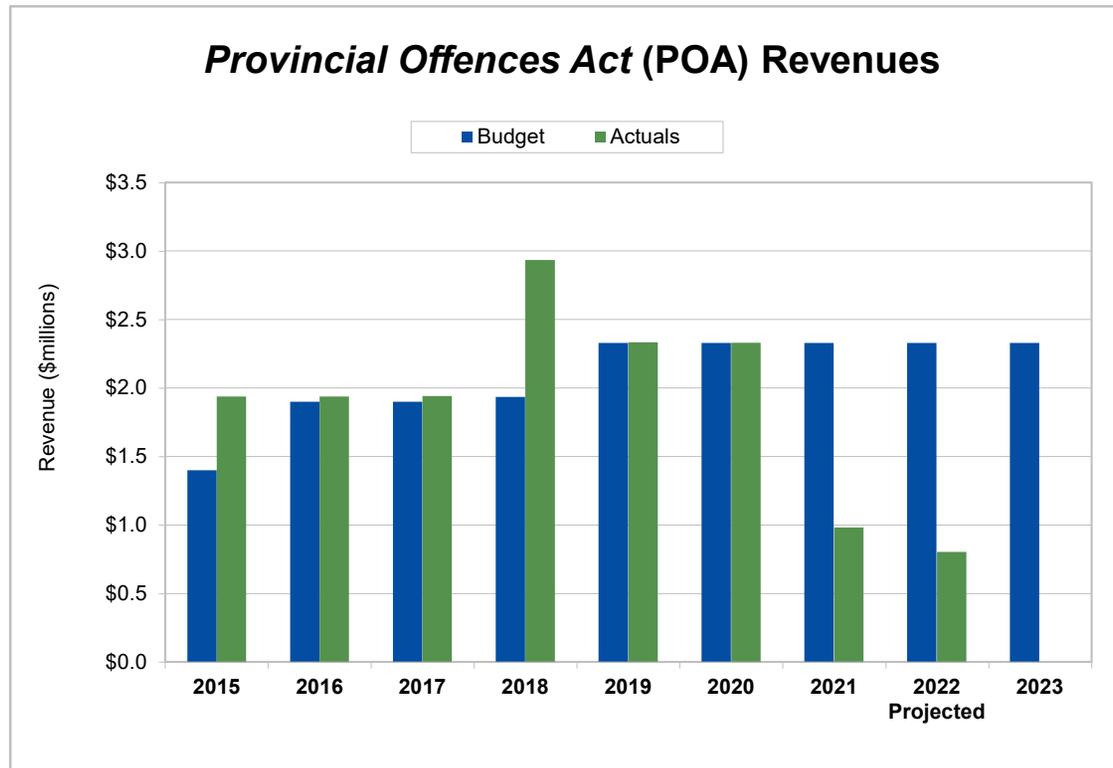
MPAC provides assessment services to the Region and local municipalities. The Region is responsible for paying for these services, the cost of which is based on Halton's CVA in proportion to the Province's CVA. Through this method, MPAC's budget is apportioned to all municipalities across Ontario. Therefore, factors affecting the cost of assessment services include MPAC's budgetary increases and apportionment increases relating to Halton Region's growth. The 2023 Budget for assessment services is \$9.9 million, an increase of \$17,000, or 0.2%, over the 2022 budget.



Provincial Offences Act (POA) Revenue

Net revenues generated from POA offences administered by Halton Court Services are shared between the Region and the Municipal Partners (City of Burlington, Town of Halton Hills, Town of Milton and Town of Oakville), with the Region's share being 50%.

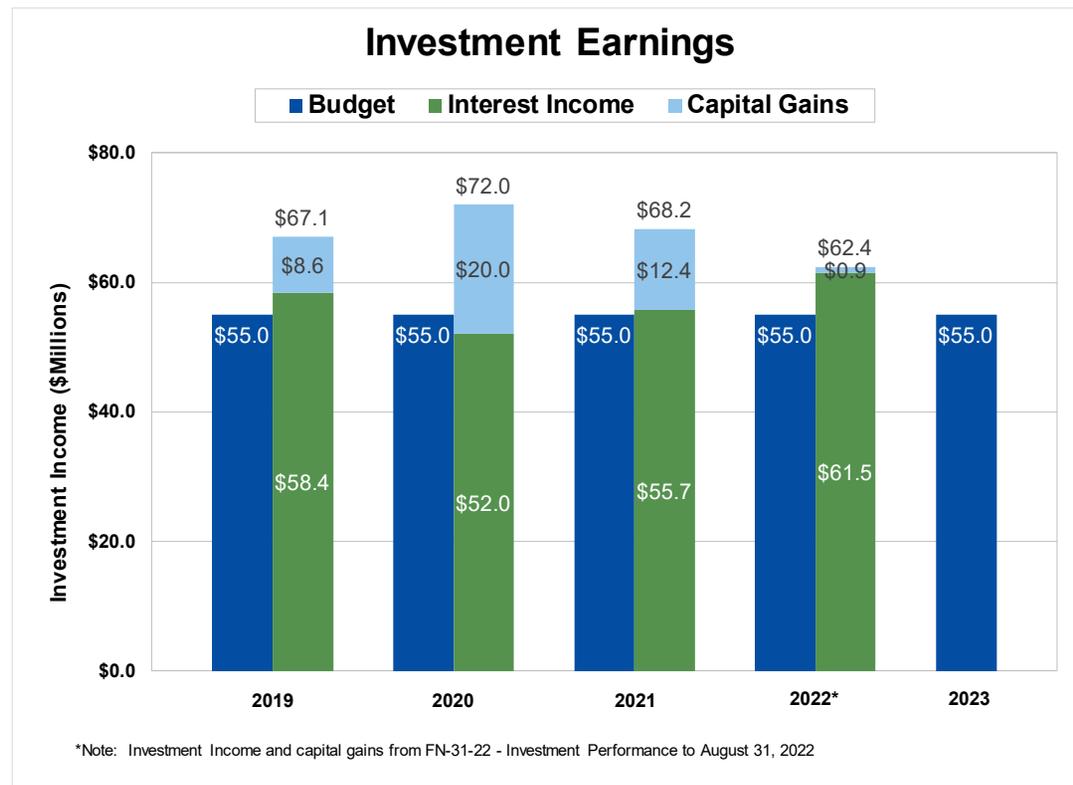
From 2016 to 2018, POA revenue was kept relatively consistent in the budget, with any excess generated by Halton Court Services being transferred to their Stabilization reserve. In 2018, the Halton Court Services' Stabilization reserve balance was projected to be \$7.0 million and the decision was made to transfer the projected excess to the Region and Municipal Partners, resulting in a total of \$3.0 million being remitted to the Region that year. In 2019, the budget was adjusted for the anticipated additional revenue to the Region. POA revenues dropped significantly as a result of the COVID-19 pandemic and related lockdowns. The 2020 year-end revenue allocation to the municipal partners included a material draw on Halton Court Services' Stabilization reserve to offset the shortfall in net revenues. In 2021, the shortfall in revenues was not funded through the Stabilization reserve, and consequently the Region reported an unfavourable variance of \$1.3 million through the Year-end Variance Report (FN-06-22). As reported through the August Variance Report (FN-32-22), the shortfall in revenues has continued in 2022, however these impacts are expected to be transitory due to the pandemic, and as shown in the chart below, the 2023 Budget is being maintained at the 2022 budget level of \$2.3 million. This is a measured risk in the 2023 Budget.



Net Interest Earnings

The gross revenue budget for investment earnings is based on general economic trends, the mix of investments in the Region's portfolio, and the fluctuating balances in operating cash account, reserves, reserve funds and the capital fund. The 2023 Budget continues to include \$55.0 million of investment income as a source of revenue. Of this revenue, \$42.9 million will be used to finance the Region's State-of-Good-Repair capital programs, and the remaining \$12.0 million will support the tax (\$8.4 million) and rate (\$3.6 million) supported services, unchanged from the 2022 Budget.

As mentioned in Report No. **FN-31-22**, bond yields have moved significantly higher this year largely due to the Bank of Canada increasing interest rates in an effort to combat high levels of inflation. The Region's active portfolio management strategy has invested any cash available at the higher yields, increasing the interest earnings of the portfolio. Although capital gains are more difficult to achieve in this environment, gains have also been generated and have contributed to the earnings exceeding the budget target. While the Region benefits from realizing capital gains on the investment portfolio, these revenues are one-time in nature and do not form part of the annual operating budget. Staff will continue to monitor investment earnings to determine whether any adjustment is required in future budgets.



General Expenditures

A significant component of the general expenditures budget is reserve transfers related to benefit obligations, corporate capital initiatives and grant contributions. Reserve contributions for the Emerald Ash Borer and Floodplain Mapping programs have increased by \$40,000 and \$110,000 respectively in 2023, in accordance with financing plans. Capital financing to fund the Regional Accommodation Plan has increased by \$300,000 in 2023.

The total Federal Canada Community-Building Fund (formerly Gas Tax) allocated to Halton is \$17.4 million in 2023 of which, \$7.9 million is allocated to the Tax-Supported Budget to fund the Transportation State-of-Good-Repair capital program (\$6.9 million) and the Road Resurfacing program (\$1.0 million). The remaining \$9.5 million is allocated to the Rate-Supported Budget to fund the Water and Wastewater State-of-Good-Repair capital program.

In 2022, there was a one-time transfer of \$2.1 million from the Tax Stabilization reserve to fund the shortfall resulting from lower than anticipated assessment growth in the 2022 Budget. The combined total assessment change for the 2022 taxation year was 1.23%, and the 2022 budget assumed an assessment growth of 1.7%. This one-time transfer has been removed in the 2023 Budget, and this impact has been largely offset by a decrease in transfers related to prior year favourable assessment growth of \$1.8 million. The 2023 Budget includes an assessment growth target of 1.7% based on the 5-year average and consistent with the assumptions in the 10-Year Operating Budget & Forecast in the 2022 Budget and Business Plan. Given the continued uncertainty around the impacts of COVID-19 on development, there is a risk of not achieving the 1.7% assessment growth target in 2023, however, any potential shortfall in assessment growth is anticipated to be temporary in nature. Any growth realized over or under the provision in the budget (1.7%) will be transferred to or from the Tax Stabilization reserve.

Governance Chargeback

As shown in the table below, in 2023 there is a \$700,000 decrease in the chargeback of governance-related costs which are recovered from the Non-Program budget for tax-supported services. This reduction is primarily due to a reorganization that took place in 2022 which resulted in the Digital Architecture & Portfolio Management division being recovered from program budgets in 2023 and not through the governance chargeback to Non-Program.

Non-Program Governance Chargeback (\$000s)			
	2022	2023	Change
	Approved Budget	Requested Budget	2023 Requested/ 2022 Approved
Office of the Chair	\$ 194	\$ 201	\$ 6
Regional Council	1,102	1,150	47
Internal Audit	576	577	1
Strategic Policy & Government Relations	2,224	2,236	12
Performance, Emergency & Enterprise Risk Management	1,125	981	(144)
Regional Clerk & Council Services	279	333	54
Digital Architecture & Portfolio Management	677	-	(677)
	\$ 6,177	\$ 5,477	\$ (700)

Schedule may not add due to rounding

Halton Region

Budget and Business Plan

BUDGET REPORT 2023

TAX OVERVIEW

BOARDS & AGENCIES

Boards & Agencies

Boards & Agencies consists of external entities to whom the Region provides funding. This includes Conservation Authorities, the Royal Botanical Gardens, and North Halton Mental Health Clinic (NHMHC), as outlined in the following table. Halton Regional Police Service (HRPS) is also included in this section due to the *Police Services Act, 1990* requirement that Police Services Boards submit to Regional Council the operating and capital estimates of maintaining the police service and providing it with the necessary equipment and facilities.

Budget Impacts

The 2023 Boards & Agencies budget is increasing by \$514,000, or 4.1% over 2022, with details provided below.

Conservation Authorities Municipal Contribution Halton Region Funding (\$000's)				
	2022	2023	Change	
Boards & Agencies	Approved Budget	Requested Budget	2023 Requested / 2022 Approved	
Conservation Halton	\$ 9,489	\$ 9,934	\$ 445	4.7%
Credit Valley Conservation	659	688	30	4.5%
Grand River Conservation Authority	305	317	12	4.1%
Conservation Authorities	10,452	10,939	487	4.7%
Royal Botanical Gardens	835	860	25	3.0%
North Halton Mental Health Clinic	1,229	1,231	2	0.2%
Total	\$ 12,516	\$ 13,030	\$ 514	4.1%

Schedule may not add due to rounding.

Conservation Authorities

Conservation Authorities receive funding from those municipalities that fall within their watershed in accordance with the *Conservation Authorities Act, R.S.O. 1990, c. C.27*, as amended (the "Act"). Halton Region provides funding to 3 Conservation Authorities through a municipal levy: Conservation Halton, Credit Valley Conservation and Grand River Conservation Authority. The total budget for the Conservation Authorities in 2023 is \$10.9 million, an increase of \$487,000 or 4.7% over the 2022 budget. The following table summarizes the 2023 budgeted requests for the Conservation Authorities funded by the Region.

Conservation Authorities Municipal Contribution Halton Region Funding (\$000's)				
	2022	2023	Change	
Conservation Authorities	Approved Budget	Requested Budget	2023 Requested / 2022 Approved	
Conservation Halton	\$ 9,489	\$ 9,934	\$ 445	4.7%
Credit Valley Conservation	659	688	30	4.5%
Grand River Conservation Authority	305	317	12	4.1%
Total	\$ 10,452	\$ 10,939	\$ 487	4.7%

Schedule may not add due to rounding.

Provincial Review of the Act

The Province proposed amendments to the Act in 2021 that would redefine Conservation Authorities' core mandate. The wording in the Act is broad, with detail regarding mandatory programs and transition periods provided in the regulations published under the Act. Conservation Authorities can now negotiate with participating municipalities regarding which non-mandatory programs and services will be provided by the Conservation Authorities. The regulations provide for a transitional period up to January 1, 2024. Given the extended timeline for these negotiations and transition time, these changes have not been reflected in the Conservation Authorities' 2023 municipal levies. Region staff will continue to work with the Conservation Authorities to review the programs and services identified and assess the impact to future budgets, if any, starting with the 2024 Budget.

Conservation Halton

Before apportionment, Conservation Halton's 2023 municipal levy increased by 4.7%, which is at the guideline of 4.7% provided by Regional Council through the 2023 Budget Directions Report No. **FN-26-22**. The main drivers for the increase in Conservation Halton's budget and the municipal levy request are related to personnel services, which accounts for 71% of their operating budget.

The 2023 Budget includes \$9.9 million for Conservation Halton's municipal levy request, based on an apportionment of 87.9192%. This represents an increase of \$445,000, or 4.7%, over the 2022 municipal levy, which was based on an apportionment of 87.8985%. The increase in apportionment reflects that the Region is growing more than other municipalities within the Conservation Halton watershed. Conservation Halton's 2023 budget includes \$179,000 for staffing and consulting services to develop an ongoing watershed plan to support Watershed Strategies & Climate Change as required by the revised CA Act Regulation. Of this request, \$89,000 is being funded through the municipal levy based on apportionment.

In 2017, Conservation Halton requested \$8.4 million from the Region over 10 years for their Emerald Ash Borer (EAB) program, of which \$834,000 is requested in 2023. This request is being funded through a capital project in the Region's budget with transfers from the Tax Stabilization reserve. Repayments to the reserve are included in the Region's 2023 Non-Program budget. The Region provides funding to Conservation Halton as the work is completed and upon receipt of invoices.

In 2020, Conservation Halton requested that the Region fund the remaining capital expenditures related to their Floodplain Mapping Update project, totalling \$3.2 million for 2020 – 2026, of which \$550,000 is requested in 2023. The structure is set up similar to the funding for the EAB program described previously.

The Conservation Halton Board of Directors approved the 2023 budget on November 17, 2022. Further details on Conservation Halton's budget can be found in Report No. **FN-05-23** (re: 2023 Budget Overview – Conservation Halton).

Credit Valley Conservation

Before apportionment, Credit Valley Conservation's 2023 municipal levy increased by 4.5%, which is below the guideline of 4.7% provided by Regional Council. The main drivers for the increase in Credit Valley Conservation's budget and the municipal levy request are related to personnel services, which accounts for 78% of their operating budget.

Credit Valley Conservation's 2023 total municipal levy request from the Region is \$688,000, based on the Region's apportionment of 5.1726% in 2023. This represents an increase of \$30,000, or 4.5%, over the 2022 municipal levy, which was based on an apportionment of 5.1757%. The decrease in apportionment reflects higher growth for the other municipalities within the Credit Valley Conservation watershed compared to the Region.

The Credit Valley Conservation Board of Directors endorsed the 2023 budget on November 11, 2022, and formal budget approval is anticipated in February or March of 2023. Further details on Credit Valley Conservation's budget can be found in Report No. **FN-04-23** (re: 2023 Budget Overview – Credit Valley Conservation).

Grand River Conservation Authority

Before apportionment, Grand River Conservation Authority's 2023 municipal levy increased by 3.5%, which is below the guideline of 4.7% provided by Regional Council. The main drivers for the increase in Grand River Conservation Authority's budget and the municipal levy request are related to personnel services and inflationary increases across Grand River Conservation Authority programs.

The Region has budgeted \$317,000 for Grand River Conservation Authority's municipal levy request in 2023, based on an apportionment of 2.4450%. This represents an increase of \$12,000, or 4.1%, over the 2022 municipal levy, which was based on an apportionment 2.4309%. The increase in apportionment reflects that the Region is growing more than other municipalities within the Grand River Conservation Authority watershed.

The GRCA Board of Directors are scheduled to approve the 2023 budget on February 24, 2023. Further details on GRCA's budget can be found in Report No. **FN-03-23** (re: 2023 Budget Overview – Grand River Conservation Authority).

Royal Botanical Gardens (RBG)

Royal Botanical Gardens (RBG) receives an operating grant from the Region and the City of Hamilton. The Region continues to provide funding to RBG at the rate of inflation. The Region's contribution is budgeted to increase by 3.0%, or \$25,000, to a total of \$860,000 in the 2023 Budget.

North Halton Mental Health Clinic (NHMHC)

Effective April 1, 2018, NHMHC was transferred from Halton Region to Halton Healthcare Services (HHS) as per Report No. MO-33-17. Pursuant to a funding agreement between the Region and HHS, an annual grant of \$1.0 million is being provided for NHMHC programming, and the Region continues to fund the lease for this facility which amounts to \$190,900 in 2023. The Region has agreed to continue to support NHMHC until such time as additional mental health funding is secured by HHS for the transferred programs, which will be used to reduce the Region's annual contribution. Regional staff continue to work with HHS and Ontario Health to secure additional funding.

Halton Regional Police Service (HRPS)

The HRPS 2023 budget request is \$186.0 million, which is an increase of \$10.1 million, or 5.7%, over the 2022 approved budget. This increase is above the guideline provided by Regional Council of 4.7% as set out in the 2023 Budget Directions (**FN-26-22**), and is driven by resourcing requirements to address various demands and capital funding costs related to the Police Service's Facilities program. The following table provides a summary of the 2023 budget request, which is subject to approval by the Halton Police Board, scheduled to take place on December 22, 2022. Further details regarding this budget request can be found in Report No. **FN-02-23** (re: 2023 Budget Overview – Halton Regional Police Service).

Halton Regional Police Service Operating Budget Comparison by Cost Category (\$000s)								
	2022	2023			Change			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved	
Personnel Services	\$ 156,510	\$ 161,523	\$ 2,370	\$ 163,894	\$ 5,013	3.2%	\$ 7,384	4.7%
Materials & Supplies	7,396	7,725	200	7,925	329	4.5%	529	7.2%
Purchased Services	12,332	13,796		13,796	1,464	11.9%	1,464	11.9%
Financial and Rent Expenses	457	403		403	(54)	-11.8%	(54)	-11.8%
Total Direct Costs	176,695	183,447	2,570	186,018	6,752	3.8%	9,322	5.3%
Allocated Charges / Recoveries	2,090	2,397		2,397	307	14.7%	307	14.7%
Gross Operating Expenditures	178,785	185,844	2,570	188,415	7,059	3.9%	9,629	5.4%
Transfer to Reserves - Capital	6,205	6,644		6,644	440	7.1%	440	7.1%
Transfer from Reserves - Capital	(1,698)	(2,463)		(2,463)	(765)	45.1%	(765)	45.1%
Debt Charges	3,230	5,008		5,008	1,777	55.0%	1,777	55.0%
Capital Expenditures	7,737	9,189		9,189	1,452	18.8%	1,452	18.8%
Total Gross Expenditures	186,522	195,033	2,570	197,603	8,511	4.6%	11,081	5.9%
Subsidy Revenue	(5,803)	(6,661)		(6,661)	(858)	14.8%	(858)	14.8%
Other Revenue	(4,772)	(4,903)		(4,903)	(131)	2.7%	(131)	2.7%
Total Revenue	(10,575)	(11,564)		(11,564)	(989)	9.4%	(989)	9.4%
Net Program Expenditures	\$ 175,947	\$ 183,469	\$ 2,570	\$ 186,039	\$ 7,522	4.3%	\$ 10,092	5.7%

Schedule may not add due to rounding

Halton Region Budget and Business Plan

BUDGET REPORT 2023

WATER & WASTEWATER OVERVIEW



PART OF THE WASTEWATER INFRASTRUCTURE AT THE MID-HALTON WASTEWATER TREATMENT PLANT

Water & Wastewater Budget Overview

2023 Operating Budget Summary

Water and Wastewater Services are fully funded by water and wastewater rates that include a usage charge which is based on the volume of water consumed and a fixed charge based on meter size. The fixed charge is designed to ensure the recovery of expenditures which do not vary based on usage, such as the cost of maintaining the water and wastewater infrastructure in a state-of-good-repair. The fixed service charge is an important part of the fee structure to ensure there is a stable source of funding to maintain the water and wastewater system, whether the service is used or not. The combination of a fixed and variable fee structure is a recommended industry best practice to ensure a reliable, sustainable source of revenue while also providing customers control over spending and encouraging water conservation. In Halton, water and wastewater charges are billed on behalf of the Region on the electricity bills issued through the four Local Hydro Distribution Companies. Industrial, commercial and institutional customers are typically billed monthly for water and wastewater services, and residential customers are typically billed bi-monthly.

As shown in the following table, the 2023 Water and Wastewater Rate-Supported Budget has a 4.1% increase, which is in line with the guideline set out in Report No. **FN-26-22** (re: 2023 Budget Directions). For a typical residential customer using 226 cubic metres (m³) of water per year, this will result in an additional \$42 annually in 2023 for both water and wastewater charges.

Rate Impact						
On a Typical Residential Customer (226 m ³ / Year)						
	2022		2023		Change*	
	Budget		Budget		\$	%
Water	\$	477	\$	496	\$ 20	4.1%
Wastewater		547		569	22	4.1%
Total	\$	1,023	\$	1,065	\$ 42	4.1%

Schedule may not add due to rounding

*Based on 0.0% consumption growth and 1.5% customer growth

As shown in the following table, the 2023 requested Budget for Water and Wastewater Services is increasing from \$228.5 million to \$239.4 million, an increase of \$10.9 million or 4.8%. This includes the base budget increase of \$10.3 million and net strategic investments of \$592,000 that align with Council priorities. Customer growth is estimated to be 1.5% or \$1.5 million, resulting in a net water and wastewater rate increase of \$9.4 million or 4.1% for the 2023 Budget.

2023 Budget Summary (\$000s)					
	2022		2023		Change in Budget
	Approved Budget	Requested Budget	2023 Requested / 2022 Approved		
Gross Operating Expenditures	\$ 122,537	\$ 127,310	\$ 4,773		3.9%
Capital Financing Expenditures	123,683	129,954	6,271		5.1%
Gross Expenditures	\$ 246,220	\$ 257,264	\$ 11,044		4.5%
Other Revenues	(17,717)	(17,829)	(112)		0.6%
Net Program Impact	\$ 228,503	\$ 239,435	\$ 10,932		4.8%
Consumption Growth*			-		0.0%
Customer Growth*			(1,546)		-0.7%
Rate Increase			\$ 9,385		4.1%

Schedule may not add due to rounding.

* Includes 0.0% consumption growth and 1.5% customer growth

As outlined in the table above, operating costs are increasing by \$4.8 million, driven by inflationary costs and other projected increases mitigated with one-time savings and efficiencies which are discussed in detail below.

In addition, there is a \$6.3 million increase in capital financing expenditures, which fund the Water and Wastewater State-of-Good-Repair capital program. The operating contributions for the existing State-of-Good-Repair capital program have increased by \$7.9 million based on the Public Work's Asset Management Plan. This increase is partially offset by a reduction in debt charges due to retiring debt. Of the 4.1% increase, 2.4% is driven by capital financing required to support the State-of-Good-Repair capital program and 1.7% is required to operate and maintain the water and wastewater system.

2023 Budget: Operating and Capital Financing Impact (\$000s)				
	Change in Budget			
	Net Program Impact	Customer Growth*	Customer Growth*	Rate Impact
Gross Operating Expenditures	\$ 4,773			
Other Revenues	(112)			
Net Operating Expenditures	\$ 4,660	\$ (659)	\$ 4,001	1.7%
Capital Financing Expenditures	6,271	(887)	5,384	2.4%
Net Program Impact	\$ 10,932	\$ (1,546)	\$ 9,385	4.1%

Schedule may not add due to rounding.

* Includes 0.0% consumption growth and 1.5% customer growth

The following chart highlights the process undertaken to prepare the 2023 Rate-Supported Budget.

2023 Budget Process				
	Report	Date	Rate Increase	Consumption / Customer Growth
2022 Forecast	FN-41-21	December 15, 2021	3.3%	0.0% / 1.5%
2023 Budget Directions	FN-26-22	July 13, 2022	4.1%	0.0% / 1.5%
2023 Budget	FN-06-23	January 25, 2023	4.1%	0.0% / 1.5%

The 10-Year Operating Budget & Forecast in the 2022 Budget and Business Plan projected the rate increase for Regional programs in 2023 to be 3.3%. The 10-Year Operating Budget & Forecast was developed based on existing program financing plans and program-specific assumptions with respect to expected inflationary and growth factors. For the 2023 Budget Directions, the forecast budget model maintained the water consumption (0.0%) and customer growth (1.5%) projected in the 2022 Forecast. Council approved the 2023 Budget Directions with a rate increase not to exceed 4.1%, which increased from the 3.3% increase projected in the 2022 Budget and Business Plan to support inflationary pressures experienced to date and forecasted over the next year.

Several times during the budget process, the base budget and proposed strategic investments were reviewed to ensure levels of service would be maintained and achieve Council priorities. These considerations are reflected in the 2023 Budget with a 4.1% rate increase. Compared to 2023 Budget Directions, consumption growth has remained at 0.0% and customer growth has remained at 1.5%. Including strategic investments, the water and wastewater rate increase related to operations is at 1.7%, which is below the rate of inflation and a result of prudent decision making by Regional Council and continuous improvements by staff as noted in the Executive Summary.

The 2023 Budget also incorporates savings in the base budget through efficiencies and the redeployment of resources to priority programs. The following savings and revenues of \$6.2 million have been identified in the 2023 Rate-Supported Budget, which will be used to fund priority areas in the water and wastewater program:

- Reduction in debt charges of \$4.7 million resulting from the retirement of debt
- Decrease of \$600,000 in hydro costs due to the participation of five treatment plants and two pumping stations in the Industrial Conservation Initiative, which helps the Region manage its global adjustment costs by reducing demand during peak periods, as well as Provincial regulatory changes relating to the recovery of renewable energy costs
- Decrease of \$350,000 in the Basement Flooding Mitigation program enabled through significant progress made to date in the Sewer System Optimization capital program, Weeping Tile and Downspout Disconnection programs
- Decrease of \$337,000 in various materials & supplies to align with historical spending trends and reduced needs
- Savings of \$102,000 in consulting costs due to more project work being completed with internal resources
- \$75,000 increased bulk water revenues due to increased demand based on historical trends

2023 Water & Wastewater Operating Budget by Program

As shown in the following table, the 2023 requested budget for Water and Wastewater Services is increasing from \$228.5 million to \$239.4 million, an increase of \$10.9 million or 4.8%. This includes a base budget increase of \$10.3 million, or 4.5%, and net strategic investments of \$592,000 that align with Council priorities and address operational pressures. When combined with 1.5% customer growth (\$1.5 million), this results in a net water and wastewater rate increase for the 2023 Budget of \$9.4 million, or 4.1%. The net expenditures shown below incorporate Corporate Administration costs to reflect the full cost of service delivery.

As discussed earlier, of the 4.1% increase, 2.4% relates to capital financing of the State-of-Good-Repair program, and 1.7% is required to operate and maintain the water and wastewater system. The changes in the 2023 Budget by program area are discussed in detail later in this section.

Net Operating Budget for Water & Wastewater Services (\$000s)									
	2022		2023			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved		
Water Treatment and Distribution	\$ 52,097	\$ 54,215	\$ 256	\$ 54,471	\$ 2,118	4.1%	\$ 2,374	4.6%	
Wastewater Treatment and Collection	62,205	64,156	336	64,492	1,950	3.1%	2,287	3.7%	
Infrastructure Management	114,201	120,472	-	120,472	6,271	5.5%	6,271	5.5%	
Net Program Impact	\$ 228,503	\$ 238,843	\$ 592	\$ 239,435	\$ 10,340	4.5%	\$ 10,932	4.8%	
Consumption Growth (0.0%)							-	0.0%	
Customer Growth (1.5%)							(1,546)	-0.7%	
Net Increase Requirement							\$ 9,385	4.1%	

Schedule may not add due to rounding.

2023 Water & Wastewater Operating Budget by Cost Category

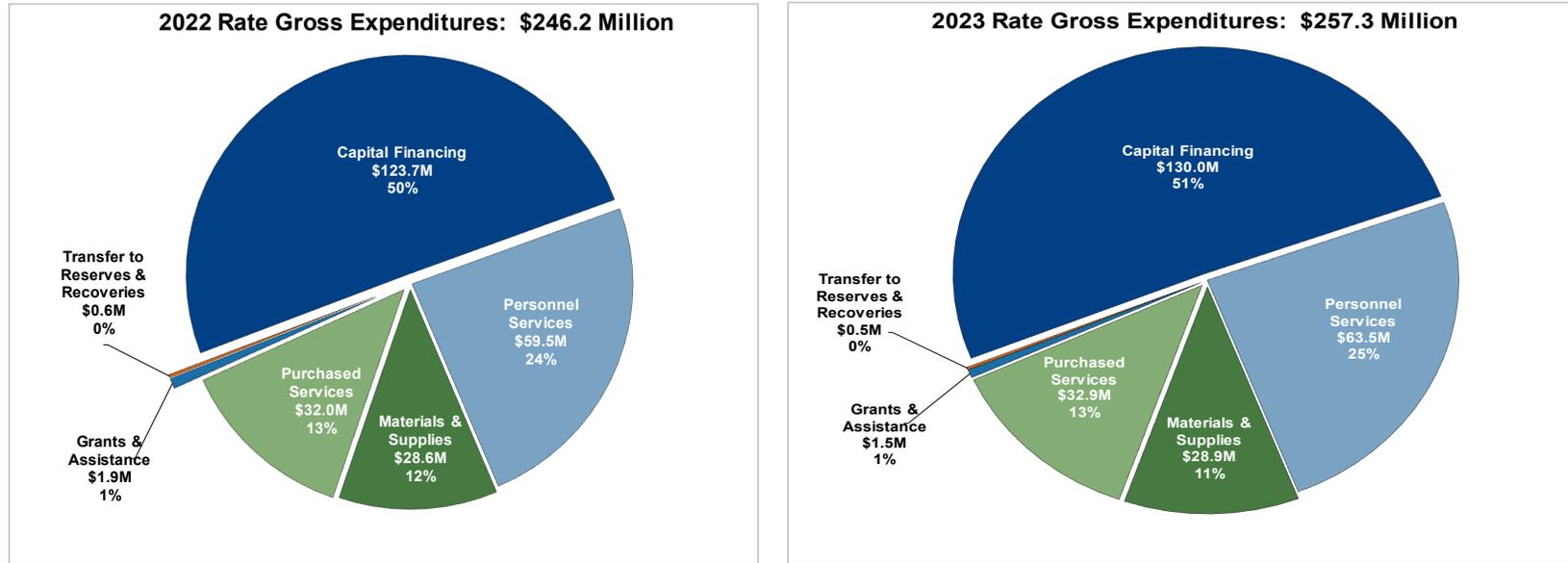
The following table provides a summary of expenditures and revenues by category.

Total Rate Operating Budget Comparison by Cost Category (\$000s)								
	2022	2023			Change			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved	
Personnel Services	\$ 59,520	\$ 61,804	\$ 1,663	\$ 63,467	\$ 2,284	3.8%	\$ 3,947	6.6%
Materials & Supplies	28,588	28,989	(87)	28,902	401	1.4%	314	1.1%
Purchased Services	32,003	33,054	(130)	32,924	1,051	3.3%	921	2.9%
Financial & Rent Expenses	471	442	-	442	(29)	-6.2%	(29)	-6.2%
Grants & Assistance	1,863	1,513	-	1,513	(350)	-18.8%	(350)	-18.8%
Total Direct Costs	122,444	125,801	1,446	127,248	3,357	2.7%	4,803	3.9%
Allocated Charges/(Recoveries)	(19,067)	(19,782)	(854)	(20,636)	(714)	3.7%	(1,569)	8.2%
Corporate Support Charges	19,075	20,613	-	20,613	1,538	8.1%	1,538	8.1%
Transfers to Reserves - Operating	85	85	-	85	-	0.0%	-	0.0%
Transfers from Reserves - Operating	-	-	-	-	-	0.0%	-	0.0%
Gross Operating Expenditures	122,537	126,718	592	127,310	4,181	3.4%	4,773	3.9%
Capital Financing Expenditures	123,683	129,954	-	129,954	6,271	5.1%	6,271	5.1%
Total Gross Expenditures	246,220	256,672	592	257,264	10,452	4.2%	11,044	4.5%
Subsidy Revenue	(9,482)	(9,482)	-	(9,482)	-	0.0%	-	0.0%
Other Revenues	(8,235)	(8,347)	-	(8,347)	(112)	1.4%	(112)	1.4%
Total Revenue	(17,717)	(17,829)	-	(17,829)	(112)	0.6%	(112)	0.6%
Net Expenditures	\$ 228,503	\$ 238,843	\$ 592	\$ 239,435	\$ 10,340	4.5%	\$ 10,932	4.8%
Consumption Growth								0.0%
Customer Growth								1.5%
Rate Impact								4.1%

Schedule may not add due to rounding.

Expenditures

The following chart shows the breakdown of the gross expenditures in the total 2023 Operating Budget for Regional Rate-Supported services of \$257.3 million by cost category.



Total gross expenditures are increasing by \$11.0 million (4.5%) in the 2023 Rate-Supported Budget, attributable to the following key changes:

Personnel Services – \$3.9 million increase

As shown in the following table, compensation costs are proposed to increase by 6.63%, or \$3.9 million in 2023 as a result of:

- 3.84% or \$2.3 million in base budget compensation increases, comprised of the following:
 - 3.01%, or \$1.8 million increase to salary budget which includes a 2.5% increase in the non-union pay band based on a pay-for-performance merit system, and increases in union agreements.
 - 0.83% or \$496,800 increase to benefit costs based on increases in statutory and other benefits calculated as a percentage of earnings.
- 2.79% or \$1.7 million increase for an additional 13.0 full-time equivalents (FTEs) recommended as strategic investments in the 2023 Budget. Of the 13.0 FTEs, 5.5 FTEs (\$785,000) are funded by recoveries from capital projects and 0.5 FTE (\$69,000) is funded through the Road Operations operating budget with no net rate impact.

2023 Compensation Summary						
	2021	2022	2023			
	Compensation Budget	Compensation Budget	Compensation Inc/(Dec)	Strategic Investments	Compensation Budget	Change
Infrastructure Planning & Policy	10,309,034	11,172,580	281,100	400,950	11,854,630	6.10%
Engineering & Construction	10,923,107	11,425,370	330,690	406,960	12,163,020	6.46%
Water & Wastewater System Services	15,571,035	16,097,830	806,090	297,690	17,201,610	6.86%
Water & Wastewater Treatment	20,495,136	20,824,340	865,980	557,800	22,248,120	6.84%
Total	\$ 57,298,312	\$ 59,520,120	\$ 2,283,860	\$ 1,663,400	\$ 63,467,380	6.63%
Compensation Increase			3.84%	2.79%	6.63%	

Staff Complement

As shown in the following table, the additional staff complement proposed in the 2023 Rate-Supported Budget as strategic investments is 13.0 FTEs or a 2.67% increase, which results in a total complement of 500.0 FTEs.

2023 Complement Summary					
	2021	2022	2023		
	Budgeted Staff Complement	Budgeted Staff Complement	Strategic Investments	Budgeted Staff Complement	Change
Infrastructure Planning & Policy	81.0	87.0	3.0	90.0	
Engineering & Construction	82.0	85.0	3.0	88.0	
Water & Wastewater System Services	141.0	143.0	3.0	146.0	
Water & Wastewater Treatment	172.0	172.0	4.0	176.0	
FTE	476.0	487.0	13.0	500.0	2.67%
Staff Increase			2.67%	2.67%	

Materials & Supplies – \$314,000 increase

- \$1.1 million increase in chemicals due to shortages and cost increases in raw materials, freight and labour. Chlorine, ferric chloride, and polymers are the main drivers of the increase.
- \$94,000 increase due to increased rates for gasoline, diesel and natural gas.
- (\$600,000) decrease in hydro costs due to the participation of seven treatment plants and four pumping stations in the Industrial Conservation Initiative, which helps the Region manage its global adjustment costs by reducing demand during peak periods, and Provincial regulatory changes relating to the recovery of renewable energy costs.
- (\$267,000) decrease in various materials and supplies based on historical spending trends.

Purchased Services – \$921,000 increase

- \$664,000 increase in contracted services due to increased demand for locate requests and higher contract costs for connection, watermain, and curb stop repairs.
- \$211,000 increase in property taxes arising from increased property value assessments following plant and station upgrades.

- \$156,000 increase in water billing charges from Local Hydro Distribution Companies due to a contracted rate increase of 2.5% and 1.5% customer growth.
- (\$102,000) decrease in professional services due to an increase in projects being completed by internal staff.

Financial & Rent Expenses – (\$29,000) decrease

- Decrease due to lower costs for air monitoring equipment lease.

Grants & Assistance – (\$350,000) decrease

- (\$350,000) decrease in the Basement Flooding Prevention program enabled through significant progress made to date in the Sewer System Optimization capital program and Weeping Tile and Downspout Disconnection programs.

Allocated Charges/ (Recoveries) – (\$1.6 million) increase

- (\$1.9 million) increase in capital recoveries to reflect project delivery costs, including 5.5 FTE additional staff resources proposed as strategic investments in support of the capital program.
- (\$195,000) increase in recoveries from the Tax-Supported Budget which includes 0.5 FTE additional staff proposed as a strategic investment in support of Road Operations and inflationary increases.
- \$515,000 increase in chargebacks from the Tax-Supported Budget mainly due to higher costs for risk management, software maintenance, and fleet services.

Corporate Support Charges – \$1.5 million increase

- Increase required to support expanding needs, including additional resources acquired through the 2022 strategic investments, and to support the implementation of the Region's Digital Strategy.

Capital Financing Expenditures – \$6.3 million increase

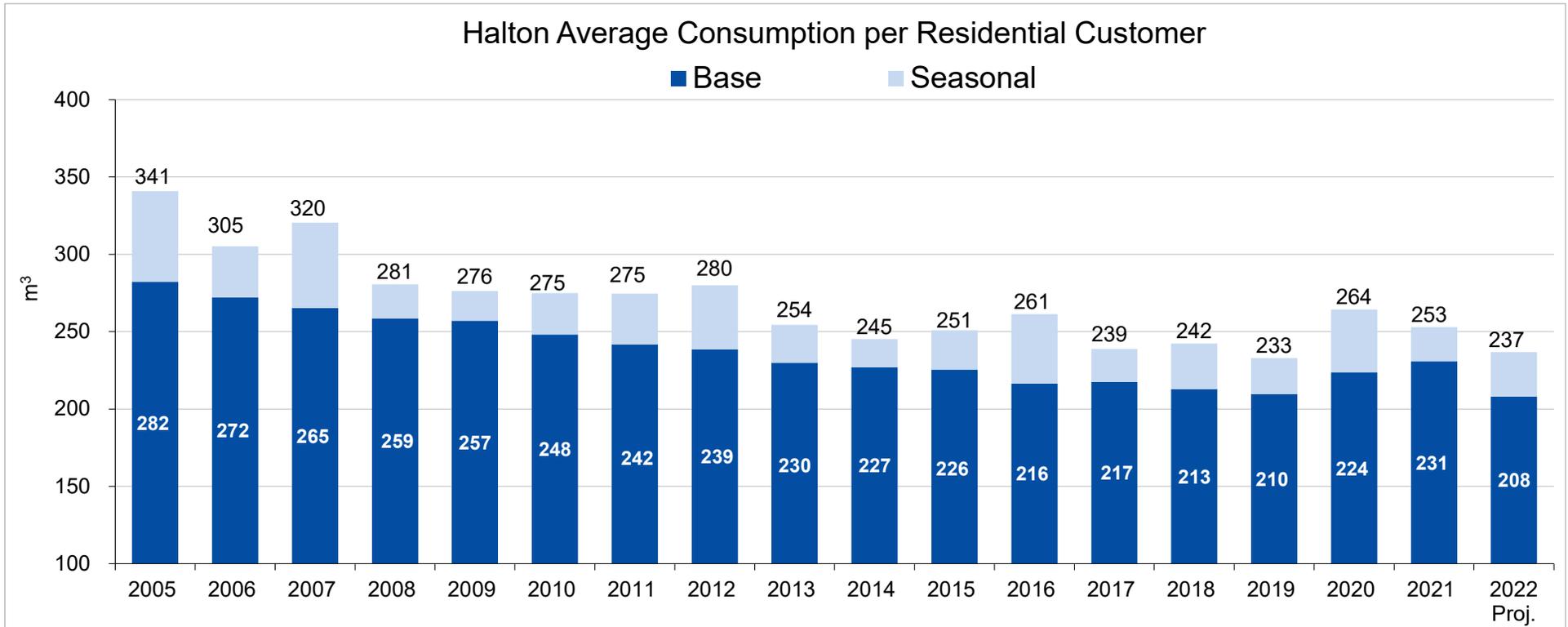
- \$7.9 million increase in transfers to capital reserves to support the Water and Wastewater State-of-Good-Repair capital program.
- \$3.0 million increase related to development charge contribution to match sinking fund contribution.
- (\$4.7 million) reduction in debt charges resulting from the retirement of debt.

Revenues

The \$257.3 million total gross expenditures in the Rate Budget are funded from water and wastewater utility revenues and program fees and other revenues.

Utility Revenues – The Region implemented the results of the Rate Revenue Review (**FN-20-16** (re: 2017 Budget Directions)) in the 2017 Budget and Business Plan, which included adjustments to the projected consumption from 54.8 million m³ to 52.9 million m³ reflecting the declining trend in actual consumption and implementing a uniform rate structure. The 2023 Budget continues with these parameters including anticipated consumption of 52.9 million m³, which staff will continue to monitor.

As shown in the following graph, the actual base consumption (with no seasonal usage) decreased steadily from 2016 to 2019, with a 2.8% reduction in the average annual household consumption from 216 m³ to 210 m³. Throughout the COVID-19 pandemic, an increase in water demand has been observed arising from higher residential usage as more people have been working and attending school from home. This is not anticipated to be a long-term trend as demand is expected to normalize to pre-pandemic levels. It is expected that water conservation efforts and growing environmental awareness will continue to affect water consumption per household, however this decline is anticipated to be offset by customer growth. Accordingly, the 10-year operating forecast maintains total consumption of 52.9 million m³ throughout the forecast period.



Other Revenues – \$112,000 increase

In addition to water and wastewater rate revenue, a number of other revenues fund the water and wastewater program. As shown below, the 2023 Budget includes \$17.8 million in other revenues, an increase of \$112,000 over 2022.

Rate Program Fees & Other Revenues (\$000s)				
	2022	2023	Change in Budget	
Subsidies	\$ 9,482	\$ 9,482	\$ -	0.0%
Interest Earnings	3,617	3,617	-	0.0%
Fees for Service	2,708	2,745	37	1.4%
Sewer Discharge Agreements	1,135	1,135	-	0.0%
Bulk Water Charges	775	850	75	9.7%
Total	\$ 17,717	\$ 17,829	\$ 112	0.6%

Schedule may not add due to rounding.

The increase is driven by increased bulk water charges based on the rate increase and historical trends, and inflationary increases on fees for service where applicable. The 2023 Budget also includes \$9.5 million of subsidies from the Canada Community-Building Fund (formerly Gas Tax funding), which is used to fund the Water and Wastewater State-of-Good-Repair capital programs, \$3.6 million of investment earnings applied to rate-supported services and \$1.1 million in sewer discharge agreement revenue which have remained unchanged from the 2022 Budget.

2023 Rate Strategic Investments

The 2023 Budget and Business Plan includes proposed strategic investments to support strategic priorities approved by Regional Council, help deliver the State-of-Good-Repair and Development-related capital programs that continue to increase in size and complexity, optimize and continuously improve the delivery of the maintenance program, and implement and enhance various continuous improvement initiatives. Additional information related to these initiatives can be found in the Strategic Investments section.

- **Team Supervisor, Plant Maintenance - \$143,000:** is required to oversee the asset refurbishment program and help maintain proactive maintenance work in the plants in order to avoid additional pressures on the State-of-Good-Repair capital program.
- **Maintain, Repair & Overhaul Material Coordinator - \$127,000:** is required to proactively develop supply chain strategies and inventory management systems. This will result in reduced maintenance delays and plant downtime, and will reduce the risk of regulatory non-compliance and plant interruptions.
- **Project Manager III - \$154,000 (\$0 net rate impact):** A Project Manager III is required to provide optimization and continuous improvement services for water and wastewater treatment plants, including finding solutions to optimize energy and chemical usage, implementing process control strategies to handle climate change driven impacts, and identifying opportunities to reduce or defer capital project costs through capacity development of treatment processes. This investment is fully offset by savings with no net rate impact.
- **Project Manager III – Maintenance Capital - \$154,000 (\$0 net rate impact):** is required to perform condition needs assessments on water and wastewater stations, which are required to identify necessary emergency repairs, maintain the stations in a state-of-good-repair, avoid unnecessary operational service disruptions and meet regulatory requirements. This investment will be funded through the capital program, with no net rate impact.
- **Operators – Water and Wastewater Stations - \$313,000 (\$183,000 net rate impact):** Three operators are required to operate and maintain new and expanded stations infrastructure and ensure that regulatory obligations are being met. This investment is partially offset by savings with a net rate impact of \$183,000.
- **Construction Ambassador - \$114,000 (\$0 net rate impact):** With the Region's capital program continuing to grow in size and complexity, an additional Construction Ambassador is required to offer extended services including communication and engagement activities, the facilitation of third party claims, proactive identification of project/site issues, and to be the single point of contact for stakeholder inquiries and issues. This investment will be funded through the capital program, with no net rate impact.
- **Project Manager III - \$308,000 (\$0 net rate impact):** With continued growth in the Region and the increasing size and complexity of capital projects, two additional Project Managers are required to help stabilize existing and future capital workloads and increase focus on the quality of capital delivery while maintaining a high level of service to internal and external stakeholders. This investment will be funded through the capital program, with no net rate impact.

- **Project Manager II - \$139,000 (\$69,000 net rate impact):** is required to support the delivery of key growth related infrastructure including managing the execution of Municipal Class Environmental Assessment (MCEA) studies and the review of development applications in support of the Water and Wastewater Capital Program. This investment will be funded 50% through the capital program and 50% through the Water and Wastewater Operating Budget.
- **Project Manager II - \$139,000 (\$69,000 net tax impact):** is required to support the delivery of key growth-related infrastructure including managing the execution of Municipal Class Environmental Assessment (MCEA) studies and the review of development applications in support of the Transportation Capital Implementation Plan. This investment will be funded 50% through the capital program and 50% through the Roads Operations program.
- **Project Manager II - Asset Management \$139,000 (\$69,000 net rate impact):** is required to support asset management and capital programming, including coordination with local municipal partners. This investment will be funded 50% through the capital program and 50% through the Water and Wastewater Operating Budget.

10-Year Water & Wastewater Operating Budget & Forecast

The rate forecast has been prepared based on current financing plans approved by Council to maintain levels of service. The following budget assumptions have been incorporated into the 10-year forecast:

- General inflation of 2.0% to 3.0%, where applicable
- Hydro increases of 2.0%
- Chemical increases of 8.5% in 2024, 8.0% in 2025, and inflationary increases from 2026 to 2032
- Plant Maintenance increases of 5.0% in 2024 and 2025 and inflationary increases from 2026 to 2032
- Inflationary increases on biosolids haulage and property taxes
- Customer growth ranging from 1.2% to 1.5%
- Consumption growth of 0.0%
- Transfers to support the State-Of-Good-Repair capital program based on financing plan for the Capital Budget
- Debt financing rate of 5.0%

Potential pressures on the 10-year forecast include:

- Provincial energy policy changes impacting the Industrial Conservation Initiative program and Ontario's Comprehensive Electricity Plan.
- Price impacts over and above the estimated inflationary assumptions.
- Ongoing supply chain issues impacting costs of raw materials and contract renewal costs
- Impact of capital financing that may be required based on Asset Management Plan updates resulting from the Halton Region Asset Management Roadmap Implementation Plan.
- Further reductions in consumption per customer.
- Change in residential and industrial customer growth.
- Increase in cost to maintain the system based on growing infrastructure.
- Overall economic conditions.
- Impact of complying with the *Ontario Underground Information Notification System Act, 2012*.

- Legislation and regulation, such as Bill 175, the *Water and Sewage System Sustainability Act*, *Clean Water Act* and continuous improvement of the Drinking Water Quality Management System and pending implementation of wastewater regulations.

The Water and Wastewater Rate Forecast has been prepared to maintain the operating cost increases at or below the rate of inflation and ensure that the funding for the repair and replacement of the water and wastewater infrastructure is financially sustainable. As shown in the following table, the rate forecast anticipates increases in a range between 3.8% and 4.1%, with over half of the increase (2.4% to 2.6%) required to support the capital expenditure financing to maintain the State-of-Good-Repair capital program. The 2023 rate increase is higher than the rate increase projected in the 2022 forecast due to increased capital financing expenditures to support the State-Of-Good-Repair capital program, as well as ongoing operating pressures related to supply chain issues, inflation, and the growth of the system.

The impact of inflation has placed significant pressure on the 2023 Operating Budget & Forecast. In January 2022, Canadian inflation surpassed 5.0% for the first time since September 1991, and has remained high throughout 2022 with the latest CPI inflation release for October at 6.9%. As reported through **FN-26-22**, the Bank of Canada's April 2022 Monetary Outlook Report forecasted overall inflation of 5.3% for 2022 before easing down to the target range by the end of 2023. The latest forecast from the Bank's October Monetary Policy Report projects overall inflation of 6.9% for 2022 and 4.1% for 2023, before beginning to ease down into the target level in 2024. As reported in Report No. **FN-30-22** (re: Purchasing Activity Report for January 1, 2022 to August 31, 2022), the Region continues to be impacted by the increased cost of goods, services, and construction due to high inflation, and this trend is expected to continue for the remainder of the year and into 2023. The impact of inflation and resulting diminished purchasing power has put increased pressure on the forecast, and it is expected that it will take a number of years to recover from the high impacts of inflation experienced throughout 2022 and projected to continue in 2023.

Water and Wastewater programs are facing a number of significant cost pressures related to supply chain issues and inflation, including large price increases for treatment chemicals, higher costs for contract renewals, and mid-term price increases requested from vendors. The cost of chemicals and other contract costs have risen dramatically in the past year and a half due to shortages and cost increases in raw materials, freight and labour. Staff have taken a conservative approach in phasing in these increases and will continue to monitor the impacts to see if further budget increases will be required to address ongoing pressures. As such, the rate increase related to operating expenses in the forecast period is between 1.3% and 1.6% compared to a rate increase between 1.1% and 1.3% projected in the 2022 forecast.

Maintaining Regional assets and infrastructure in a state-of-good-repair is a key priority. As presented through **PW-01-22/ FN-11-22/ DI-01-22** (re: Asset Management Program and Lifecycle Models Update), the Asset Management Plan demonstrates sound stewardship of the Region's existing assets to support services at desired levels and to ensure financial sustainability. Financing for the State-of-Good-Repair capital program has been increased based on the Asset Management Program, necessitating a rate increase between 2.4% and 2.6% compared to a rate increase between 1.3% and 2.2% projected in the 2022 forecast. As part of the Asset Management Plan Update, the short-term analysis of risk prioritization for asset delivery coupled with the impact of inflation on construction prices along with the 100-year capital needs assessment in the lifecycle models has identified a need to increase the contribution to reserves to account for current and future state-of-good-repair investments. Further, the impacts of COVID-19 and the global supply chain risk could have a longer-term impact in the cost of capital and operating activity. These annual operating contributions to reserves from utility rate revenues will continue to be assessed each year as part of the annual Water and Wastewater Rate Forecast.

The 10-year operating forecast maintains system-wide consumption of 52.9 million m³ throughout the forecast period. As noted earlier, from 2016 to 2019, the actual base consumption (with no seasonal usage) steadily decreased from 216 m³ to 210 m³, or 2.8%, in the average annual household consumption. Throughout the COVID-19 pandemic, an increase in water demand has been observed due to higher residential usage as more people work and attend school from home. This is not anticipated to be a long-term trend as demand is expected to normalize to pre-pandemic levels. Accordingly, the 2023 10-year rate forecast takes a conservative approach to the consumption projection based on the trends observed in the past five years. It is expected that water conservation efforts and growing environmental

awareness will continue to affect water consumption per household, however this decline is anticipated to be offset overall by customer growth, resulting in no consumption change during the forecast period. Staff will continue to closely monitor the trend and determine whether any adjustments need to be made through the annual budget process.

Ten Year Operating Budget Forecast For Rate-Supported Services (\$000s)										
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Requested Budget	Forecast								
Water Treatment and Distribution	\$ 54,471	\$ 56,499	\$ 58,583	\$ 60,487	\$ 62,482	\$ 64,545	\$ 66,684	\$ 68,904	\$ 71,208	\$ 73,599
Wastewater Treatment and Collection	64,492	66,893	69,360	71,615	73,977	76,419	78,952	81,581	84,308	87,139
Infrastructure Management	120,472	127,544	134,820	142,828	150,849	159,287	168,143	177,131	186,735	196,131
Net Program Impact	\$ 239,435	\$ 250,936	\$ 262,763	\$ 274,930	\$ 287,307	\$ 300,251	\$ 313,779	\$ 327,616	\$ 342,251	\$ 356,869
Customer Growth	1.5%	1.4%	1.4%	1.3%	1.3%	1.2%	1.2%	1.2%	1.3%	1.3%
Consumption Growth	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Annual Water Consumption m ³ (000s)	52,913	52,913	52,913	52,913	52,913	52,913	52,913	52,913	52,913	52,913
Rate Increase	4.1%	4.1%	4.1%	4.0%	3.9%	3.9%	3.9%	3.8%	3.8%	3.8%
Rate Impact:										
State-of-Good-Repair	2.4%	2.5%	2.5%	2.6%	2.5%	2.5%	2.6%	2.5%	2.5%	2.4%
Operating Expenses	1.7%	1.6%	1.6%	1.4%	1.4%	1.4%	1.3%	1.3%	1.3%	1.4%
Consumption Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Residential Bill (226 m³ p.a.)	\$ 1,065	\$ 1,109	\$ 1,154	\$ 1,201	\$ 1,247	\$ 1,296	\$ 1,347	\$ 1,398	\$ 1,452	\$ 1,507
\$ Increase	\$ 42	\$ 44	\$ 45	\$ 46	\$ 47	\$ 49	\$ 51	\$ 51	\$ 54	\$ 55

Schedule may not add due to rounding

Rate Budget Forecast as Projected in the 2022 Budget										
Annual % Rate Increase	3.3%	3.3%	3.3%	3.3%	3.2%	3.1%	3.1%	3.1%	3.1%	2.9%
Rate Impact:										
State-of-Good-Repair	2.1%	2.2%	2.2%	2.0%	1.6%	1.5%	1.5%	1.5%	1.5%	1.3%
Operating Expenses	1.3%	1.2%	1.1%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
Consumption Change	0.0%	0.0%	0.0%	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%



Water & Wastewater Budget

The Region's Water and Wastewater Rate-Supported Budget provides for the delivery of safe, clean drinking water and the effective treatment of wastewater. The Public Works department delivers the water and wastewater program through systems that include twelve water treatment plants and six wastewater treatment plants.

Budget Impacts

The 2023 Rate-Supported Budget expenditures are increasing by \$10.9 million or 4.8%. Combined with customer growth, this results in a 4.1% rate increase, which equates to a \$42 annual increase per typical residential customer (consuming 226 m³ per year).

Water & Wastewater Divisional Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
Water & Wastewater Services	Direct Cost	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Rate Impact	Net Rate Impact	2023 - 2022		
Water Treatment and Distribution	\$ 45,447	\$ 12,863	\$ 58,310	\$ (3,839)	\$ 54,471	\$ 52,097	\$ 2,374	4.6%	
Wastewater Treatment and Collection	56,199	11,981	68,180	(3,689)	64,492	62,205	2,287	3.7%	
Infrastructure Management	20,033	110,740	130,773	(10,301)	120,472	114,201	6,271	5.5%	
Total	\$ 121,680	\$ 135,584	\$ 257,264	\$ (17,829)	\$ 239,435	\$ 228,503	\$ 10,932	4.8%	
2022 Budget	117,350	128,870	246,220	(17,717)	228,503				
\$ Change	\$ 4,329	\$ 6,715	\$ 11,044	\$ (112)	\$ 10,932				
% Change	3.7%	5.2%	4.5%	0.6%	4.8%				
FTE					473.0	461.0	12.0	2.6%	

Schedule may not add due to rounding.

The increase is mainly driven by investment in the State-of-Good-Repair capital program. Water and Wastewater programs are also facing a number of significant cost pressures related to supply chain issues and inflation, including large price increases for treatment chemicals. The cost of chemicals has risen dramatically in the past year and a half due to shortages and cost increases for raw materials, freight and labour. In addition, 13.0 FTEs are proposed as strategic investments as detailed in the Strategic Investments section. From a service delivery perspective, 1.0 FTE proposed as a Project Manager II is excluded from this total and shown in Public Works - Tax.

Hydro is a major driver of the Rate-Supported Budget, with rate-supported services budgeted to use more than 110 million kilowatt hours of hydro per year, or approximately 82% of the Region's electricity consumption (excluding Police Services). As shown in the table below, actual hydro costs have been decreasing from

2018 to 2021 through the participation of seven treatment plants and four pumping stations in the Industrial Conservation Initiative, which allows eligible customers to manage their global adjustment costs by reducing demand during peak periods. Since joining the program in July 2017, significant hydro savings have been realized. Further savings have arisen from Provincial regulatory change relating to the recovery of renewable energy costs, and economies of scale arising from the closure of the Milton Wastewater Treatment Plant in April 2020. These savings have been incorporated into the 2023 Budget with a reduction of \$600,000 compared to the 2022 Budget.

Rate-Supported Hydro Costs & Consumption								
	2018 Actual	2019 Actual	2020 Actual	2021 Budget	2021 Actual	2022 Budget	2022 Projection	2023 Budget
Cost (\$000s)	\$ 13,949	\$ 13,311	\$ 13,168	\$ 14,141	\$ 12,556	\$ 13,391	\$ 12,291	\$ 12,791
Kilowatt hours (000s)	108,153	108,182	111,014	109,076	108,889	110,544	110,544	110,545

Water & Wastewater Capital Budget & Forecast Overview

The Water and Wastewater capital program consists of the Development program and the State-of-Good-Repair (Non-Development) program. The Development program facilitates the infrastructure required to provide new and expanded capacity, distribution and conveyance systems to support the anticipated growth in Halton. As noted earlier, the capital projects related to the 2020 Allocation Program are moving into an implementation stage. As part of the 2023 Capital Budget, the time and cost estimates for projects within the 2020 Allocation Program were reviewed and updated where required. The changes detailed in Appendix B in the Capital Report were predominately driven by updated cost estimates as projects progress through detail design, inflation and supply constraints. The remaining growth-related capital projects for Water and Wastewater will not proceed until the next development financing plan and allocation program is approved by Council.

The State-of-Good-Repair program sets out the rehabilitation, upgrade and replacement needs for existing capital infrastructure as updated in the Asset Management Report (Report No. **PW-01-22/ FN-11-22/ DI-01-22**), including the implementation of Phase 2 of the Region-wide Basement Flooding program (Report No. **PW-22-15**), which requires a total of \$17.8 million in capital funding over the next three years. State-of-good-repair requirements will also be addressed as part of the Development-related program, in particular servicing of the built-boundary area.

As detailed later, the 2023 10-year Water and Wastewater capital program is \$3.1 billion, with \$302.8 million allocated for 2023.

Water Treatment and Distribution

Water Treatment is responsible for the reliable provision of clean, safe drinking water in accordance with all legislative requirements. Water Treatment operates and maintains twelve water treatment plants: three surface water, or lake-based sources (Burlington, Burloak and Oakville) and nine groundwater, or well-based source. These facilities employ a multi-barrier treatment approach and highly trained licenced operators to ensure that the drinking water produced is of the highest quality. Operations and maintenance staff manage water treatment facility assets through planned and preventive maintenance programs.

Water Distribution is responsible for the operation and maintenance of water system infrastructure, and distributes approximately 53 billion litres of safe drinking water to more than 200,000 households and businesses in Halton each year. Water Distribution also ensures drinking water is supplied in a safe, efficient manner and in accordance with all legislative requirements. Water Distribution maintains and operates over 2,300 kilometres of watermains, 22 water reservoirs, 15 booster pumping stations, over 14,000 hydrants, and 22,000 valves. In addition to continuous monitoring at reservoirs and booster pumping stations, licensed operators sample and test drinking water more than 5,000 times annually. Operations staff manage the water distribution system through preventive and reactive maintenance programs and respond to customer service inquiries, including 24/7 emergency response.

Budget Impacts

The 2023 Operating Budget for Water Treatment and Distribution is \$54.5 million which reflects a net increase of \$2.4 million, or 4.6%. This increase is driven by compensation increases including an adjustment to reflect the latest union settlements, increased contracted services costs, higher corporate support costs to support the implementation of the Region's Digital Strategy, and price increases for various treatment chemicals. The 2023 Budget also includes strategic investments proposed to support system growth, optimize and continuously improve the delivery of the maintenance program, and manage the delivery of a growing capital program. These increases are partially offset by hydro savings arising from the continued participation of three water treatment plants and four water pumping stations in the Industrial Conservation Initiative and Provincial regulatory changes related to the recovery of renewable energy costs.

Water Treatment and Distribution is facing a number of significant cost pressures related to supply chain issues and inflation, including large price increases for treatment chemicals. The cost of chemicals has risen dramatically in the past year and a half due to shortages and cost increases in raw materials, freight and labour.

Growth of the Region's water distribution network continues to increase the number of assets including pipes, service connections, water meters, and fire hydrants being operated and maintained. Distribution infrastructure is expanding while per capita water consumption continues to decline. Decreased consumption result from Ontario Building Code updates that require efficient fixtures in new homes such as low-flow toilets contributing to the lower per household water use. Furthermore, water efficiency awareness continues to grow among Halton residents and businesses.

Over the last five years, the Region has maintained a high level of compliance to drinking water standards. Water quality is continuously monitored throughout the distribution system, and more than 5,000 tests are conducted annually to ensure safe, high-quality drinking water. The total volume of drinking water distributed has varied over the past four years mainly due to changing seasonal conditions, however the trend of declining non-seasonal consumption per household continues to have an impact. Throughout the COVID-19 pandemic, a slight increase in water demand has been observed arising from higher residential usage as more people have been working and attending school from home. This is not anticipated to be a long-term trend and demand is expected to normalize to pre-pandemic levels. In 2023, staff are maintaining the budget at 52.9 million m³ of drinking water distributed to reflect average seasonal conditions and water consumption trends.

Water Treatment and Distribution Divisional Summary (\$000s)									
	2023 Budget					2022 Budget	Change		
	Capital		Total Gross	Subsidies &	Net Rate	Net Rate	2023 - 2022		
Water Treatment and Distribution	Direct Cost	Financing & Other Costs	Expenditures	revenues	Impact	Impact			
Plant Operations	\$ 14,215	\$ 4,763	\$ 18,978	\$ (934)	\$ 18,044	\$ 17,235	\$ 809	4.7%	
Plant Maintenance	5,442	1,044	6,486	-	6,486	6,179	307	5.0%	
Distribution Operations & Maintenance	16,410	3,515	19,925	(2,093)	17,832	17,177	655	3.8%	
Service Connections	1,625	-	1,625	(208)	1,417	1,160	257	22.2%	
Fire Suppression	715	-	715	(212)	503	424	79	18.7%	
Water Pumping Stations	7,029	3,159	10,188	-	10,188	9,922	266	2.7%	
Cross Connection Control	12	381	393	(393)	-	-	-	0.0%	
Total	\$ 45,447	\$ 12,863	\$ 58,310	\$ (3,839)	\$ 54,471	\$ 52,097	\$ 2,374	4.6%	
2022 Budget	43,782	12,024	55,806	(3,709)	52,097				
\$ Change	\$ 1,665	\$ 839	\$ 2,504	\$ (130)	\$ 2,374				
% Change	3.8%	7.0%	4.5%	3.5%	4.6%				

Schedule may not add due to rounding.

Water Plant Operations provides clean, safe, potable water sourced from all 12 of the Region's water treatment plants to the residents and businesses of Halton. The Town of Oakville, the City of Burlington and a portion of the Towns of Milton and Halton Hills utilize water from Lake Ontario, while the communities of Georgetown, Acton, Campbellville and the rest of Milton draw their water from well systems. All water plants and groundwater systems are controlled through a computerized Supervisory Control and Data Acquisition (SCADA) system that is monitored 24/7.

The 2023 Water Plant Operations budget reflects an increase of \$809,000, or 4.7%. This increase is driven by compensation increases including an adjustment to reflect the latest union settlements, price increases for treatment chemicals, and higher corporate support costs to support the implementation of the Region's Digital Strategy. These increases are partially offset by hydro savings arising from the continued participation of three water treatment plants in the Industrial Conservation Initiative and Provincial regulatory changes related to the recovery of renewable energy costs. As shown below, the Water Plant Operations actual cost per megalitre (ML) has remained relatively consistent in recent years, with fluctuations mainly driven by changes in water flows.

The volume of treated drinking water is driven by many factors, including the amount of warm weather experienced in the Region, rainfall, population growth, the type and age of the homes being served, as well as the number and types of businesses being served. In general, the volume of drinking water treated from both the Region's groundwater-based and surface water-based systems has remained relatively flat in recent years despite a growing population, mainly attributable to the Region's water conservation program, changes to the Ontario Building Code and increased environmental awareness among Halton's residents and businesses to conserve water. Throughout the COVID-19 pandemic, however, a slight increase in water demand has been observed arising from higher residential usage as more people work and attend school from home. This is not anticipated to be a long-term trend as demand is expected to normalize to pre-pandemic levels.

Hydro consumption at the water treatment plants depends on the level of treatment, size, quantity, type and age of equipment in the individual treatment plants. Enhancements to the levels of treatment to improve water quality at the Region's water treatment plants, as well as expansions, can increase annual electricity demand. Halton staff actively manage hydro use where feasible, and continue to seek efficiencies through conservation in electricity in accordance with the Region's energy management plan.

The Region has maintained an excellent compliance rating within a stringent regulatory framework over the past five years and aims to continue this trend.

Water Plant Operations	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Megalitres of Treated Drinking Water (Ground Water based)	8,326	8,707	8,608	8,700	8,650
Megalitres of Treated Drinking Water (Surface Water Based)	53,539	56,962	56,295	55,100	54,950
Megalitres of Treated Drinking Water (Total)	61,865	65,669	64,903	63,800	63,600
Water Plant Operations Cost / Megalitre of Water Treated	\$242	\$226	\$246	\$261	\$284
Hydro Consumption / Megalitre of Water Treated	477.7	459.8	453.8	475.6	477.1
Percent of Compliance to Drinking Water Standards *	100%	100%	100%	100%	100%

* Based on Ministry of the Environment, Conservation and Parks Inspection Report

Water Plant Maintenance provides maintenance services for all 12 of the Region's water treatment plants through planned and preventive maintenance programs conducted by skilled tradespersons and experienced maintenance planning staff. Plant maintenance services also include corrective and emergency repairs, and the coordination of contractors and specialized trades conducting maintenance work at water plants.

The Water Plant Maintenance budget for 2023 reflects an overall increase of \$307,000, or 5.0%, which is largely the result of strategic investments proposed to optimize and continuously improve the delivery of the maintenance program, and inflationary cost increases where required to maintain service levels.

Throughout 2022, staff are continuing to optimize the Reliability Centred Maintenance program to provide an optimum maintenance program that strives for zero unplanned operational interruptions, with a focus on planning and scheduling to efficiently and effectively realize the value of Halton Region's Water Treatment critical assets. This focus on maximizing asset life cycle through refurbishments will continue to have a favourable impact on mitigating the cost increases for the 10-year State-Of-Good-Repair capital budget for the treatment plants.

Water Plant Maintenance	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Internal Maintenance Hours by Type: Regular Maintenance	14,623	13,511	14,992	15,107	15,221
Internal Maintenance Hours by Type: Urgent - Unscheduled	2,260	1,882	1,620	1,300	980
Plant Maintenance cost as a Percentage of Replacement Asset Value	0.81%	0.83%	0.70%	0.64%	0.59%
Plant Process Downtime Hours – 5 year rolling average	N/A	N/A	597	603	609

Water Plant Maintenance devotes a significant number of hours to proactive (regular) maintenance, ensuring that the critical components of the plant are closely monitored and highly regulated drinking water systems are in working order and available when needed. As a result of the proactive maintenance, reactive or unscheduled maintenance is performed only as required to address unforeseen asset malfunction. The downward trend in unscheduled maintenance is a clear indication that the proactive maintenance program is working effectively. In general, the maintenance program is working towards establishing a culture of excellence with an increased reliance on internal skilled maintenance staff, and a corresponding reduction in reliance on contracted services.

Distribution Operations & Maintenance includes all activities necessary to protect the integrity of the water distribution network of watermains and appurtenances, as well as ensuring that they are functioning properly. Water distribution operators complete preventive and reactive maintenance and repairs to sustain the distribution network and ensure an uninterrupted supply of safe drinking water. Operators also respond to customer requests for service, such as frozen water service complaints and conducting water quality tests.

The 2023 Distribution Operations & Maintenance budget is increasing by \$655,000, or 3.8% mainly due to compensation increases including an adjustment to reflect the latest union settlements, an increased cost for locate requests, higher corporate support costs to support the implementation of the Region’s Digital Strategy, and other inflationary increases where required to maintain service levels.

Distribution Operations & Maintenance	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Annual Number of Watermain Breaks	108	79	115	94	105
Number of Watermain Breaks / 100 Kilometres of Watermain	4.7	3.4	4.9	3.9	4.3
Number of Kilometres of Watermain Operated and Maintained	2,317	2,324	2,350	2,394	2,425
Megalitres of Drinking Water Distributed - m ³ (000's)	51,849	55,772	54,552	54,185	52,913
Water Loss Rate - Percent	16.2%	15.1%	15.9%	15.7%	15.7%
Cost / Kilometre of Watermain Operated and Maintained	\$4,800	\$4,759	\$4,505	\$6,733	\$7,354
Number of Customer Service Inquiries	248	319	281	300	300
Percent of Compliance to Drinking Water Standards in the Distribution System*	100%	100%	100%	100%	100%

* Based on Ministry of the Environment, Conservation and Parks Inspection Report

The cost to operate and maintain the distribution network is affected by external factors required to deliver services throughout the Region, such as the cost for energy, materials, supplies, and equipment, as well as changing weather patterns. Significant efforts continue to be made to mitigate the pressures of rising costs, such as the optimization of operating and maintenance programs to ensure the most efficient use of resources. The kilometres of watermains (and the associated number of valves and hydrants within the distribution network) continue to expand as the Region grows. Operational programs continue to evolve to meet the demands of maintaining the infrastructure as efficiently as possible while continuing to recognize the need to manage overall operating costs.

Halton will improve the resiliency of the distribution system by increasing the focus on preventive maintenance and repairs of critical valves and fire hydrants, protection valves and valve chambers. These activities are critical to protecting the Region’s infrastructure, environment and customers. Over 6,000 additional hours of Operator time will be invested in this work in 2023.

To ensure the integrity of the infrastructure is maintained, the Region completes annual capital programs to replace aging watermain and preventive maintenance programs that ensure pipes are in good condition and function as intended. Early detection of deficiencies that could potentially lead to breaks allows the Region to take action before a break occurs. The success of these programs is demonstrated by the number of watermain breaks per year, which are projected to be below 2019 and 2021 actuals for 2022 and 2023. The Region consistently has one of the lowest rates of annual watermain breaks amongst neighbouring municipalities. By minimizing watermain breaks, water system losses are reduced. Water loss rates have generally been declining over the years as sources of non-revenue water are identified and corrected. Water loss is also projected to decline with the continued investment in capital renewals and optimization of maintenance programs.

Service Connections maintenance is related to maintaining the public water services that connect each residence and business to the Region’s water network. Water distribution operators and meter technicians also maintain curb boxes and water meters, and respond to customer inquiries related to water pressure and flow.

The 2023 Budget is increasing by \$257,000, or 22.2%, resulting from higher contract costs for curb stop and service connection repairs.

Service Connections	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Service Connections Operated and Maintained (000s)	165	166	168	171	173
Number of Water Meters Maintained (000s)	164	166	168	171	173

As shown in the table above, the number of water service customers has been growing each year, increasing the number of service connection repairs and meters being maintained.

The proactive maintenance program for large meters (40 mm and greater) will continue, prolonging the life of the meters and ensuring that the volume of water being recorded is accurate. Based on the results of meter testing, the meter replacement program will be optimized to ensure that larger meters are scheduled for replacement when the accuracy of the volume measured degrades.

Fire Suppression refers to the maintenance, repair and testing of fire hydrants throughout the Region. In compliance with Ontario Regulation 213/07, Halton Region completes preventive maintenance on public hydrants annually to ensure they are in good condition and functioning properly for the protection of Halton citizens. As Halton continues to grow and infrastructure expands, the number of hydrants in the water distribution system requiring preventive maintenance to ensure adequate fire protection is increasing.

The 2023 Budget for fire suppression is increasing by \$79,000, or 18.7%, due to higher costs related to fire hydrant replacement.

Fire Suppression	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Fire Hydrants Operated and Maintained	14,199	14,302	14,635	14,900	15,100

Preventive maintenance of older hydrants proactively identifies age-related deficiencies. Deficient hydrants are replaced on a priority basis to ensure that adequate fire protection is available across the Region. Fire flow testing measures the flows and pressure from hydrants and ensures that they are delivering sufficient water for fire fighting. This critical information is also provided to the Fire Department.

Water Pumping Stations – Operations and Maintenance of Reservoirs and Pumping Stations refers to the activities that are carried out to ensure that the outlying facilities - reservoirs, towers and the booster pumping stations - are in good condition and functioning properly. Reservoirs and towers store drinking water to ensure an uninterrupted supply of water and fire protection, and booster pumping stations are used to maintain water pressure and pump water from the water facilities to homes and businesses across the Region.

These outlying facilities contain more than 2,000 critical pieces of equipment that are inspected and maintained on a regular basis. At some outlying facilities, drinking water is re-chlorinated to ensure it is safe at all times. Critical equipment is maintained to ensure uninterrupted service by implementing planned and preventive maintenance programs, providing corrective and 24/7 emergency repair services, as well as coordinating contractors and specialized trades conducting maintenance work.

The 2023 Budget is increasing by \$266,000, or 2.7%, mainly due to compensation increases including an adjustment to reflect the latest union settlements, price increases for chemicals, higher corporate support costs to support the implementation of the Region’s Digital Strategy, and strategic investments proposed for additional Operators to support system growth as well as the maintenance program for the Water & Wastewater Stations. These increases are partially offset by hydro savings arising from the continued participation of four water pumping stations in the Industrial Conservation Initiative and Provincial regulatory changes related to the recovery of renewable energy costs.

Water Pumping Stations	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Pumping Stations Operated and Maintained	15	15	15	15	16

Optimization of the maintenance program will continue to be a focus in 2023. Optimization will include work process improvements, such as increased utilization of internal resources to complete work. This will ensure that preventive and corrective maintenance programs for mechanical and electrical systems and instrumentation at reservoirs and booster pumping stations provide the best value and that critical pumps, valves, controls and instruments continue to be in a state-of-good-repair.

The **Cross Connection Control** program serves to protect the municipal water distribution system and prevent contamination from non-drinking water sources by requiring all industrial, commercial and institutional (ICI), and multi-unit residential property owners to install and maintain backflow prevention devices.

Cross Connection Control	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Customers	8,914	9,048	9,106	9,137	9,250
Number of Testing and Inspection Reports	5,987	7,563	7,468	7,500	7,700

The 2023 Budget is decreasing by \$21,000, or 5.7%, mainly due to increased user fee revenues. This program is fully funded by user fees received from ICI and multi-residential property owners related to testing and inspection reports for the program.

Wastewater Treatment and Collection

Wastewater Treatment is responsible for the safe, efficient and effective removal of contaminants from wastewater prior to discharging it into the environment. There are currently six active wastewater treatment plants servicing Halton Region, as well as a centrally located Biosolids Management Centre where solids generated as part of the treatment process are transported for further processing for land application.

Wastewater is treated in a safe and responsible manner that complies with all Provincial and Federal regulations, approvals and standards. Wastewater is tested and monitored regularly prior to discharge. Operations and maintenance staff manage wastewater treatment facility assets through planned and preventive maintenance programs.

Wastewater Collection is responsible for collecting and conveying wastewater from residential, commercial and industrial customers in six separate catchment areas of the wastewater treatment plants (WWTPs). Halton collects over 88 billion litres of wastewater every year in a safe, and environmentally responsible manner in accordance with all legislated requirements. Wastewater Collection operates and maintains more than 1,980 kilometres of sewer mains and 83 pumping stations. Operations staff manage the wastewater collection system by undertaking preventive and reactive maintenance programs, providing customer service, and responding to emergencies 24/7.

Budget Impacts

The 2023 Operating Budget for Wastewater Treatment and Collection is \$64.5 million which represents a net increase of \$2.3 million, or 3.7% over the 2022 Budget. This increase is driven by price increases for various treatment chemicals, compensation increases including an adjustment to reflect the latest union settlements, increased contracted services costs, higher corporate support costs to support the implementation of the Region's Digital Strategy, and higher property taxes following plant and station upgrades. The 2023 Budget also includes strategic investments proposed to support system growth, optimize and continuously improve the delivery of the maintenance program, and manage the delivery of an increasing capital program. These increases are partially offset by hydro savings arising from the continued participation of four wastewater treatment plants in the Industrial Conservation Initiative and Provincial regulatory changes related to the recovery of renewable energy costs. In addition, the budget for Enhanced Basement Flooding Mitigation program subsidies is being reduced to reflect decreased uptake projected as a result of the maturity of the program and significant progress made to date in the Sewer System Optimization capital program.

Wastewater Treatment and Collection is facing a number of significant cost pressures related to supply chain issues and inflation, including large price increases for treatment chemicals. The cost of chemicals has risen dramatically in the past year and a half due to shortages and cost increases in raw materials, freight and labour.

Wastewater Treatment and Collection Divisional Summary (\$000s)									
\$000s	2023 Budget					2022 Budget	Change		
	Capital					Net Rate Impact	Net Rate Impact	2023 - 2022	
Wastewater Treatment and Collection	Direct Cost	Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Rate Impact	Net Rate Impact			
Plant Operations	\$ 24,838	\$ 4,462	\$ 29,300	\$ (906)	\$ 28,395	\$ 26,697	\$ 1,698	6.4%	
Plant Maintenance	9,338	1,197	10,534	-	10,534	10,193	341	3.3%	
Biosolids Management	2,756	748	3,504	-	3,504	3,758	(253)	-6.7%	
Industrial Waste	890	319	1,209	(1,209)	-	-	-	0.0%	
Collection Operations & Maintenance	9,779	2,053	11,832	(1,260)	10,572	10,075	496	4.9%	
Lateral Connections	1,440	-	1,440	(71)	1,370	1,256	114	9.1%	
Flood Mitigation Program	1,436	-	1,436	-	1,436	1,786	(350)	-19.6%	
Wastewater Pumping Stations	5,722	3,202	8,924	(243)	8,682	8,440	241	2.9%	
Total	\$ 56,199	\$ 11,981	\$ 68,180	\$ (3,689)	\$ 64,492	\$ 62,205	\$ 2,287	3.7%	
2022 Budget	54,797	11,130	65,926	(3,721)	62,205				
\$ Change	\$ 1,403	\$ 852	\$ 2,254	\$ 32	\$ 2,287				
% Change	2.6%	7.7%	3.4%	-0.9%	3.7%				

Schedule may not add due to rounding.

Wastewater Plant Operations provides 24/7 operations for three secondary and three tertiary treatment plants to treat wastewater prior to being discharged to the environment. The 2023 Wastewater Plant Operations budget is increasing by \$1.7 million, or 6.4%. This increase is driven by price increases for various treatment chemicals, compensation increases including an adjustment to reflect the latest union settlements, higher contracted services costs required to clean tanks and other equipment, higher corporate support costs to support the implementation of the Region's Digital Strategy, and higher property taxes following plant upgrades. These increases are partially offset by hydro savings arising from the continued participation of four wastewater treatment plants in the Industrial Conservation Initiative, Provincial regulatory changes related to the recovery of renewable energy costs, and economies of scale arising from the closure of the Milton Wastewater Treatment Plant in April 2020.

The volume of wastewater treated has remained relatively stable over recent years. Factors such as population growth and wet weather that would normally increase flows have been offset by other influencing factors including changes to the Ontario Building Code requiring water efficient devices, concerted efforts by the Region to remove extraneous stormwater from the collection system, as well as water efficiency programs that increase awareness of environmental impacts of water use within Halton's residential and business communities. As part of the implementation of the Region-wide Basement Flooding Mitigation program, the Region continues to invest in the Sewer System Optimization capital program and Weeping Tile and Downspout Disconnection programs to address sources of infiltration and to improve system performance, thereby further increasing the resiliency of the system to the impacts of future storm events. An overall increase in flows is anticipated to resume in the future as growth begins to outpace these offsetting factors.

Hydro consumption at the wastewater treatment plants depends on the level of treatment, size, quantity, type and age of equipment in the individual treatment plants. Enhancements to the levels of treatment to improve effluent quality at the Region's wastewater treatment plants, as well as expansions, can increase annual electricity demand. Halton staff actively manage hydro use where feasible, and continue to seek efficiencies through conservation in electricity in accordance with the Region's energy management plan.

Wastewater treatment consistently treats over 99.7% of wastewater to a secondary or better level of treatment. This treatment is critical in the protection of Halton's natural environment and its drinking and recreational water sources.

Wastewater Plant Operations	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Megalitres of Wastewater Treated	93,653	91,477	89,951	89,900	89,700
Wastewater Plant Operations Cost / Megalitre of Wastewater Treated	\$268	\$277	\$291	\$297	\$317
Hydro Consumption / Megalitre of Wastewater Treated	602.5	621.8	623.2	625.8	627.2
Treated Wastewater that Receives Secondary or Better Treatment Prior to Discharge into the Environment	99.9%	99.7%	99.9%	99.8%	99.9%

Wastewater Plant Maintenance provides maintenance services for all six of the Region's wastewater treatment plants and the Biosolids Management Centre through planned and preventive maintenance programs conducted by skilled tradespersons and experienced maintenance planning staff. Plant maintenance services also include corrective and emergency repairs, and coordination of contractors and specialized trades conducting maintenance work at wastewater plants.

The 2023 Wastewater Plant Maintenance budget reflects an overall increase of \$341,000, or 3.3%, which is largely the result of strategic investments proposed to optimize and continuously improve the delivery of the maintenance program and inflationary cost increases where required to maintain service levels.

Wastewater Treatment Maintenance	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Internal Maintenance Hours by Type: Regular Maintenance	20,221	22,541	21,293	21,825	22,356
Internal Maintenance Hours by Type: Urgent - Unscheduled	3,968	2,116	1,837	1,690	1,543
Plant Maintenance cost as a Percentage of Replacement Asset Value	0.57%	0.65%	0.53%	0.48%	0.42%
Plant Process Downtime Hours – 5 year rolling average	N/A	N/A	2,831	2,852	2,874

Throughout 2022, staff are continuing to optimize the delivery of the Plant Maintenance program in order to provide an optimum maintenance mix that includes reliability-centred maintenance that will help efficiently and effectively realize the maximum value of Halton Region's Wastewater Treatment Assets. Wastewater Treatment combines many complex biological, mechanical, chemical, and physical processes in a challenging environment to effectively treat wastewater. These

challenges mean that some degree of unscheduled maintenance is unavoidable. Notwithstanding, the impact of increasing the robustness of the planned regular maintenance as part of the Reliability Centred Maintenance program resulted in maintaining an uninterrupted level of service with zero unplanned treatment plant shutdowns and a corresponding reduction in unscheduled maintenance.

Biosolids Management – The 2023 Biosolids Management budget reflects a decrease of \$253,000, or 6.7%, mainly due to hydro savings arising from Provincial regulatory changes related to the recovery of renewable energy costs and lower tank cleanout costs.

Biosolids Management	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Tonnes of Biosolids Treated and Disposed	37,210	36,638	36,986	37,152	37,434
Cost / Tonne of Biosolids Treated and Disposed	\$79	\$94	\$84	\$103	\$94

In general, tonnes of biosolids treated and disposed of have remained relatively constant.

Industrial Waste programs include sampling, monitoring and by-law enforcement along with the implementation of Sanitary Discharge Agreements, Restrictive Agreements and Overstrength Discharge Agreements and the coordination of spill response efforts with the local area municipalities. Direct costs for the 2023 Industrial Waste budget are increasing by \$25,000, or 2.9%, mainly due to inflationary increases where required to maintain service levels. The expense budget for Industrial Waste is fully offset by revenues mainly related to sewer discharge agreements.

The Region established the Industrial Waste program to protect the Region's infrastructure and natural environment by working collaboratively with wastewater dischargers to achieve by-law compliance and recover overstrength wastewater treatment costs. Opportunities exist to expand efforts with small to medium businesses in the program and to undertake a future by-law review of fees.

Industrial Waste	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Discharge Agreements	25	25	25	26	29

Collection Operations & Maintenance includes all activities necessary to protect the integrity of the infrastructure network of pipes and maintenance holes, ensuring wastewater is effectively and efficiently collected and conveyed to the wastewater treatment plants. Wastewater Collection operators are responsible for completing preventive and reactive maintenance, such as routine and emergency sewer main flushing and repairs. Operators respond to customer requests for service, such as responding to reports of blocked sewer mains and overflowing maintenance holes.

The 2023 Budget for Collection Operations & Maintenance is increasing by \$496,000, or 4.9%. This increase is mainly due to an increased cost for locate requests, compensation increases including an adjustment to reflect the latest union settlements, higher corporate support costs to support the implementation of the Region's Digital Strategy, and other inflationary increases where required to maintain service levels.

Collection Operations & Maintenance	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Kilometres of Wastewater Main Operated and Maintained	1,952	1,965	1,971	2,000	2,024
Cost per Kilometre of Wastewater Collection Network Operated and Maintained	\$3,562	\$4,088	\$4,587	\$4,619	\$5,223
Number of Main Line Wastewater Back-Ups / 100 Kilometre of Pipe	1.02	0.76	0.71	0.70	0.60
Number of Customer Service Inquiries	825	996	828	830	800

Collection network infrastructure continues to increase to accommodate growth in the Region. As sewer mains, maintenance holes, pumps and other assets are added to the system, operations and maintenance programs are expanded to ensure that Halton remains compliant with standards and continues to provide uninterrupted conveyance of wastewater from households and businesses. The cost to operate and maintain the collection network is increasingly affected by external factors, such as the cost for materials, supplies and equipment. Operational programs continue to evolve to meet the demands of maintaining the infrastructure as efficiently as possible. In 2023, the wastewater cleaning program is being enhanced with new technology to inspect the conditions of wastewater pipes and clean on an as-needed basis based on their assessed condition rather than a pre-determined frequency. Through this program, operational resources will be more effectively utilized by addressing the infrastructure in most need.

Lateral Connections maintenance refers to the activities that ensure wastewater is conveyed from homes and businesses to Regional sewer mains. Building plumbing is connected via service laterals to sewer mains. Closed Circuit Television (CCTV) inspection is used to diagnose issues that prevent wastewater from flowing from buildings to sewer mains properly. Whenever issues are identified, repairs to the public section of cracked and broken laterals are made. Clearing blockages is also completed, if necessary. This program ensures that properties are protected from the risk of basement flooding.

The 2023 Budget is increasing by \$114,000, or 9.1%, mainly due to higher contract costs for wastewater connection repairs.

Lateral Connections	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Lateral Connections Maintained (000s)	118	119	120	121	122

The Region's infrastructure continues to expand in line with growth. The increase in the number of service connections is reflective of the new homes and businesses being built. Operations staff respond to service requests due to blocked laterals 24/7. The Flood Mitigation program includes a subsidy for lateral repairs to reduce issues that lead to blockages and backups. This program is expected to reduce pressures on staff time by reducing the occurrences of blocked and broken laterals.

Flood Mitigation programs include the Downspout Disconnection Subsidy program, Weeping Tile Disconnection and Sump Pump Installation Subsidy program, Lateral Lining Subsidy program and the Backwater Valve Subsidy program. The objective of these programs is to prevent stormwater from entering the wastewater system. Extreme weather events increase the risk of flooding due to high volumes of stormwater and result in higher collection and treatment costs.

The 2023 Budget is decreasing by \$350,000, or 19.6% due to a reduction in the Basement Flooding Mitigation program subsidies. As a result of the significant progress made to date in the Sewer System Optimization capital program and maturity of the subsidy program, the budget is being reduced to reflect decreased projected uptake; however, participation in the Lateral Lining and Backwater Valve programs remains strong.

Flood Mitigation Program	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Weeping Tiles Disconnected	44	41	52	40	46
Number of Downspouts Disconnected	1,001	22	14	4	18

Wastewater Pumping Stations Operations and Maintenance refers to the activities that are carried out to ensure that the pumping stations that convey wastewater to treatment plants are in good condition and functioning properly. The 2023 Budget is increasing by \$241,000 or 2.9% mainly due to compensation increases including an adjustment to reflect the latest union settlements, higher property taxes following station upgrades, higher corporate support costs to support the implementation of the Region’s Digital Strategy, and strategic investments proposed for additional Operators to support system growth as well as the maintenance program for the Water & Wastewater Stations. These increases are partially offset by hydro savings arising from Provincial regulatory changes related to the recovery of renewable energy costs.

Operators and skilled trades complete daily inspections, checks and maintenance to ensure that pumps, generators and other equipment are maintained and functioning properly. Critical equipment is maintained to ensure uninterrupted service through planned and preventive Reliability Centred Maintenance programs, providing corrective and 24/7 emergency repair services, and coordinating contractors and specialized trades to conduct maintenance work.

Pumping station maintenance practices are being improved to reduce the risk of by-passes. Pump stations have also been upgraded to improve performance during high flow events such as rainstorms. Improved alarm protocols have led to faster response times by Operations staff to resolve issues that could result in by-pass events.

Wastewater Pumping Stations	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Pumping Stations Operated and Maintained	80	83	83	83	84
Number of By-passes at Pumping Stations	5	11	5	5	5

Staff continue to focus on optimizing Reliability Centred Maintenance programs to ensure critical infrastructure is maintained, break-downs are minimized and the service life of the assets are maximized. While unexpected equipment failures contribute to the number of by-passes each year, the number of by-passes at pumping stations remains fairly stable. This demonstrates that the optimized programs are meeting the objectives noted above. Optimization work includes improvements to work process flows and completing more maintenance using internal resources. Since 2020, back-up generators or connections for temporary generators have been installed at stations that did not previously have back-up power to mitigate by-passes resulting from power outages. There are more than 2,300 critical pieces of equipment within the pumping stations that convey the wastewater collected from homes and businesses across the Region to the treatment plants.

Infrastructure Management

Infrastructure Management includes all engineering planning, assessment and design and policy activities related to the Region’s Public Works infrastructure required to maintain the overall condition of the assets as infrastructure ages and expansions are constructed to service growth. The net book value of these assets as of December 31, 2021, was \$4.8 billion.

Key activities include the water and wastewater infrastructure planning studies to support growth and monitoring of asset conditions and developing infrastructure renewal plans through the Asset Management program in order to support the design and construction of new infrastructure and renewal of aging infrastructure. The Asset Management Program and Lifecycle Models Update, 2017 (**PW-01-22/ FN-11-22/ DI-01-22**) and 2023 Budget Directions (**FN-26-22**), outline the objective of the annual budget development and goals to invest appropriately in the State-Of-Good-Repair program.

Infrastructure Management activities also include the Region’s Source Water Protection initiatives and programs to support the maintenance of asset information and inventory records as well as development and enforcement of Regional water and wastewater policies.

Budget Impacts

The Infrastructure Management capital budget reflects a net increase of \$6.3 million, or 5.5%, which is required to maintain existing levels of service, support the Region’s investment in the State-of-Good-Repair capital program, and support the expanding asset base. The Budget also includes 2023 strategic investments proposed to optimize and continuously improve the delivery of the maintenance program and manage the delivery of an increasing capital program.

Infrastructure Management Divisional Summary (\$000s)									
\$000s	2023 Budget					2022 Budget	Change		
	Direct Cost	Capital Financing & Other Costs	Total Gross Expenditures	Subsidies & Revenue	Net Rate Impact	Net Rate Impact	2023-2022		
Infrastructure Management									
State-of-Good-Repair	\$ -	\$ 129,954	\$ 129,954	\$ (9,482)	\$ 120,472	\$ 114,201	\$ 6,271	5.5%	
System Growth Planning	2,021	(2,021)	-	-	-	-	-	0.0%	
Development Review	1,288	(471)	817	(817)	-	-	-	0.0%	
Capital Project Delivery	13,972	(13,972)	-	-	-	-	-	0.0%	
Information Management	2,753	(2,750)	2	(2)	-	-	-	0.0%	
Total	\$ 20,033	\$ 110,740	\$ 130,773	\$ (10,301)	\$ 120,472	\$ 114,201	\$ 6,271	5.5%	
2022 Budget	18,771	105,716	124,488	(10,287)	114,201				
\$ Change	\$ 1,262	\$ 5,024	\$ 6,285	\$ (14)	\$ 6,271				
% Change	6.7%	4.8%	5.0%	0.1%	5.5%				

Schedule may not add due to rounding.

State-of-Good-Repair includes the operating contribution required to finance the 10-Year Water and Wastewater State-of-Good-Repair capital program. Infrastructure assets have significant value and are the key resources used to provide services to the public and improve the quality of life for residents. As explained in further detail in the Capital Budget section below, the 2023 10-Year Water and Wastewater State-Of-Good-Repair capital program will invest \$1.6 billion to renew existing water and wastewater infrastructure assets where there is risk to providing reliable, safe, sustainable, suitable and cost-efficient services. The first three years of the 2023 capital plan are prioritized by applying a risk-based approach while timing of projects in years four through ten have been identified through the application of previously mentioned Life Cycle Models. Public Works employs its optimized decision-making process to support the development of a capital program, prioritized for alignment with Halton Region's Strategic Business Plan and documented in a transparent manner.

Halton's Asset Management program assesses the condition of assets through various inspections and condition assessments to determine the appropriate level of annual capital investment which has resulted in most infrastructure assets being rated as good to very good condition and meeting desired service levels. The relatively young age of the Region's network contributes to high infrastructure rating percentages, driven by low watermain break rates and wastewater back-ups as shown in the table below. The Life Cycle Models, updated through the Asset Management Plan, provide a long-term projection of the cost of rehabilitation and replacement interventions throughout the life of the Region's asset.

State-of-Good-Repair	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Percent of Water Infrastructure Rated as Good and Very Good	82.0%	82.0%	79.0%	79.1%	78.8%
Percent of Wastewater Infrastructure Rated as Good and Very Good	73.0%	73.0%	78.0%	78.0%	78.0%

System Growth Planning includes the planning studies and activities required for infrastructure identified to support approved growth. In 2022, Public Works commenced a region-wide Integrated Master Plan for Water, Wastewater, and Transportation to identify infrastructure needs to accommodate future growth in support of the Regional Official Plan Review.

The 2023 Budget for System Growth Planning is increasing by \$169,000, or 10.6%, mainly due to a proposed strategic investment for 1.0 FTE Project Manager II proposed to manage the execution of Municipal Class Environmental Assessment in support of the Water and Wastewater Capital Program and inflationary increases, where required, to maintain service levels.

Development Review provides for review and processing of development-related applications and permits. Applications have increased substantially over recent years and it is anticipated that the number of permits will remain steady at 2022 levels in 2023.

The 2023 Budget for Development Review is increasing by \$20,000, or 1.7% due to inflationary increases where required to maintain service levels.

Development Review	2019 Actual	2020 Actual	2021 Actual	2022 Projected	2023 Projected
Number of Development Applications Reviewed	558	400	535	500	500
Number of Permits Processed	438	316	427	475	450

Capital Project Delivery – The Public Works capital program is focused on the delivery of safe and sustainable municipal infrastructure to maintain the Region's asset base in a state-of-good-repair and support approved growth. The capital program continues to introduce larger and more complex projects annually and Halton Region endeavors to reduce construction impacts on residents and businesses and achieve the lowest project delivery cost by bundling water, sewer, and road replacement components as larger contracts, where practical. Managing the increasing volume of capital works with balanced consistency and a standardized approach across the entire division is extremely challenging. To address this, the Engineering Management Office works to ensure that a standardized, consistent, quality-based and transparent capital program delivery model is followed. This model must also meet the growing public expectation of highly effective, accurate, timely and unified communication on capital projects, as well as deliver exceptional customer service that exceeds the expectations of the community.

The 2023 Budget for Capital Project Delivery is increasing by \$1.2 million or 7.2%, mainly due to strategic investments of 4.0 FTE (3.0 FTE Project Manager III and 1.0 FTE Construction Ambassador) proposed to optimize and continuously improve the delivery of the maintenance program and manage the delivery of an increasing capital program, as well as inflationary increases, where required, to maintain service levels.

Information Management includes the development and implementation of the Public Works Asset Management program and the organization and control of information used to inform the operation, maintenance and development of Halton's water and wastewater infrastructure. Public Works staff continue to implement the Public Works Asset Management Road Map Implementation Plan and completed an update to the Asset Management Plan in 2022, which included the upgrading of Life Cycle Models used to develop the nine-year capital forecasts for infrastructure assets. The Asset Management Plan Update included a robust roadmap to further sustain the asset management program and ensure it is responsive, useful and successful in the future in the face of emerging climate and technological changes impacting infrastructure assets. Key information management activities include the enhancement of models used to assess system capacity to accommodate growth and electronic sharing of capital programs with the local municipalities to improve coordination of construction.

The 2023 Budget for Information Management is increasing by \$212,000, or 9.3%, mainly due to a strategic investment for 1.0 FTE Project Manager II, Asset Management to manage the delivery of an increasing capital program, as well as inflationary increases, where required, to maintain service levels.

Water & Wastewater Capital Budget & Forecast Overview

The Water and Wastewater capital program consists of the Development program and the State-of-Good-Repair (Non-Development) program. The Development program facilitates the infrastructure required to provide new and expanded capacity, distribution and conveyance systems to support the anticipated growth in Halton. As noted earlier, the capital projects related to the 2020 Allocation Program are moving into an implementation stage. As part of the 2023 Capital Budget, the time and cost estimates for projects within the 2020 Allocation Program were reviewed and updated where required. The changes detailed in Appendix B in the Capital Report were predominately driven by updated cost estimates as projects progress through detail design, inflation and supply constraints. The remaining growth-related capital projects for Water and Wastewater will not proceed until the next development financing plan and allocation program is approved by Council.

As discussed in the executive summary, Bill 23, *More Homes Built Faster Act, 2022*, was introduced in the Ontario Legislature on October 25, 2022 and on November 28, 2022 received Royal Assent and is now law. This bill includes sweeping and substantive changes to a range of legislation, including the DCA and associated regulations. The DCA changes result in the reduction of DC revenue being collected which will delay the delivery of key infrastructure required to support growth. Due to timing of Bill 23, the potential effects of the bill have not been considered for the 2023 Budget and forecast and impacts will be incorporated in future budgets.

The State-of-Good-Repair program sets out the rehabilitation, upgrade and replacement needs for existing capital infrastructure as updated in the Asset Management Report (Report No. **PW-01-22/ FN-11-22/ DI-01-22**), including the implementation of Phase 2 of the Region-wide Basement Flooding program (Report No.

PW-22-15), which requires a total of \$17.8 million in capital funding over the next three years. State-of-good-repair requirements will also be addressed as part of the Development-related program, in particular servicing of the built-boundary area.

The following table provides a summary of the 2023 10-year Water and Wastewater capital program. The 10-year total is \$3.1 billion, with \$302.8 million allocated for 2023. The development-related infrastructure requirements for 2032 is estimated based on the 9-year average for comparison purposes. Estimates beyond 2031 will be required until there are updated best planning estimates and a water, wastewater masterplan to support future growth.

2023 Capital Budget & Forecast											
Summary of Rate Capital Budget & Financing (\$000s)											
	Gross Cost	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Development											
Water	\$ 688,532	\$ 52,311	\$ 128,835	\$ 77,424	\$ 275,518	\$ 38,351	\$ 14,793	\$ 18,895	\$ 3,387	\$ 10,164	\$ 68,854
Wastewater	777,149	63,758	101,247	172,863	241,847	6,061	11,794	15,527	160	86,177	77,715
Sub-total	1,465,681	116,069	230,082	250,287	517,365	44,412	26,587	34,422	3,547	96,341	146,569
State-Of-Good-Repair											
Water	871,797	97,837	84,756	77,643	48,587	72,320	59,322	94,751	91,016	116,561	129,004
Wastewater	712,540	88,875	107,954	100,739	60,280	92,876	42,990	51,503	96,140	38,227	32,956
Sub-total	1,584,337	186,712	192,710	178,382	108,867	165,196	102,312	146,254	187,156	154,788	161,960
Total	\$ 3,050,018	\$ 302,781	\$ 422,792	\$ 428,669	\$ 626,232	\$ 209,608	\$ 128,899	\$ 180,676	\$ 190,703	\$ 251,129	\$ 308,529
Financing											
External Rcvry/Other	\$ 12,350	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235	\$ 1,235
Dev't Charges - Res.	951,283	81,173	153,824	152,722	337,157	34,306	22,955	18,379	3,281	52,357	95,129
Rate Capital Reserves	1,782,853	192,761	220,840	218,496	171,001	165,236	101,077	154,446	185,921	191,263	181,812
Capital Invstmnt Rvl. Fnd.	303,532	27,612	46,893	56,216	116,839	8,831	3,632	6,616	266	6,274	30,353
Total	\$ 3,050,018	\$ 302,781	\$ 422,792	\$ 428,669	\$ 626,232	\$ 209,608	\$ 128,899	\$ 180,676	\$ 190,703	\$ 251,129	\$ 308,529

Includes financing cost. Schedule may not add due to rounding.

2023 Water & Wastewater Capital Budget

The 2023 Water and Wastewater Capital Budget totals \$302.8 million, consisting of \$116.1 million for the Development program and \$186.7 million for the State-of-Good-Repair (Non-Development) program.

The **\$116.1 million Development program** in 2023 is \$78.2 million higher than the 2023 Forecast included in the 2022 Budget. This increase is predominately driven by higher than anticipated construction estimates and the cost associated with the construction of deeper wastewater mains and includes the following:

- \$16.9 million for Gravity Sewers from Decommissioned Riverside WWPS and Shorewood Place SPS to New Rebecca Trunk (OAK) – Design and Construction
- \$16.0 million for 300 mm WM on Sixth Line from Hays Blvd to River Glen Blvd. Project required to support Zone 3/4/5 Boundary Re-alignment (OAK) - Construction
- \$14.2 million for 600 mm WWM crossing Dundas St and 600 mm WWM on Dundas St from 900m west of Colonel Williams Parkway to Colonel Williams Parkway (OAK) - Design and Construction
- \$11.3 million for 450 mm WWM on new road from 440 m north of Derry Rd to Derry Rd and 525 mm WWM on Derry Rd from 725 m east of 5th Line to 5th Line (MIL) - Construction
- \$6.8 million for 750 mm WWM on new road alignment from Louis St. Laurent to Britannia Rd (MIL) – Construction
- \$6.4 million for New 2400mm WWM inlet to Skyway WWTP parallel to QEW. (BUR) - Design
- \$5.5 million for 8th Line Zone 4 Pumping Station alterations to support Zone 3/4/5 Boundary Re-alignment (OAK) - Construction
- \$4.0 million for 400mm WM on new North Oakville Rd west of Neyagawa Blvd. - Construction (OAK)- Construction
- \$3.5 million for System PRV implementation to support Zone 3/4/5 Boundary Re-alignment (REG) - Construction
- \$3.4 million for 10 ML Zone G6L Storage at 22nd Side Rd (HHGEO) - Design
- \$2.7 million for 400mm WM on Burnhamthorpe Rd from Trafalgar Rd to new North Oakville road (Zone O4) (OAK) - Construction

As discussed in the Executive summary, in 2023, only the projects identified in Appendix B can commence upon approval of the 2023 Budget. These are expenditure changes within the 2020 Allocation Program requiring cost increases. The remaining growth-related capital projects for water and wastewater will not proceed until the next development financing plan and allocation program is approved by Council.

The **\$186.7 million State-of-Good-Repair program** has increased from the 2022 Forecast by \$18.8 million. The 2023 Budget incorporates significant investments of \$117.6 million for water distribution and wastewater collection systems rehabilitation and replacements, and \$69.1 million for plant/facilities infrastructure upgrades and replacements. The 2023 Budget includes the following major projects:

- \$11.1 million for Burlington Skyway Wastewater Treatment Plan – Dewatering System Upgrade
- \$10.0 million for the New Maintenance Facility
- \$8.0 million for 300mm WM on Tyandaga Park Dr from Brant Street to Kerns Road; 200mm WM on Easement from Tyandaga Park Dr to Ester Dr; 150mm WM on Westbury Ave from Tyandaga Park Dr to Ester Dr; 150mm WM on Wakefield Cres from Tyandaga Park Dr to End; 150mm WM on Frontenac Place from Tyandaga Park Dr to End; 200mm WM on Fairway Crt from Tyandaga Park Dr to End
- \$6.7 million for 200mm WM on Detrex Blvd from Mountainview Rd to Guelph Street and Decommissioning of Easement
- \$6.3 million for Eighth Line Zone 3 Booster Station and Yard Piping Renewal
- \$6.2 million for Headon Reservoir and Rechlorination Facility capital project
- \$6.0 million for the Basement Flooding Mitigation program (**PW-22-15**)
- \$5.6 million for 200mm WM on Howard Avenue from Carson Lane to Esplanade Drive, 200mm WM on Carson Lane from Park Ave to Howard Ave; 200mm WM on Park Avenue from Lakeshore Road East to Esplanade; 200mm WM on Esplanade from Park Avenue to Howard Avenue
- \$5.2 million for 250mm WWM on Lees Lane from Pine Grove Road to Rebecca Street
- \$5.1 million for 200mm WM on Marine Drive from East Street to Third Line
- \$4.8 million for 200mm WWM on Todd Road from South of Sinclair Avenue to Mountainview Road North
- \$4.4 million for Mid-Halton Wastewater Treatment Plant Primary Digester (No. 2) Rehab/Upgrade

10-Year Water & Wastewater Capital Budget & Forecast

The 2023 10-year Water and Wastewater program totals \$3.1 billion, consisting of \$1.5 billion (48.1%) for the Development program and \$1.6 billion (51.9%) for the State-of-Good-Repair program. The development-related infrastructure requirements for 2032 is estimated based on the 9-year average for comparison purposes. Estimates beyond 2031 will be required until there are updated best planning estimates and water, wastewater masterplan to support future growth.

The **\$1.5 billion 10-year Development program** is a \$221.8 million increase from the 2022 program. The increase is predominately driven by cost updates based on design work.

The 10-year program includes:

- \$495.1 million to service Region-wide capacity-related infrastructure.
- \$683.5 million to service Greenfield area related infrastructure.
- \$130.7 million to service built boundary areas related infrastructure.
- \$156.3 million for employment land servicing related infrastructure.

Implementation of the \$1.5 billion Development program will also address state-of-good-repair needs for existing infrastructure in the amount of \$210.9 million. Combined with the non-Development State-of-Good-Repair program of \$1.6 billion discussed below, the total 10-year (2023-2032) State-of-Good-Repair program is \$1.8 billion.

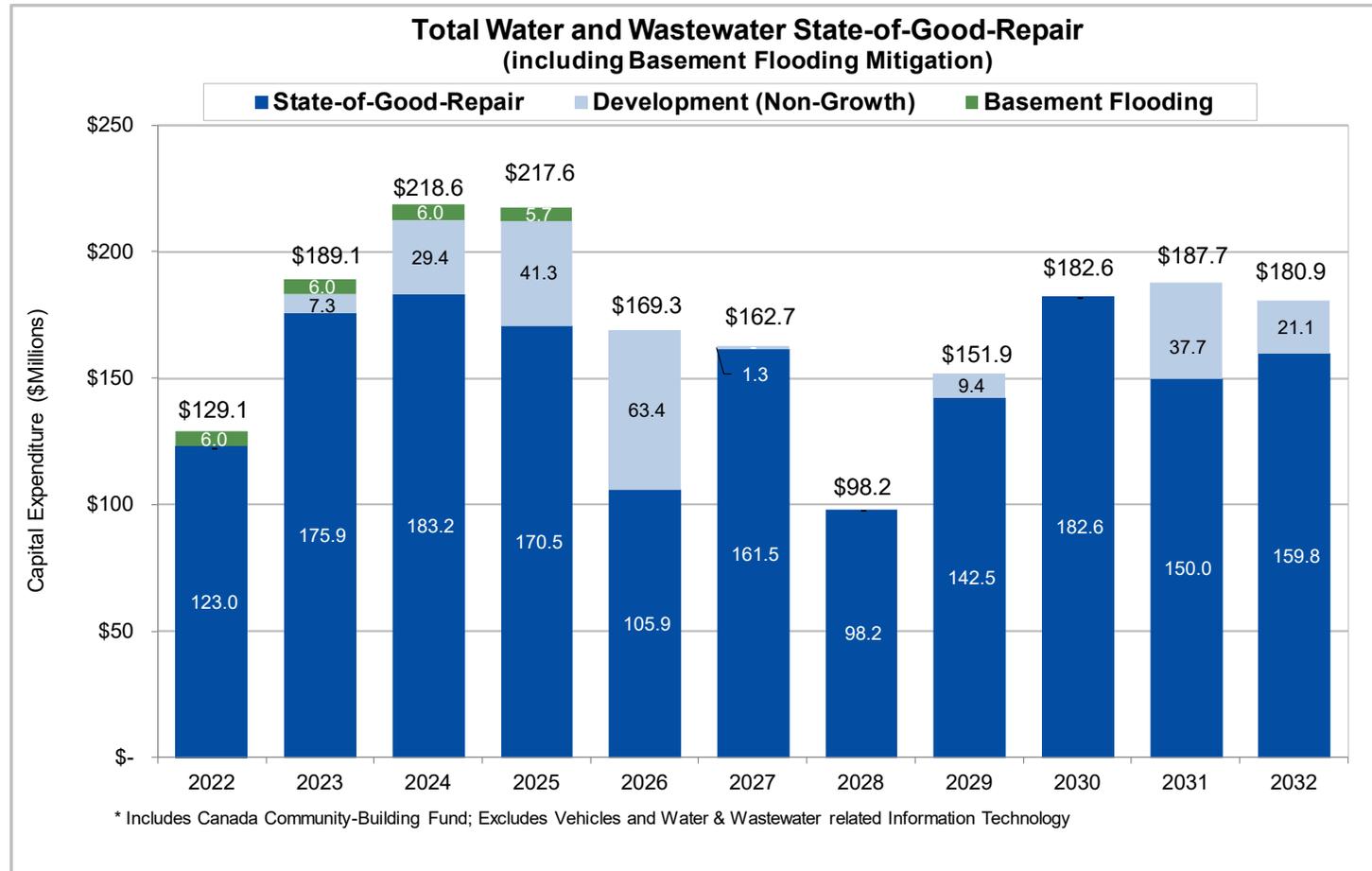
The **\$1.6 billion 10-year State-of-Good-Repair program** is a \$217.1 million increase from the 2022 program. The 2023 Plan has been prepared based on the updated Asset Management Program and Lifecycle Models Update. As discussed earlier, the 10-year State-of-Good-Repair program will continue to be updated through the annual budget process based on the optimized decision making process developed under the Public Work's Asset Management Strategy. This review included:

- Determining the Public Works' technical levels of service and key performance indicators.
- Developing lifecycle models to determine the replacement timing of the Public Work's assets.
- Producing an asset risk registry to prioritize projects through an asset risk assessment approach.
- Integrating the replacement works identified above into the existing 10-year State-of-Good-Repair capital program.

The 10-year water and wastewater State-of-Good-Repair program includes:

- \$1.0 billion for water distribution and wastewater collection systems rehabilitation and replacements, including the Basement Flooding Mitigation program of \$19.1 million.
- \$475.0 million for plants/facilities infrastructure upgrades, replacements, including \$231.7 million for plant maintenance.
- \$32.7 million for SCADA Master Plan implementation and other SCADA related projects.

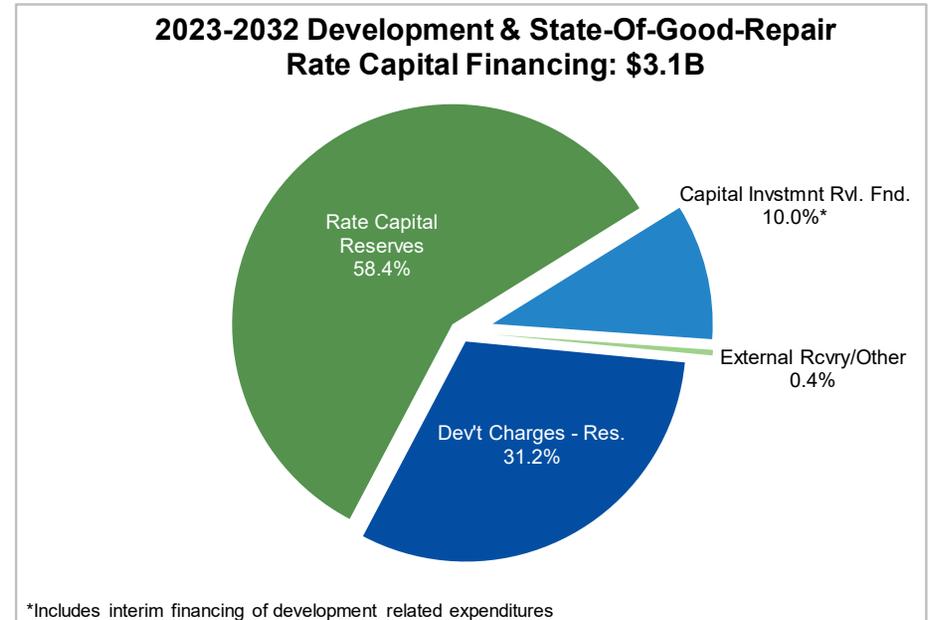
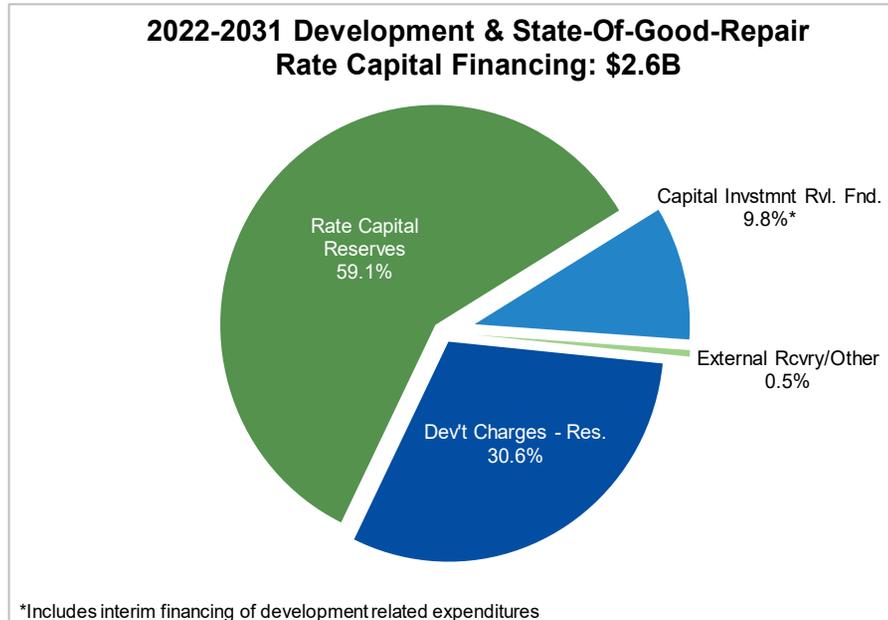
The following graph illustrates the state-of-good-repair (\$1.8 billion), including the Development-related state-of-good-repair infrastructure needs of \$210.9 million over the next 10 years.



10-Year Water & Wastewater Capital Financing

The following charts present a breakdown of the 2023 10-year financing plan for the Water and Wastewater capital program, compared to the 2022 Plan.

Financing of the 2023 Capital Budget and forecast is based on Council-approved financing plans, including Development Financing Plan (FN-46-19/ PW-50-19/ LPS112-19) and the 2023 Budget Directions (FN-26-22). The development-related financing requirements for 2032 is estimated based on the 9-year average for comparison purposes.



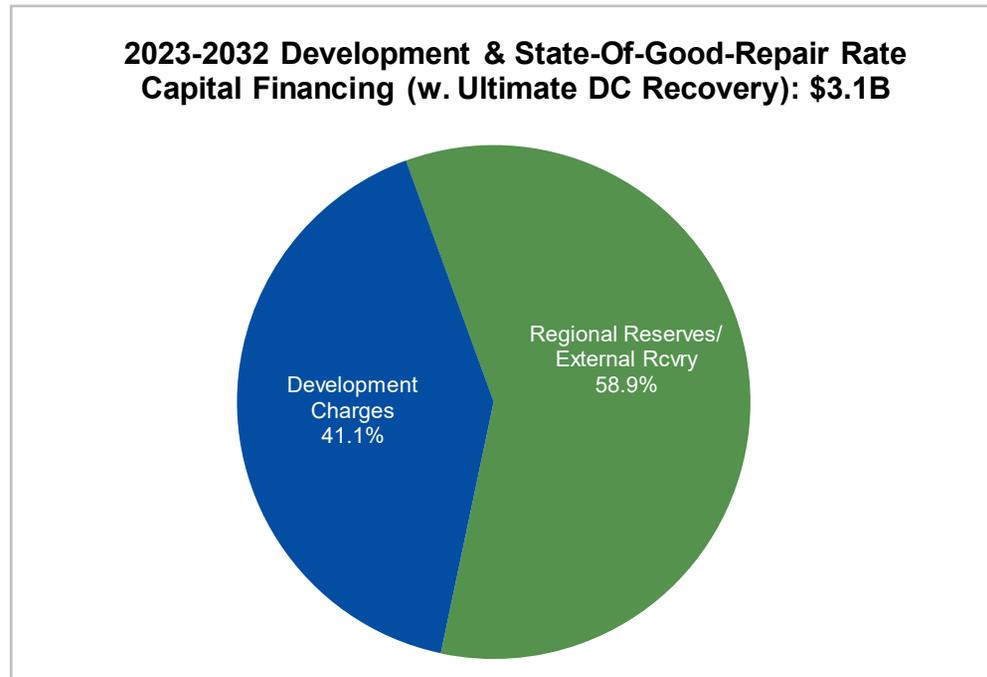
The Rate Capital reserves (58.4%) (including Operating transfers and Canada Community-Building Fund) and the External Recoveries (0.4%) provide the financing for the State-of-Good-Repair program, while residential DCs (31.2%) and the Capital Investment Revolving Fund (10.0%) are a main source of funding for the Development-related program.

The 2023 Budget and Business Plan includes increasing operating budget contributions to reserves throughout the forecast period. The Regional reserves (including transfers from the Operating Budget, investment earnings, and Canada Community-Building Fund revenues) are used to fund the State-of-Good-Repair (non-growth) infrastructure program. In order to maintain sufficient reserves and adequate ratios between the operating contributions and amortization expenses, the 2023 Water and Wastewater budget increased the total operating contributions to \$118.5 million in support of the Water and Wastewater State-of-Good-Repair capital program. As noted earlier, the financing to the Rate Capital reserve provides sufficient capacity to fund the growing State-of-Good-Repair capital program on a pay-as-you-go basis over the next 10 years. This strategy removes the reliance on debt financing for the forecast and provides financial flexibility as demonstrated in the financial plan prepared for the implementation of the Basement Flooding Mitigation strategy in 2016 and for the adjustments to the consumption and rate structure in 2017.

The funding share of the DCs in the 2023 10-year Development program is slightly more than the 2022 program on a percentage basis due to the cost increases in the 2020 Allocation Program.

The Capital Investment Revolving Fund is used to provide interim financing for the non-residential development-related costs, in accordance with the Development Financing Plan (**FN-46-19/ PW-50-19/ LPS112-19**), which is the framework being utilized to develop the 2023 Budget. This strategy supports the Region's economic objectives and ensures that the capital program is sustained with manageable operating impacts and a minimum requirement for external debt financing. By the end of 2022, the Region's investment from the Capital Investment Revolving Fund is anticipated to be \$294.2 million. These Regional investments will be fully recovered (including interest) from the collection of DCs as non-residential development proceeds in the future.

The following chart illustrates the ultimate funding shares when the Region's interim financing provided for growth infrastructure (i.e., non-residential share) is recovered from future DCs. As noted above, out of the total \$3.1 billion, \$1.8 billion (58.9%) is related to the State-of-Good-Repair capital program and the balance of \$1.3 billion (41.1%) is related to servicing growth. Accordingly, the growth-related cost will be fully funded by DCs (41.1%) and the State-of-Good-Repair program will be funded by the reserves (58.9%) supported by water and wastewater rates and external recoveries.



State-of-Good-Repair Water & Wastewater Capital Financing

The 10-year Water and Wastewater State-of-Good-Repair capital program identifies \$1.6 billion, with \$186.7 million required in 2023. In the 2023 Budget Forecast, the funding required for the State-of-Good-Repair program will be financed by external recoveries (\$12.4 million) and capital reserves (\$1.57 billion) on a pay-as-you-go basis.

The Region's financial strategy includes funding state-of-good-repair (lifecycle and replacement) costs from capital reserves. These reserves are financed through contributions from the operating budget, year-end surplus, and investment earnings. In addition, Canada Community-Building Fund of \$94.8 million has been applied as a revenue source over the 10-year period in support of the State-of-Good-Repair capital program, including \$9.5 million applied in 2023.

Development Water & Wastewater Capital Financing

The 2023 10-year Development Water and Wastewater program totals \$1.5 billion and reflects the Region's Water/Wastewater Master Plan update through the 2022 Development Charges Update Water/Wastewater Technical Report (**PW-32-21/ FN-31-21**) current infrastructure staging plan and in anticipation of future Allocation Programs. The development-related infrastructure requirements for 2032 is estimated based on the 9-year average for comparison purposes. Estimates beyond 2031 will be required until there are updated best planning estimates and water, wastewater masterplan to support future growth.

The program consists of the following:

- **\$1.2 billion for servicing Greenfield and Region-wide Capacity.** The program will consist of \$495.1 million of capacity-related projects with region-wide benefits and \$683.5 million of distribution/collection projects with Greenfield area specific benefits. The projects identified in Appendix B can commence upon approval of the 2023 Budget. There are expenditure changes within the 2020 Allocation Program requiring cost increases. The remaining growth-related capital projects for water and wastewater will not proceed until the next development financing plan and allocation program is approved by Council.
- **\$156.3 million for servicing Employment Land.** The Region has provided \$106.0 million of construction funding to service key strategic employment lands in 2011 (e.g., Milton Business Park phase 2, Oakville Winston Park West and Halton Hills 401 Corridor) through CS-33-11. An additional \$156.3 million has been identified in the 2023 Budget forecast to facilitate servicing of future employment lands. The projects identified in Appendix B can commence upon approval of the 2023 Budget. There are expenditure changes within the 2020 Allocation Program requiring cost increases. The remaining growth-related capital projects for water and wastewater will not proceed until the next development financing plan and allocation program is approved by Council.
- **\$130.7 million for servicing of Built Boundary areas.** This will support intensification objectives of the Sustainable Halton (ROPA38). Due to the magnitude and timing of these projects, the implementation timing and scope of this program will continue to be reviewed as part of the Budget Process.

The 2023 10-year capital program incorporates the water and wastewater growth-related infrastructure program at an estimated cost of \$1.5 billion which has been financed in accordance with the Council-approved development financing plan framework (**FN-46-19/ PW-50-19/ LPS112-19**).

The following is a summary of the financing plan for the \$1.5 billion 10-year Development program. The Region continues to finance the 10-year growth-related Water and Wastewater capital program primarily from DCs and the Region’s Capital Investment Revolving Fund.

Development Water/Wastewater Capital 2023-2032 (\$Millions)				
Program	Total	DC Res Share	DC Non-Res Revolving Fund	Non-Growth Regional Reserve
Water	\$ 688.5	\$ 515.7	\$ 156.6	\$ 16.3
Wastewater	777.1	435.6	146.9	194.6
Total	\$ 1,465.7	\$ 951.3	\$ 303.5	\$ 210.9

Schedule may not add due to rounding.

This reflects the Region’s financing approach to the growth-related water and wastewater capital program as outlined in the Development Financing Plan Framework (FN-46-19/ PW-50-19/ LPS112-19), which is the basis for the 2023 Capital Budget financing. The key principles of the Development Financing Plan are consistent with the principles used in previous Regional development financing plans approved by Council and include:

- The development financing plan will not impact the current or subsequent year’s forecasted tax and rate increases.
- The development financing plan will not require the Region to exceed its own debt capacity levels.
- The repayment assumptions for Regional interim financing will assume a conservative “slow growth” scenario to ensure that economic conditions do not create unexpected impacts to the Region.
- All growth-related costs that can be recovered under the DC By-law from growth will be recovered.
- Halton’s strong financial position and financial planning principles will not be compromised.

Consistent with these principles, the residential funding share of future allocation programs will be provided by the participating residential developers and the Regional funding will be provided mainly from the internal reserve borrowing capacity (e.g. Capital Investment Revolving Fund) while limiting significant debt issuance. The following is a breakdown of water and wastewater infrastructure financing for the 2023 Budget and Forecast:

Residential Development Financing (\$951.3 million):

- **The Residential-led Greenfield development** in the allocation areas (e.g., Burlington, Milton, Acton and Georgetown) – require a Development Financing Agreement from residential developers to front-end finance, including funding required to address shortfalls in total DC revenues resulting from timing differences in the residential DC revenue collection.
- **The Residential cost in Built-boundary areas** (e.g., Burlington, Oakville, Milton, Acton and Georgetown) – will be funded as part of the Development Allocation Program and by DCs collected at subdivision agreement.

Non-Residential Development (\$303.5 million):

- **Non-residential cost in Residential-led and Built-boundary areas (\$262.0 million)** – the Region provides interim financing for non-residential costs that will ultimately be recovered from DCs (including carrying costs). Halton currently uses internal borrowing primarily from the Capital Investment Revolving Fund to interim finance these costs.
- **Non-residential share of Employment areas (\$41.5 million)** – the Region will provide front-end financing through the Capital Investment Revolving Fund for servicing the non-residential share of employment lands. The interim financing will be recovered from DCs (including carrying costs). Serviced employment lands are one of the most effective investments the Region can make to promote economic growth in Halton.

Non-Growth (\$210.9 million):

- **Non-growth (benefit to existing taxpayers) share (\$210.9 million)** – This represents the state-of-good-repair requirements needed to be addressed when existing infrastructure is expanded for growth. \$210.9 million will be financed from capital reserves. Of the \$210.9 million required, \$142.6 million (67.6%) is scheduled for the first five years of the forecast period including:
 - Mid-Halton WWTP expansion from 125 ML/d to 175 ML/d. Design and Construction (OAK) (\$65.1 million).
 - New 2400mm WWM inlet to Skyway WWTP parallel to QEW. Design and Construction (BUR) (\$29.9 million).
 - 2350 L/s WWPS at Lower Base Line and 4th Line (MIL) (\$18.1 million)
 - 7.5 ML storage expansion at Waterdown Reservoir (existing site) (Zone B1A) (BUR) (\$11.7 million)
 - Agnes St. WWPS Strategy - Construction (HHACT) (\$7.1 million)
 - Twinned 900 mm WWFM from WWPS at Lower Base Line to Regional Rd 25 (MIL) (\$3.2 million)
 - Twinning of 525 - 600 mm WWM from Elgin St South along Black Creek alignment to Acton WWTP -Construction (HHACT) (\$2.1 million)

Halton Region Budget and Business Plan

BUDGET REPORT 2023

STRATEGIC INVESTMENTS



HALTON REGION PARAMEDIC SERVICES; LONG-TERM CARE; WASTEWATER TREATMENT

Key Investments 2007-2022

While focusing on maintaining existing levels of service during this period (2007-2022), Council approved investments in high priority core service areas through the annual budget process. The following section summarizes previous investments approved by Council through the 2007 to 2022 budgets.

Health

- Funding of \$625,000 provided to help alleviate hospital offload delay pressures due to Provincial funding shortfalls in the 2016 and 2017 budgets.
- Increased Paramedic Services including an additional 88.3 staff and 34,571.6 relief hours, 7 more paramedic service stations since 2007, and 40 existing ambulance vehicles equipped with power stretchers/lift systems since 2016.
- Region's Paramedic Services, Housing Services and Halton Community Housing Corporation (HCHC) partnered with McMaster University and both Mississauga-Halton and Hamilton Haldimand Niagara Brant Local Health Integration Networks (LHINs) to implement the Community Health Assessment Program (CHAP) pilot project to promote the health of older adults living in social housing (**MO-11-16/SS-17-16** re: Community Health Assessment Program (CHAP), **MO-24-19** re: Community Paramedic Program Update, **MO-11-20** re: Community Paramedic Program Update).
- Additional staffing to address increased and emerging needs for prevention and control of infectious diseases, particularly COVID-19, as required by the Ontario Public Health Standards.

Social & Community Services

- An increased total of 1,915 new housing opportunities created through capital and operating initiatives, since 2008, in partnership with the Federal and Provincial governments.
- Implemented a modified emergency shelter program to provide greater capacity to serve vulnerable residents and acquired the Region's first family emergency shelter facility.
- Additional investment of \$2.1 million to sustain the Halton Rental Assistance Program (HRAP) and Provincially mandated Housing Program (Commercial) to support an increased number of rent supplement units related to COVID-19 pandemic pressures and new housing units in support of the Region's Comprehensive Housing Strategy (CHS) for a total investment in rental assistance of \$6.9 million.
- Supported the development and implementation of the Community Safety and Well-Being Plan with \$200,000 of funding in 2015-2017 and \$130,450 in 2018, to strengthen a collaborative effort between Social & Community Services, Public Health, Halton Regional Police Service (HRPS) and community partners, to improve community safety and well-being in Halton.
- The Halton Region Community Investment Fund (HRCIF) increased from an annual \$702,000 in 2012 to \$3.75 million in 2022, which is an increase of 435%. Since 2012, the HRCIF has committed \$21.7 million through 398 grants for organizations in the areas of community health and social services to respond to current and emerging needs of Halton residents.
- Adult Day Programs expanded to 3 locations, with the most recent enhancement including Saturday programming at the Georgetown location.
- Older Adults Property Tax Deferral launched July 1, 2016 to enable older adults to defer their property taxes and help them stay in their homes. In 2021, this provided relief for 52 households.
- Subsidized Passes for Low Income Transit program (SPLIT) implemented with a total Regional funding contribution of \$5.8 million since 2011, in order to provide affordable transit to Halton's low-income residents.
- Increased food security to Ontario Works (OW) recipients and their families through an investment of \$300,000 to develop a new program reaching more OW clients, providing a more substantial nutritional basket than the previous program, and simplifying Regional administration.
- Investment in the Our Kids Network increased to \$385,000 in 2017, to support continued efforts in community research and knowledge mobilization.
- Additional 1,200 subsidized child care spaces in Children's Services to meet community need.

Legislative & Planning Services

- Halton Region's Official Plan approved in 2009 (LPS114-09) directs growth to urban boundaries and protects environmentally sensitive areas.
- The Burlington Beach Regional Waterfront Park Master Plan begun implementation in 2016, with an initial Regional investment of \$51.8 million by 2035, which will provide a vibrant, world-class, year-round waterfront park in Burlington (**LPS54-15**).
- Funding provision beginning in 2016, to cost share the Local Municipal Heritage property tax rebate programs to promote the conservation of cultural heritage resources (**FN-45-15**).
- Heritage Services Five-Year Operational Plan (**LPS55-21**) affirms the vision and mission for Halton Region Heritage Services and guide its operations for the next five years within framework of the Master Plan (**LPS62-14**).
- Co-location Arrangement to Support Halton Businesses to Go Global (**LPS97-16**). The Halton Global Business Centre launched in February 2018 at the Halton Regional Centre to support Halton entrepreneurs to scale up and go global working with service partners including Haltech. In 2021, the Halton Global Business Centre and its partners successfully provided all export services virtually and going forward a formal in-person co-location with Haltech at the Halton Regional Centre will not be required.
- Annual funding of \$75,000 provided to establish the Regional financial incentive programs for local Community Improvement Plans in support of intensification development (as created through **LPS94-16**).

Public Works

- In order to promote increased non-motorized travel throughout Halton, Active Transportation has been embedded as a key feature of the Region's transportation capital and road resurfacing programs resulting in an investment of approximately \$108 million over a 16-year period (2016-2031).
- Increased the number of road lane kilometres from 878 in 2007 to a projected 1,159 by the end of 2022.
- Continued emphasis on waste diversion from landfill has seen the per cent of waste diverted from landfill increase from 42% in 2007 to projected 59% in 2022, as a result of weekly collection of recyclable material and organic waste, bag tag program for garbage, extended yard waste collection schedule, and sale of backyard composters.
- Completed the development of a long-term strategy for water meter reading, billing, and replacement (**PW-18-18/FN-25-18**) including an implementation plan (**PW-45-19/FN-35-19, PW-28-21/FN-30-21**) to implement the Advanced Metering Infrastructure project to support radio frequency reading for all Halton residents and businesses.
- Increased the annual State-of-Good-Repair capital program for water, wastewater and transportation from \$74.9 million in 2007 to \$181 million in 2022 to ensure asset life is maximized.
- Annual investment of \$50,000 for continued Sunday operation of the Halton Waste Management Site (HWMS) on Sundays between May and June each year in support of enhanced customer service.
- To help prevent future flooding (**PW-18-16**), an investment of \$85.3 million in the Region-wide Basement Flooding Mitigation Program was approved between 2016 and 2025.
- To reduce energy use, the conversion of high pressure sodium streetlights to LED technology was completed in 2022.
- Halton Region is implementing a responsive state-of-the-art Advanced Transportation Management System (ATMS) to manage traffic on its road network (**PW-10-18, PW-34-21**). This will allow Halton Region to actively monitor travel conditions, influence the operation of traffic signals, receive information and interact with the Local Municipalities and other agencies through the use of technologies and networks.
- To implement customer service improvements and efficiencies, an initial investment of \$3.0 million for Halton's Solid Waste Management Strategy Short Term Options (**PW-12-18**) was approved between 2019-2021 at Halton's Waste Management Site.
- As part of the implementation of the SCADA Master Plan program, phased investments of \$33.0 million are planned over the next eight years in water, wastewater and landfill SCADA assets.
- In order to increase waste diversion to between 64% and 70%, reduce greenhouse gas emissions by approximately 13,000 tonnes of CO² annually, and extend the lifespan of the landfill site to 2050-2054, Council endorsed Halton Region's Solid Waste Management Strategy 2023-2030 (**PW-10-22**).

Corporate Administration

- Funding contribution totalling \$5.0 million for McMaster University to establish a Centre for Advanced Management Studies, a McMaster Affiliated Family Health Centre and a Teaching Affiliation with Joseph Brant Memorial Hospital.
- \$2.0 million grant provided for the Randle Reef remediation project as part of the Remedial Action Plan for Hamilton Harbour.
- Implementation of a financing plan to stimulate economic development in employment lands by providing Regional interim financing for water and wastewater servicing (to be recovered from future Development Charges (DCs)). This includes Regional debt financing for key employment lands including Milton's Business Park 2, Halton Hills' 401 Corridor and Winston Park's West Business Area (CS-33-11/PW-53-11/LPS58-11 re: 2011 Water and Wastewater Servicing to Employment Lands in Halton).
- Through approval of Development Financing Plans (CS-73-08/PWE31-08; CS-49-09/PW-20-09/LPS80-09; CS-20-12; & **FN-46-19/PW-50-19/LPS112-19** and Allocation Programs since 2008, the Region has been able to accommodate residential greenfield growth of over 40,000 single detached units, providing approximately \$3.5 billion of water, wastewater and transportation capital infrastructure programs without financial impact to existing taxpayers, to the extent possible under the *Development Charges Act*.
- Internship and Apprenticeship Program established (2016) and expanded (2017) to ensure employment experiences and opportunities for talented and highly motivated recent graduates.
- Implementation in 2017 of Halton's IT Mobile Strategy to facilitate program requirements and delivery, such as service delivery by community-based staff in the Health department and Long-Term Care facilities.
- Continued funding provided to Conservation Halton and Credit Valley Conservation for critical initiatives integral to the safety and well-being of Halton residents, including addressing the impacts of the Emerald Ash Borer invasive species (**FN-39-17** & **FN-26-15**) as well as floodplain mapping (**FN-41-19**).
- Development of a Digital Strategy for Halton Region (**ST-07-21**) which will enhance the delivery of high-quality online digital services including offering 125 of its most frequently used customer-facing services, and the top 50 internal processes and staff experiences, as complete digital services by 2025 (**DI-06-22**).
- Through the approval of the Halton Digital Access Strategy Implementation Plan (**DI-02-22/LPS69-22**), Halton is proceeding with the implementation plan for a one-window approach to support the implementation of 5G technology across the Region. 5G technology is expected to generate significant economic growth over the next decade and this Plan will ensure that Halton is in a position to benefit from this growth.
- Development of the Halton Region Police Service Public Safety Broadband Network which is a dedicated, secure, high-speed wireless data communications network for emergency responders and public safety personnel to communicate with each other during both emergency situations and day-to-day operations, to address the mandated Next-Gen 911 services in Canada.

Key Investments in 2023

The 2023 Budget continues to focus on maintaining service levels for core services, while making investments to support strategic priorities approved by Regional Council, program enhancements to support the health and well-being of the Halton community, and investments that address pressures driven by growth and increased demand in services, while maintaining the tax rate increase for Regional Services at or below the rate of inflation. The following proposed Tax-Supported Strategic Investment and Rate-Supported Strategic Investment business cases in the 2023 Budget are presented in detail for Council's consideration and review.

Halton Region

Budget and Business Plan

BUDGET REPORT 2023

STRATEGIC INVESTMENTS

TAX-SUPPORTED STRATEGIC INVESTMENTS

Tax-Supported Strategic Investments

Dept.	Division	Position Title	FTE	Relief Hrs	Personnel Services	Gross Impact	Savings	Recoveries	Subsidy	Tax Impact
HLTH	Healthy Families	Health Promoter	1.0	-	\$ 121,650	\$ 124,044	\$ -	\$ -	\$ (71,201)	\$ 52,843
HLTH	Healthy Families	Health Promoter	1.0	-	121,650	124,044	-	-	(71,201)	52,843
HLTH	Healthy Schools & Communities	Supervisor, Oral Health	0.5	-	-	53,500	(53,500)	-	-	-
HLTH	Infectious Disease Control	Sexual Health Clinic - Mobile Service Delivery	-	-	-	41,534	(41,534)	-	-	-
HLTH	Paramedic Services	Paramedics	6.0	(13,152.0)	69,180	769,178	(697,200)	-	(33,830)	38,148
HLTH	Paramedic Services	Logistics Fleet Coordinator	1.0	-	123,550	131,665	-	-	(61,883)	69,782
HLTH	Paramedic Services	Leased Storage Facility	-	-	-	372,600	-	-	(175,122)	197,478
SCS	Children's Services	Developmental Consultant and Occupational Therapist	2.0	-	255,300	255,300	(255,300)	-	-	-
SCS	Housing Services	Quality and Compliance Coordinator	1.0	-	96,780	96,780	(96,780)	-	-	-
SCS	Human Services Planning & Program Support	Halton Region Community Investment Fund	-	-	-	250,000	-	-	-	250,000
SCS	Services for Seniors	Personal Support Worker	19.8	7,099.2	1,637,760	1,637,760	-	-	(1,637,760)	-
SCS	Services for Seniors	Contracts Administration Coordinator	1.0	-	98,210	98,210	-	-	(68,747)	29,463
FN	Budgets & Tax Policy	Senior Financial Analyst - Financial Planning	1.0	-	133,650	133,650	-	-	-	133,650
FN	Financial Services & Payroll	Payroll Financial Analyst	1.0	-	121,650	122,175	-	-	-	122,175
FN	Supply Chain Management	Strategic Sourcing Specialist	1.0	-	121,650	124,329	-	-	-	124,329
FN	Supply Chain Management	Senior Strategic Sourcing Specialist	1.0	-	133,650	136,329	-	(136,329)	-	-

Dept.	Division	Position Title	FTE	Relief Hrs	Personnel Services	Gross Impact	Savings	Recoveries	Subsidy	Tax Impact
DIS	Energy, Fleet & Facilities	Manager, Continuous Improvement	1.0	-	166,580	170,614	-	-	-	170,614
DIS	Energy, Fleet & Facilities	Facilities Maintenance Operator (FMO)	1.0	-	83,030	87,064	-	-	-	87,064
DIS	Energy, Fleet & Facilities	Maintenance Coordinator - Corporate	1.0	-	121,650	125,684	-	-	-	125,684
DIS	Energy, Fleet & Facilities	Maintenance Coordinator - HCHC	1.0	-	121,650	125,684	-	(125,684)	-	-
DIS	Energy, Fleet & Facilities	Project Manager I - HCHC	2.0	-	243,300	251,368	-	(251,368)	-	-
DIS	Energy, Fleet & Facilities	Energy Data Clerk	1.0	-	78,360	82,394	-	-	-	82,394
LPS	Legal Services	Claims & Risk Specialist	1.0	-	121,650	129,895	-	-	-	129,895
LPS	Legal Services	Law Clerk - Risk & Insurance	1.0	-	108,780	115,145	-	-	-	115,145
LPS	Human Resource Services	Human Resources Business Partner	2.0	-	333,160	333,160	-	-	-	333,160
PW	Infrastructure Management	Project Manager II *	-	-	-	-	-	-	-	69,395
Tax-Supported Strategic Investments Total			48.3	(6,052.8)	\$4,412,840	\$5,892,106	\$(1,144,314)	\$ (513,381)	\$(2,119,744)	\$2,184,062

* Project Manager II strategic investment business case can be found in the Rate-Supported Strategic Investments section

Strategic Investment

Health Promoter

Funding Source

Tax

Program Details

Department	Health
Division	Healthy Families
Program	Healthy Living

Complement Details

Position Title	Health Promoter
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 121,650	\$ 121,650
Materials & Supplies	2,394	84
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	124,044	121,734
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	124,044	121,734
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	(71,201)	(69,875)
Non-Subsidy Revenue	-	-
Total Revenue	(71,201)	(69,875)
	-	-
Net Program Expenditures	\$ 52,843	\$ 51,859

Business Case

Recommendation:

Approve 1.0 FTE Health Promoter, Healthy Living Program, to implement the evidence-informed recommendations to reduce Halton residents' alcohol consumption.

Need:

On October 20, 2021, five prioritized health issues for Public Health recovery from the COVID-19 pandemic were presented to Regional Council. Increased alcohol use was one of the five prioritized health issues.

Alcohol consumption is a leading risk factor for disease, disability, and premature death in Canada. In 2020 alone, alcohol was linked to 7,000 new cancers in Canada, including 24% of breast cancer cases and 20% of colon cancer cases. Unlike other substances, alcohol consumption is an accepted part of our culture and society, and the harms created by alcohol use are often overlooked. Given the burden of health and social injuries associated with alcohol consumption, there is a need for public health to raise the profile of alcohol consumption as a public health issue and to shift societal norms towards a culture of moderation.

During the COVID-19 pandemic, up to one-quarter of Canadians increased their alcohol consumption. In addition, Canadians who had increased their alcohol consumption were most likely to report frequent heavy drinking, defined as five or more drinks per occasion, at least once per week, in the past 30 days. This is concerning for Public Health as Halton residents have historically exceeded Canada's Low-Risk Alcohol Drinking Guidelines at a rate more significant than the provincial average (refer to Report No. **MO-06-20** re: "Alcohol in Halton"). The leading reasons for increased alcohol consumption during the pandemic were a lack of regular schedule, boredom, stress and loneliness. In contrast, the leading causes for decreased alcohol consumption were fewer social gatherings or opportunities to socialize and a desire to maintain good health. Several recommendations were presented to Regional Council on July 13, 2022, through Report No. **MO-09-22** (re: Update on COVID-19 Public Health Recovery) to reduce the alcohol use of Halton residents. This position is required to implement evidence-informed interventions to reduce alcohol consumption by Halton residents.

This investment includes Provincial funding anticipated based on the current cost-share level for a net tax impact of \$53,000.

Implications:

If this request is not approved, Public Health cannot implement all of the prioritized evidence-informed interventions to address the significant increase in alcohol use by Halton residents.

Alternatives:

Hire temporary staff, although more long-term sustainable solutions are needed. Hiring qualified staff with the necessary skills and experience is very challenging when only temporary positions are offered versus permanent ones.

Reference:

Report No. **MO-09-22** (re: Update on COVID-19 Public Health Recovery)

Strategic Investment

Health Promoter

Funding Source

Tax

Program Details

Department	Health
Division	Healthy Families
Program	Healthy Living

Complement Details

Position Title	Health Promoter
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 121,650	\$ 121,650
Materials & Supplies	2,394	84
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	124,044	121,734
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	124,044	121,734
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	(71,201)	(69,875)
Non-Subsidy Revenue	-	-
Total Revenue	(71,201)	(69,875)
	-	-
Net Program Expenditures	\$ 52,843	\$ 51,859

Business Case

Recommendation:

Approve 1.0 FTE Health Promoter, Healthy Living Program, to implement the evidence-informed recommendations to promote the mental health of Halton residents.

Need:

On October 20, 2021, five prioritized health issues for Public Health recovery from the COVID-19 pandemic were presented to Regional Council. Mental Health promotion was one of the five prioritized health issues.

One of the most significant incidental impacts of the COVID-19 pandemic is on mental health. In the fall of 2020, 52% of Halton adults surveyed reported that their overall mental health and well-being worsened due to the pandemic. National-level data suggests that the mental health of Canadians continues to decline as the pandemic endures. Research on the mental health effects of other large-scale traumatic events, including previous pandemics, indicates that mental health impacts can persist for prolonged periods, even after the event has ended.

During the pandemic, many risk factors associated with worse mental health, including social isolation, inadequate housing, family conflict and violence, loss of employment and reduced income, were exacerbated, increasing the risk of poor mental health outcomes in the community. Meanwhile, many protective factors, including physical activity, supportive environments (e.g. safe and inclusive spaces, healthy policies) and social support and connectedness, were reduced or impacted by COVID-19 restrictions, further challenging the population's resiliency. Several recommendations were presented to Regional Council on July 13, 2022, through Report No. **MO-09-22** (re: Update on COVID-19 Public Health Recovery) to promote the mental health of Halton residents. This position must implement evidence-informed interventions to promote mental health across the lifespan.

This investment includes Provincial funding anticipated based on the current cost-share level for a net tax impact of \$53,000.

Implications:

If this request is not approved, Public Health will not be able to implement all of the prioritized evidence-informed interventions to address the worsening mental health of Halton residents.

Alternatives:

Hire temporary staff, although more long-term sustainable solutions are needed. Hiring qualified staff with the necessary skills and experience is very challenging when only temporary positions are offered versus permanent ones.

Reference:

Report No. **MO-09-22** (re: Update on COVID-19 Public Health Recovery)

Strategic Investment
Supervisor, Oral Health

Funding Source	Tax
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Program Details	
Department	Health
Division	Healthy Schools & Communities
Program	Oral Health

Complement Details	
Position Title	Supervisor, Oral Health
FTE Impact	0.5
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2023 Impact	2024 Impact
Personnel Services	\$ -	\$ -
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	-	-
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:
Approve 0.5 FTE Supervisor position to provide the required operational oversight and support for the Oral Health program.

Need:
The Oral Health program has grown in complexity and size, with only a 0.5 FTE currently assigned to supervising a team of 13.2 FTEs, including Dental Case Workers, Registered Dental Hygienists, a Data Specialist, Dental Educator Health Promoter, and a Program Assistant. Previously, a 1.0 FTE Supervisor supported the Ontario Seniors Dental Care Program (OSDCP) and non-OSDCP mandatory programs. In 2022, Public Health received a significant increase in base funding from the Ministry of Health for the OSDCP to manage more client referrals to dental providers centrally and process more dental claims. As approved through Report No. **MO-10-22**, the staff complement to administer the OSDCP was increased to support the additional workload, including another 0.5 FTE Supervisor dedicated to the OSDCP to provide 1.0 total FTE to help the OSDCP. The remaining 0.5 FTE Supervisor in the Oral Health program (non-OSDCP mandatory programs) is insufficient to meet the rest of the program's needs, including implementing the Healthy Smiles Ontario program locally and conducting regular oral health screening in elementary schools. An additional 0.5 FTE Supervisor is required to increase the remaining 0.5 FTE in oral health (non-OSDCP mandatory programs) to a full 1.0 FTE Supervisor.

This investment is fully offset through a conversion of the budget allocated for casual Dental Recorders, which is no longer required, resulting in no net tax impact.

Implications:
Adding 0.5 FTE Supervisor to Oral Health will provide 2.0 FTE Supervisors to support the OSDCP, Healthy Smiles Ontario, and oral health screening programs. The Oral Health program requires 2.0 FTE Supervisors for operational oversight of the Provincially mandated HSO and OSDCP programs and support the projected team of 20 staff.

Alternatives:
Leave current position as 0.5 FTE. This is inadequate oversight, given the number of staff and program growth. It is also unlikely that a suitable supervisor candidate can be found for a part-time role.

Reference:
N/A

Strategic Investment

Sexual Health Clinic - Mobile Service Delivery

Funding Source	Tax
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Program Details

Department	Health
Division	Infectious Disease Control
Program	Sexual Health

Complement Details

Position Title	
FTE Impact	
Relief Hours Impact	
Personnel Group	

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ -	\$ -
Materials & Supplies	11,692	11,272
Purchased Services	(6,300)	(6,300)
Financial & Rent Expenses	(29,100)	(29,100)
Grants & Assistance	-	-
Total Direct Costs	(23,708)	(24,128)
Allocated Charges/Recoveries	851	1,271
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	(22,857)	(22,857)
Transfer to Reserves - Capital	22,857	22,857
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	22,857	22,857
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Transition to a mobile service delivery model for sexual health services in north Halton. This change in service delivery will require the purchase of a medical van with associated annual operating costs, which will be offset with the occupancy cost savings resulting from the closure of the Acton Sexual Health Clinic resulting in no overall net impact to the Region.

Need:

The Ontario Public Health Standards stipulate that Boards of Health must implement a program to prevent and control sexually transmitted and blood-borne infections and promote healthy sexuality and safer sex practices for priority populations, cases and contacts. The programs and service delivery models vary based on local needs. Sexual health clinic services are intended to be accessible to those that are more likely to experience barriers in accessing comprehensive, non-judgmental sexual health care elsewhere, e.g. students, young adults, individuals without OHIP, individuals with multiple sex partners, men who have sex with men, Indigenous communities, and sex trade workers.

As reported through Report No. **MO-02-22** re: "Update on Sexual Health Clinic Services," fixed clinic sites in north Halton are underutilized. The timing of lease renewals provided an opportunity to close the Acton Sexual Health clinic and use the savings in operating costs to switch to a mobile model. Public Health is changing the service delivery model for sexual health services in Milton and Halton Hills to a portable model with services delivered through a medical van at community partner locations.

This change can improve the health status of the most vulnerable residents in Halton by meeting priority populations where they live, work or spend most of their time, including areas such as community housing sites, community service organizations, shelters, schools and youth centers. Over the long term, mobile clinics can be more cost-effective than continued ongoing occupancy costs for fixed sites in north Halton. Implementation of this model is intended to be achieved with existing staffing levels.

The purchase of a medical van with the associated annual operating costs is required to deliver mobile sexual health clinic services. These costs will be offset with the occupancy cost savings due to the closure of the Acton Sexual Health Clinic, resulting in no overall net impact to the Region.

Implications:

Without a medical van, a mobile service delivery model would not be possible, and access to required Public Health sexual health services in north Halton will be significantly impacted.

Alternatives:

Continue to fund operating costs of underutilized fixed clinic sites in north Halton.

Reference:

Report No. **MO-02-22** (re: Update on Sexual Health Clinic Services)

Strategic Investment

Paramedics

Funding Source

Tax

Program Details

Department	Health
Division	Paramedic Services
Program	Operations

Complement Details

Position Title	Paramedics
FTE Impact	6.0
Relief Hours Impact	-13,152.0
Personnel Group	OPSEU_EMS

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 69,180	\$ 69,180
Materials & Supplies	2,798	168
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	71,978	69,348
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	71,978	69,348
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	(33,830)	(32,594)
Non-Subsidy Revenue	-	-
Total Revenue	(33,830)	(32,594)
	-	-
Net Program Expenditures	\$ 38,148	\$ 36,754

Business Case

Recommendation:

Approve 6.0 FTE Paramedics (3.0 FTE Advanced Care Paramedic and 3.0 FTE Primary Care IV Paramedic), created in part through the reallocation of relief hours, to address pressures related to the recruitment of part-time paramedics, increasing call volume (growth) and to maintain response times.

Need:

Given the current challenges with the labour market, Paramedic Services is experiencing significant recruitment challenges, particularly with hiring part-time staff. Paramedic Services has typically been able to attract many applicants for part-time positions; however, for several reasons, including a reduced number of college graduates, and a large number of vacant paramedic positions province-wide, it has been tough to hire staff for part-time work.

Current market conditions do not support the recruitment of part-time staff, as candidates often face multiple job offers, and the opportunity to secure full-time employment will outrank the request for a part-time position. Full-time positions are filled from the existing part-time pool and typically attract many applicants. Based on a review of call volume and to stabilize staffing, this investment recommends converting part-time relief hours to permanent FTEs. While Paramedic Services' call volume decreased in 2020 due to the COVID-19 pandemic, call volume in 2021 returned to pre-pandemic levels and in 2022 is expected to increase by 7% compared to 2021 by 9% compared to pre-pandemic levels. Call volume was expected to increase by 4% to 6% annually, as noted in the Paramedic Services 10-Year Master Plan (Report No. **MO-14-15**); however, call volume in 2023 is forecast to increase by a further 6% to 8%. Pressures associated with the growth in call volume are further impacted by the number of patients unable to access primary care/healthcare services due to the backlog related to limitations on healthcare services at the height of the pandemic.

This investment is intended to ensure minimum staffing levels are available to maintain response times to emergency calls, address paramedic workload, and address other pressures. When the labour market stabilizes, staff will report back regarding requirements to reinstate the relief hours converted for these positions. This investment is funded through a conversion of 13,152.0 relief hours and includes Provincial funding based on the current cost-share level for a net tax impact of \$38,000.

Implications:

The growth in call volume impacts the Paramedic Services Division's ability to maintain service levels and meet response time targets. As reported through Report No. **MO-05-22** (re: Paramedic Services Division Annual Update), response time targets to life-threatening calls were not met in 2021. Without these additional resources, a further increase in response times is anticipated. There will also be an increase in paramedic workload and the potential for an increase in the frequency of paramedics not receiving legislated meal breaks.

Alternatives:

None

Reference:

Report No. **MO-14-15** (re: Paramedic Services 10-Year Master Plan)

Strategic Investment

Logistics Fleet Coordinator

Funding Source

Tax

Program Details

Department	Health
Division	Paramedic Services
Program	Logistics

Complement Details

Position Title	Logistics Fleet Coordinator
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 123,550	\$ 123,550
Materials & Supplies	7,615	1,060
Purchased Services	500	500
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	131,665	125,110
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	131,665	125,110
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	(61,883)	(58,802)
Non-Subsidy Revenue	-	-
Total Revenue	(61,883)	(58,802)
	-	-
Net Program Expenditures	\$ 69,782	\$ 66,308

Business Case

Recommendation:

Approve 1.0 FTE Logistics Fleet Coordinator to address pressures resulting from the growth of the Paramedic Services' fleet.

Need:

Paramedic Services manages the Division's fleet with assistance from the Region's Energy, Fleet & Facilities staff and multiple external vendors. The Paramedic Services Division fleet grew from 17 vehicles in 2000 to 59 in 2022. Paramedic vehicles present unique challenges and require commissioning upon delivery from the manufacturer. Ongoing maintenance requirements are also specific to these specialized vehicles. There is no dedicated individual to oversee and coordinate these tasks. This position is intended to assume responsibility for the following functions:

- Manage the acquisition (RFP) and commissioning of new vehicles and the decommissioning and disposal of all vehicles
- Manage vehicle preventative maintenance and emergency repairs for approximately 59 vehicles
- Manage vehicle collision-related repairs
- Manage real-time alerts regarding vehicle systems and other onboard technology
- Data collection, analysis and reporting related to fleet utilization
- Procure and maintain an inventory of specialty items required for the upkeep of paramedic vehicles
- Coordinate ongoing proactive cleaning cycles by infection prevention and control requirements
- Manage vehicle and equipment preventative maintenance cycles
- Investigate alternative green fleet solutions to support the Region's key priority of responding to climate change and reducing the Region's carbon footprint
- Liaise with vendors and partners to realize improvements and efficiencies

This investment includes Provincial funding anticipated based on the current cost-share level for a net tax impact of \$70,000.

Implications:

Capacity does not currently exist in the Paramedic Services Division to complete these tasks. The new vehicle commissioning process alone requires the temporary re-assignment of an Operations Superintendent for up to six months annually, while other program areas assume the different tasks. This has a corresponding impact on operations.

Alternatives:

Continue to utilize an Operations Superintendent to perform these tasks.

Reference:

Report No. **MO-14-15** (re: Paramedic Services 10-Year Master Plan)

Strategic Investment Leased Storage Facility

Funding Source

Tax

Program Details

Department	Health
Division	Paramedic Services
Program	Logistics

Complement Details

Position Title	
FTE Impact	
Relief Hours Impact	
Personnel Group	

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ -	\$ -
Materials & Supplies	17,500	17,500
Purchased Services	7,300	7,300
Financial & Rent Expenses	347,800	347,800
Grants & Assistance	-	-
Total Direct Costs	372,600	372,600
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	372,600	372,600
Transfer to Reserves - Capital	-	66,000
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	66,000
Subsidy Revenue	(175,122)	(175,122)
Non-Subsidy Revenue	-	-
Total Revenue	(175,122)	(175,122)
	-	-
Net Program Expenditures	\$ 197,478	\$ 263,478

Business Case

Recommendation:

Approve the lease of a larger storage facility to address the current lack of storage and functional space required to support frontline Paramedic Operations. Additional storage is critically needed for multiple ambulances and logistic vehicles, medical supplies and equipment, COVID-19 supplies (personal protective equipment (PPE)), uniforms, preventative equipment maintenance and cleaning supplies.

Need:

Previous pressures identified in the Paramedic Services Master Plan addressed the need for a larger headquarters facility to accommodate vehicle and medical supply storage. Approximately 20,000 sq ft of warehouse space is required to handle spatial pressures. This investment will enable the consolidation of numerous current smaller storage areas and facilities that are over capacity.

Paramedic Services will benefit by centralizing Logistics operations and accommodating recently increased Logistics staffing levels, and providing space to maintain adequate stock for medical supplies, equipment, linen, uniforms and contingency stock, as well as providing a proper area to perform regular equipment preventative maintenance and uniform order assembly.

This space will provide indoor storage to ensure the safety and protection of interior temperatures and sensitive contents in ambulances and other paramedic vehicles. It will also ensure operational readiness and compliance with the Ministry of Health Land Ambulance Certification Standards. The additional space would also accommodate a clean storage area for sensitive medical supplies, opportunities to secure hard-to-source stock items due to supply chain disruptions, linen storage and a small space for Logistics staff.

This investment includes Provincial funding anticipated based on the current cost-share level for a net tax impact of \$197,000.

Implications:

Risk of not having critical medical supplies on hand due to supply chain disruptions, including PPE and contingency stock. Extra ambulances will continue to be stored outside, exposed to the elements resulting in reduced operational readiness, with an increased risk of damage to temperature-sensitive items. Preventative maintenance, inventory control, linen management and daily required tasks will be compromised due to a lack of space for Logistic staff to function safely and efficiently.

Alternatives:

Continue to utilize existing storage facilities. However, current storage needs would not be met, resulting in a risk to operational readiness and compliance with the Ministry of Health Land Ambulance Certification Standards.

Reference:

Report No. **MO-14-15** (re: Paramedic Services 10-Year Master Plan)

Strategic Investment

Developmental Consultant and Occupational Therapist

Funding Source	Tax
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Program Details	
Department	Social & Community Services
Division	Children's Services
Program	MCCSS Special Needs - Autism

Complement Details	
Position Title	Developmental Consultant and Occupational Therapist
FTE Impact	2.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2023 Impact	2024 Impact
Personnel Services	\$ 255,300	\$ 255,300
Materials & Supplies	-	-
Purchased Services	(255,300)	(255,300)
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	-	-
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 2.0 FTE in Children's Services to provide early intervention for children and families registered with the Ontario Autism Program. This investment will convert 2.0 temporary positions into permanent positions, utilizing funding provided through ErinoakKids from the Ministry of Children, Community, and Social Services (MCCSS), resulting in no net tax impact.

Need:

Halton Region partners with ErinoakKids Centre for Treatment and Development (EOK) and Dufferin Child and Family Services (DCAS) to provide caregiver-mediated early intervention for children and families registered with the Ontario Autism Program.

The Region is funded through a contract with EOK for a 1.0 FTE Developmental Consultant and 1.0 FTE Occupational Therapist. These positions have been filled through temporary arrangements for the last seven years. The Ontario Autism Program continues to be a Provincial priority, and ongoing funding through MCCSS is anticipated. Converting 2.0 FTE from temporary to permanent positions will stabilize staffing for these positions in the current competitive job market.

Implications:

Highly trained staff deliver the early intervention autism program, and over the last seven years, these positions have been filled with temporary contracts. Since the COVID-19 pandemic, recruiting for these contract positions has become more complex. In particular, it is challenging to attract Occupational Therapists into contract roles, resulting in staffing shortages for these critical services. These positions will continue to be difficult to fill on a contract basis, and staffing shortages will result in waitlists for children with special needs.

Alternatives:

Continue to utilize temporary contracts to fill these roles. However, this will likely result in staffing shortages and waitlists for children with special needs.

Reference:

N/A

Strategic Investment

Quality and Compliance Coordinator

Funding Source

Tax

Program Details

Department	Social & Community Services
Division	Housing Services
Program	Homelessness and Supportive Housing

Complement Details

Position Title	Quality and Compliance Coordinator
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 96,780	\$ 96,780
Materials & Supplies	-	-
Purchased Services	(96,780)	(96,780)
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	-	-
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 FTE in the Housing Services division to provide operational and strategic oversight to the Service Manager's legislated responsibility to uphold a By-Name List of all individuals experiencing homelessness in Halton Region and undertake compliance reviews of third-party participating agencies and senior government reporting. This investment will convert a 1.0 temporary position into a permanent position, utilizing funding available through the Federal Reaching Home program, resulting in no net tax impact.

Need:

This permanent position recommendation seeks the conversion of an existing temporary Quality and Compliance Coordinator position that has been on contract since 2019. The permanent position is required to provide staffing stability for a high-profile and legislatively needed function. The Quality and Compliance Coordinator position offers a strategic and operational implementation of the newly legislated By-Name List. It prioritizes clients for supportive housing vacancies through Halton's new Coordinated Access approach. This position will be primarily responsible for ongoing reporting to the Provincial and Federal governments to ensure Halton Region remains in continued compliance. The By-Name List provides the most vulnerable in our community access to time-sensitive supportive housing options appropriate for their circumstances. High-quality performance metrics are collected regularly on homelessness in Halton. The Quality and Compliance Coordinator position is critical to meeting the Reaching Home (Federal) and Homelessness Prevention Program funding requirements, which include program development, Federal and Provincial reporting, stakeholder management and significant operational responsibilities surrounding maintaining and updating the By-Name List in real-time. The position also works closely with the Manager of Homelessness and Supportive Housing to undertake compliance reviews and reports concerning the performance of third-party participating agencies in Halton's Coordinated Access strategy.

Implications:

This role is fully funded through the Federal Reaching Home program. The recommendation to convert the existing temporary Quality and Compliance Coordinator position to permanent will provide staffing stability for a high-profile and legislatively required function.

Alternatives:

Continue to utilize temporary staff resources. However, utilizing temporary contract staff for this highly specialized position may prove difficult in being able to attract/retain candidates with the required technical expertise, which could lead to gaps in critical service delivery for vulnerable populations.

Reference:

N/A

Strategic Investment

Halton Region Community Investment Fund

Funding Source

Tax

Program Details

Department	Social & Community Services
Division	Human Services Planning & Program Support
Program	Human Services Planning & Investment

Complement Details

Position Title	
FTE Impact	
Relief Hours Impact	
Personnel Group	

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ -	\$ -
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	250,000	250,000
Total Direct Costs	250,000	250,000
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	250,000	250,000
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 250,000	\$ 250,000

Business Case

Recommendation:

Approve a \$250,000 increase in funding to the Halton Region Community Investment Fund (HRCIF) from the current approved budget of \$3.75 million to a total of \$4.0 million.

Need:

The HRCIF enhances the health, safety and well-being of Halton residents through \$3.75 million in annual funding to non-profit human service programs and initiatives. In 2022, a wide range of programs have been funded to support the well-being of children, youth and older adults, strengthen food security among low-income residents, enhance mental health, and address small capital needs of community organizations. In addition, the HRCIF continues to play an essential role in meeting the needs of vulnerable populations during the COVID-19 pandemic.

The HRCIF is also essential to support the Halton Community Safety and Well-Being (CSWB) initiative. Since 2019, several steps have been taken to enhance the alignment between the HRCIF and CSWB to support an integrated approach to planning and investment in keeping with the direction of Halton Region's 2019-2022 Strategic Business Plan. Consistent with the proactive nature of CSWB planning, applications to the HRCIF will be accepted throughout 2023 to address emergent issues.

As part of a commitment to equity, diversity and inclusion within CSWB, HRCIF investments are being made to strengthen equity and inclusion within the region. This includes funding for the Halton Equity and Diversity Roundtable and supports for equity-seeking groups.

Strengthening equity, diversity and inclusion in Halton is an emergent issue, and additional investment in HRCIF is warranted to support Halton residents further. A \$250,000 increase in HRCIF funding will support Halton Region to meet new and emerging community needs and to continue with recovering from the impacts of the COVID-19 pandemic.

Implications:

An increase of \$250,000 will enhance the capacity of the HRCIF to address CSWB and other emergent community priorities, including strengthening equity, diversity and inclusion in Halton.

Alternatives:

Maintain the program at 2022 funding levels. This will limit the investment available to address CSWB and emergent priorities.

Reference:

Report No. **SS-09-22** (re: Halton Region Community Investment Fund - 2022 Funding Allocations to Date)

Strategic Investment

Personal Support Worker

Funding Source	Tax
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Program Details

Department	Social & Community Services
Division	Services for Seniors
Program	Long-Term Care

Complement Details

Position Title	Personal Support Worker
FTE Impact	19.8
Relief Hours Impact	7,099.2
Personnel Group	OPSEU_LTC

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 1,637,760	\$ 1,637,760
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	1,637,760	1,637,760
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	1,637,760	1,637,760
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	(1,637,760)	(1,637,760)
Non-Subsidy Revenue	-	-
Total Revenue	(1,637,760)	(1,637,760)
	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 19.8 FTE Personal Support Workers and 7,099.2 relief hours to increase the number of direct care hours provided to residents at the Region's three Long-Term Care homes, utilizing funding provided by the Ministry of Long-Term Care (MLTC).

Need:

As reported through Report No. **SS-03-22** (re: Services for Seniors Funding Increase - Direct Care Hours), on October 6th, 2021, the MLTC announced an investment providing up to \$270 million in 2021-2022 to Long-Term Care homes across the province to increase staffing levels to provide more direct care hours of care for residents. This additional funding is part of the Province's commitment to hire more than 27,000 Long-Term Care staff over four years and ensure that residents receive, on average, four hours of direct care per day by 2024-25. As approved through Report **SS-03-22**, 59.6 FTEs and 13,550 relief hours were added to the Services for Seniors 2022 Budget to utilize this funding to support enhancements to direct care, allied health, and professional growth.

The proposed investment in 19.8 FTE and 7,099.2 relief hours utilizes increased funding from the MLTC to meet the requirement to add additional staffing resources to provide increased direct care hours, resulting in no net regional impact. This funding is limited to supporting salary, wage, and benefit costs; any additional fees required to keep the FTEs will need to be funded through increased Regional investment in future years.

Implications:

This is a required increase in Personal Support Worker staffing levels to meet the MLTC commitment of providing residents with an average of 4 hours of direct care by 2024-25.

Alternatives:

The funding must be used to increase direct care hours at Long-Term Care homes.

Reference:

Report No. **SS-03-22** (re: Services for Seniors Funding Increase - Direct Care Hours)

Strategic Investment

Contracts Administration Coordinator

Funding Source

Tax

Program Details

Department	Social & Community Services
Division	Services for Seniors
Program	Shared Services

Complement Details

Position Title	Contracts Administration Coordinator
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 98,210	\$ 98,210
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	98,210	98,210
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	98,210	98,210
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	(68,747)	(68,747)
Non-Subsidy Revenue	-	-
Total Revenue	(68,747)	(68,747)
	-	-
Net Program Expenditures	\$ 29,463	\$ 29,463

Business Case

Recommendation:

Approve 1.0 FTE Contracts Administrator Coordinator to meet the growing need for contract coordination and administration support in the Services for Seniors division.

Need:

With the growth in the Services for Seniors division and across the organization, the administration and management of contracts for goods and services require a permanent resource to provide coordinated support for developing and maintaining contract documents, tracking contract extensions and renewals, and monitoring activities against contracts. This position will monitor and track contract activities to mitigate disruption in the supply of goods and services and reduce issues and delays related to managing vendor payments and procurement activities.

This role is key to managing the supply chain. Essential duties will include:

- Preparation and submission of purchase requisition forms
- Coordination and preparation of procurement documents such as specifications, Requests for Proposal (RFPs), Requests for Tender (RFTs) and Requests for Quotation (RFQs)
- Work with Supply Chain Management to develop and maintain a process to monitor contract renewals
- Coordinate activities with the Long-Term Care Homes and Assisted Living to gather information related to goods and service specs.
- Assist with the implementation of the vendor management program and day-to-day complaint resolution
- Work with Finance to obtain financial schedules required for new contracts, contract renewals and extensions
- Work with Legal Services on forms of agreements, insurance requirements and other legal requirements
- Enter electronic bid and requisition information into internal systems for Purchase Order, contract renewals and extensions
- Receive goods for all contract invoices for release to Accounts Payable for processing
- Develop and maintain a system to monitor spending with each contractual vendor
- Create and maintain an e-filing system for documents, including draft and completed procurement documents and vendor performance issues

This investment includes Provincial funding anticipated based on the current cost-share level for a net tax impact of \$29,000.

Implications:

Without this role, the workload would have to be absorbed by existing staff resources resulting in a siloed and fractured approach. Consolidating these duties into a permanent resource will provide staffing stability and consolidated oversight over the division's administration and management of contracts for goods and services.

Alternatives:

Continue to fulfill this role using temporary resources, which is less efficient. The increased turnover associated with contract staff increases the recruitment and retention risk that must be managed.

Reference:

N/A

Strategic Investment

Senior Financial Analyst - Financial Planning

Funding Source	Tax
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Program Details	
Department	Finance
Division	Budgets & Tax Policy
Program	Financial Planning

Complement Details	
Position Title	Senior Financial Analyst - Financial Planning
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2023 Impact	2024 Impact
Personnel Services	\$ 133,650	\$ 133,650
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	133,650	133,650
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	133,650	133,650
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 133,650	\$ 133,650

Business Case

Recommendation:

Approve 1.0 FTE Senior Financial Analyst to provide support for the preparation and monitoring of the annual operating budget. This position supports key operational activities and will be responsible for coordinating and consolidating the tax-supported operating budget, support the preparation of the annual Budget & Business Plan, provide backup and cross-training support for the Region-wide compensation budget, and support strategic projects and other needs across the organization. This role will help to ensure Halton's Budget and Business Plan is financially sustainable.

Need:

The size and complexity of the operating budget has continued to grow however, staffing resources to support the annual operating budget process have remained the same in the Budgets & Tax Policy division. The monitoring and financial reporting related to Federal and Provincial subsidy funding has increased, which totalled more than \$276 million in 2022, or 30% of the 2022 gross operating budget, with more than 150 financial reports expected to be submitted in 2022 to the Federal and Provincial governments. The division is also responsible for the development and monitoring of the Region-wide compensation budget (excluding the Police), which includes 2,386.8 FTEs and 200,541.2 relief hours.

This position will provide improved stability and reduced risk for functions that are critical to the development of the annual budget, including the coordination and consolidation of the tax-supported operating budget, preparation of the annual Budget and Business Plan, and support for the overall annual budget process. This position will also cross-train and provide backup support for the Region-wide compensation budget, ensuring continuous coverage is provided for critical functions within the division. This role will provide the increased capacity required to support the additional demands placed on the division by many years of growth in size and complexity of the annual operating budget, allow for increased value-added time for management review and oversight, and also provide increased capacity to support strategic projects and other financial planning needs across the organization.

Implications:

This role requires specialized, Halton-specific expertise and training which takes time to obtain. Fulfilling this role on a continued temporary basis, with an increased risk of turnover in this area, will not provide the additional benefits that a permanent resource would, including the increased opportunity for cross-training and backup of critical functions, increased capacity for management review and oversight, and increased capacity to support strategic projects and other needs across the organization.

Alternatives:

Without this permanent resource, the portfolio of work that this role is responsible for will continue to fall on temporary resources, the Managers and Director.

Reference:

N/A

Strategic Investment

Payroll Financial Analyst

Funding Source	Tax
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Program Details

Department	Finance
Division	Financial Services & Payroll
Program	Payroll Services

Complement Details

Position Title	Payroll Financial Analyst
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 121,650	\$ 121,650
Materials & Supplies	525	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	122,175	121,650
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	122,175	121,650
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 122,175	\$ 121,650

Business Case

Recommendation:

Approve 1.0 FTE Payroll Financial Analyst to provide Payroll support. This position will support OMERS compliance & reporting and COMPASS time and attendance technical support. In addition, this position will support business continuity through secondary SAP HR Payroll system business support and payroll processing coverage for vacations and high volume periods.

Need:

Payroll has been utilizing a contract resource since 2016 to provide operational support. During the past 5 years, the team has experienced a high rate of turnover mostly due to retirements, and increased workload resulting from a steady increase in the number of Regional employees (including Police). As the workload for Payroll Services has grown over the past 5+ years (i.e. the number of T4s produced has increased by 40% from 2015 to 2021), the FTE headcount in Payroll has remained the same. In addition to the increasing number of Region employees, the number of systems that Payroll supports has also increased, including bringing the net payroll in-house, Workforce Management, and Success Factors Recruitment.

Payroll has resource gapping in the areas of OMERS compliance & reporting, COMPASS time and attendance technical support, and business continuity for critical payroll resources. This position will be instrumental in Payroll's business continuity to allow for cross training to ensure adequate coverage can be provided to process payroll during vacations and high volume periods as well as secondary SAP HR Payroll system business support can be provided during system enhancements/regular maintenance.

Implications:

This role requires specialized, Halton-specific SAP HR Payroll system and business expertise and training which takes time to obtain. Fulfilling this role on a continued temporary basis is not sustainable. The additional permanent resource will allow the Region to support OMERS compliance & reporting, COMPASS time and attendance technical support and support business continuity for critical services

Alternatives:

Due to the complexity of the role, utilization of a temporary resource to fulfill this role is not feasible. A permanent resource is required to ensure critical services in Payroll can be delivered.

Reference:

N/A

Strategic Investment
Strategic Sourcing Specialist

Funding Source	Tax
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Program Details	
Department	Finance
Division	Supply Chain Management
Program	Strategic Sourcing

Complement Details	
Position Title	Strategic Sourcing Specialist
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMMSG

Funding Impact		
Operating	2023 Impact	2024 Impact
Personnel Services	\$ 121,650	\$ 121,650
Materials & Supplies	2,679	84
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	124,329	121,734
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	124,329	121,734
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 124,329	\$ 121,734

Business Case

Recommendation:

Approve 1.0 FTE Strategic Sourcing Specialist to provide support for departmental procurement initiatives. This position will lead and execute procurements in compliance with the Region's Purchasing By-law, support the rising demand of procurement requests, assist in the development of improved processes and procedures, and undertake ongoing best practice reviews to incorporate risk-mitigating strategies.

Need:

The Region delivers services to the public, and the Strategic Sourcing team provides support to departmental procurement initiatives through procured goods and contracted third-party services. Procurement requirements vary significantly for each department and the market continues to change and evolve with new goods and service offerings due to changes in technology, legislated requirements, and changing demands. As a result, the Region's procurement practices are also changing to adapt to new market conditions often requiring in-depth market assessments with short-term and long-term sourcing strategies to determine the best type of procurement to meet Regional objectives and provide the best value. To meet the changing market demands, legislation, and growth of all Regional programs, investment in sourcing strategies, improved business processes, and technology is required to improve efficiency, internal controls, reduce risk, and improve the accuracy and timeliness of information for decision-making.

The Strategic Sourcing division currently procures approximately \$737 million of goods, services, consulting, and construction for the Region on an annual basis. Procurements have increased by 9-12% per year with an increase of 31% in the last 5 years. There has been a 12% increase in the number of contract renewals and a 20% increase in the number of price-negotiated contracts. This position will conduct activities associated with the procurement of complex categories of spend, including high-value and hard-to-source products and services, at the best value, consistent with the specified quality in the required time. This position will ensure that procurement activities are carried out in compliance with the Purchasing By-law and policies and procedures, industry practices, legislation, and professional standards. This position will also provide expertise in procuring contracts and vendor pre-qualification for major commodities, services, and consulting.

Implications:

The additional permanent resource will allow the Supply Chain Management division to continue to meet service levels and provide expertise in procuring complex goods and services. With the growing demands on Supply Chain Management, an additional Strategic Sourcing Specialist is necessary to ensure compliance with the Purchasing By-Law and support procurements for the Region.

Alternatives:

Due to the complexity of the role, utilization of a temporary resource to fulfill this role is not feasible. A permanent resource would ensure project deliverables and implementation are not impacted and advance Regional strategic objectives.

Reference:

N/A

Strategic Investment

Senior Strategic Sourcing Specialist

Funding Source	Tax
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Program Details

Department	Finance
Division	Supply Chain Management
Program	Strategic Sourcing

Complement Details

Position Title	Senior Strategic Sourcing Specialist
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 133,650	\$ 133,650
Materials & Supplies	2,679	84
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	136,329	133,734
Allocated Charges/Recoveries	(136,329)	(133,734)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 FTE Senior Strategic Sourcing Specialist to provide support for complex and high value Region-wide capital construction-specific services and related procurement initiatives. This position will lead and execute procurements in compliance with the Region's Purchasing By-law, support the rising demand of procurement requests, assist in the development of improved processes and procedures, and undertake ongoing best practice reviews to incorporate risk mitigating strategies.

Need:

The Region delivers services to the public, and the Strategic Sourcing team provides support to departmental procurement initiatives through procured goods and contracted third-party services. The procurement requirements for construction and related services continue to change and evolve with construction-related markets due to supply chain shortages, legislated requirements, and changing demands. As a result, the Region's procurement practices are also changing to adapt to new market conditions often requiring in-depth market assessments with short-term and long-term sourcing strategies to determine the best type of procurement to meet Regional objectives and provide the best value. To meet the changing market demands, legislation, and critical timelines of the Region's construction projects, the addition of senior expertise specific to the construction industry and innovative procurement methods will maximize value while also reducing risk to critical projects.

The Strategic Sourcing division currently procures approximately \$737 million of goods, services, consulting, & construction for the Region annually. Procurements have increased by 9-12% per year with an increase of 31% in the last 5 years. There has been a 12% increase in the number of contract renewals and a 20% increase in the number of price-negotiated contracts. This position will conduct activities associated with the procurement of construction-related high-value and complex procurements, including innovative and high-risk construction-related procurements, at the best value, consistent with the specified quality in the required time. This position will also provide expertise in procuring vendor pre-qualification for capital construction services and consulting. This position will ensure that procurement activities are carried out in compliance with the Purchasing By-law and policies and procedures, related legislation, industry practice, and professional standards. This role will support capital programs and will therefore be recovered from the capital budget.

Implications:

The additional permanent resource will allow the Supply Chain Management division to continue to meet service levels and provide expertise in procuring complex capital construction and services. With the growing demands on Supply Chain Management, an additional Senior Strategic Sourcing Specialist is necessary to ensure compliance with the Purchasing By-Law and to support capital program procurement needs.

Alternatives:

Due to the complexity of the role, utilization of a temporary resource to fulfill this role is not feasible. A permanent resource would ensure project deliverables and implementation are not impacted and advance Regional strategic objectives.

Reference:

N/A

Strategic Investment

Manager, Continuous Improvement

Funding Source

Tax

Program Details

Department	Digital & Information Services
Division	Energy, Fleet & Facilities
Program	Energy, Fleet & Facilities

Complement Details

Position Title	Manager, Continuous Improvement
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 166,580	\$ 166,580
Materials & Supplies	4,034	84
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	170,614	166,664
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	170,614	166,664
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 170,614	\$ 166,664

Business Case

Recommendation:

Approve 1.0 FTE Manager, Continuous Improvement to support the Energy, Fleet & Facilities division to improve and evolve to meet the needs of the Region.

Need:

To achieve the strategic priorities of Regional Council and meet organizational needs, a commitment to continuous improvement is required through increased use of technology, streamlining of business processes, and implementation of efficiencies throughout all of the Region's programs. The Energy, Fleet & Facilities division has evolved into a sophisticated business, but its operations have lagged. The Manager, Continuous Improvement position is required to streamline processes, centralize and analyze data to optimize outcomes and drive efficiencies. The Energy, Fleet & Facilities division requires this resource to modify functions through incremental and breakthrough improvements. This role will manage priority projects crucial to the Region, such as HCHC in-suite turnover, Long-Term Care Audit, LTC Kaizen, Fleet Dashboard, Financial Reporting, HCHC Reorganization, KPI (Key Performance Indicator) Creating, and others.

Implications:

This position will allow the Energy, Fleet & Facilities teams to streamline processes which will enable the business to improve and evolve quickly to meet the needs of the Region.

Alternatives:

Continue to utilize temporary contract staff, which would not be as efficient as having a dedicated, permanent resource to oversee and implement this vital work.

Reference:

N/A

Strategic Investment

Facilities Maintenance Operator (FMO)

Funding Source	Tax
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Program Details

Department	Digital & Information Services
Division	Energy, Fleet & Facilities
Program	Building Operations Corporate Facilities

Complement Details

Position Title	Facilities Maintenance Operator (FMO)
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	CUPE_BMO

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 83,030	\$ 83,030
Materials & Supplies	4,034	84
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	87,064	83,114
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	87,064	83,114
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 87,064	\$ 83,114

Business Case

Recommendation:

Approve 1.0 FTE Facilities Maintenance Operator (FMO) to support the increasing maintenance requirements of the Region's Corporate facilities.

Need:

A Facilities Maintenance Operator (FMO) is required to address the increase in facility maintenance requirements. The need for maintenance support has grown, with maintenance now required for three (3) additional paramedic stations (Stations 15, 16 and 17), the emergency shelter in Burlington, and beginning in 2023, will also be required for the expanded square footage at the HRC following completion of the HRC Renovation and Modernization project. The HRC Modernization Plan is a multi-year plan that identifies the building improvements being made to improve customer access, accessibility, security and energy efficiency of the HRC. The new design will enhance the service experience for staff and the clients who access the building. Once the HRC project is complete, the total floor area maintained by the FMOs will increase from 262,383 sq/ft to 340,355 sq/ft. Along with the additional space and equipment to manage, there may be a significant increase in the number of staff within the HRC, leading to an increase in the number of maintenance requests.

Implications:

Without the addition of this permanent resource, there will be an increase in the time it takes for work orders to be completed and an increased risk of service interruptions as a result of limited resources.

Alternatives:

The alternative is to continue utilizing temporary resources to fulfill this need. Hiring temporary staff is not a long-term sustainable solution. Hiring qualified staff with the necessary skills and experience is challenging when only temporary contracts are offered versus permanent positions.

Reference:

N/A

Strategic Investment

Maintenance Coordinator - Corporate

Funding Source

Tax

Program Details

Department	Digital & Information Services
Division	Energy, Fleet & Facilities
Program	Business Process & Customer Service

Complement Details

Position Title	Maintenance Coordinator - Corporate
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 121,650	\$ 121,650
Materials & Supplies	4,034	84
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	125,684	121,734
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	125,684	121,734
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 125,684	\$ 121,734

Business Case

Recommendation:

Approve 1.0 FTE Maintenance Coordinator to support the coordination of maintenance operations for the Region's Corporate and Long-Term Care (LTC) portfolios.

Need:

The Energy, Fleet & Facilities (EFF) division has taken on the maintenance requirements for three Long-Term Care facilities, two child care centres, three new Paramedic stations, and the emergency shelter in Burlington. Due to the growth in the number and size of Regional facilities, a Maintenance Coordinator is required to handle the responsibilities related to the day-to-day maintenance operations, vendor-related demand maintenance scheduling, and reactive projects for the Corporate and LTC portfolios.

Currently, the scheduling of all vendor-related work, management of reactive projects, and insurance and risk management incidents is undertaken by the Supervisor of Operations, Building Maintenance Operator III, and Manager of Facilities Services. Moving these duties to a new Maintenance Coordinator role will ensure that the tasks are completed efficiently, allow these positions to focus on their core responsibilities, and provide more time management review and oversight.

Implications:

A dedicated Maintenance Coordinator will assist with scheduling demand maintenance and managing reactive projects which will improve efficiency. This position will manage the entire process from start to finish, taking into account all aspects including compliance requirements.

Alternatives:

The alternative is to hire temporary contract staff which is not a long-term sustainable solution and is less efficient or continue as-is despite challenges presented by the current workloads.

Reference:

N/A

Strategic Investment

Maintenance Coordinator - HCHC

Funding Source	Tax
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Program Details

Department	Digital & Information Services
Division	Energy, Fleet & Facilities
Program	Business Process & Customer Service

Complement Details

Position Title	Maintenance Coordinator - HCHC
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 121,650	\$ 121,650
Materials & Supplies	4,034	84
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	125,684	121,734
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	125,684	121,734
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	(125,684)	(121,734)
Total Revenue	(125,684)	(121,734)
	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 FTE Maintenance Coordinator - HCHC to support the Halton Community Housing Corporation (HCHC) portfolio.

Need:

A Maintenance Coordinator is required to support the HCHC portfolio. The HCHC portfolio has experienced a significant increase in insurance-related reactive projects within HCHC Maintenance, and the Maintenance Coordinator is required to assist in the portfolio changes.

Projects involving risk management, insurance claims, and unplanned small projects fall into this category. In 2021, there was an 88% increase (77 total) in insurance items over 2020. Staff project that 2022 is trending to have a significant year-over-year increase from 2021. The Maintenance Coordinator will support a timely and comprehensive review of the insurance items, which will help to improve efficiency.

This role is currently shared among three existing staff members, which places an undue burden on the team to perform their regular duties and address the increasing insurance-related reactive projects. The Maintenance Coordinator will ensure alignment between the Energy, Fleet & Facilities (EFF) division and Halton's Housing Services partners. This will include assigning 4 Maintenance Coordinators to the existing 4 Tenant Services Advisor portfolios. Currently, each Maintenance Coordinator portfolio is 711-762 units, which should be approximately 550 units each.

This role will provide maintenance support for the HCHC housing portfolio and will therefore be recovered from the HCHC Budget.

Implications:

The Maintenance Coordinator will reduce the burden on the three (3) existing staff members currently performing this role's duties in addition to their own. This position will address the increase in the portfolio and improve efficiency.

Alternatives:

The alternative is to hire temporary contract staff, which is not a long-term sustainable solution and is less efficient, or continue with existing model despite challenges presented by the current workloads.

Reference:

N/A

Strategic Investment

Project Manager I - HCHC

Funding Source	Tax
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Program Details

Department	Digital & Information Services
Division	Energy, Fleet & Facilities
Program	Facilities Capital Design & Development

Complement Details

Position Title	Project Manager I - HCHC
FTE Impact	2.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 243,300	\$ 243,300
Materials & Supplies	8,068	168
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	251,368	243,468
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	251,368	243,468
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	(251,368)	(243,468)
Total Revenue	(251,368)	(243,468)
	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 2.0 FTE Project Manager I - HCHC to support the Halton Community Housing Corporation (HCHC) portfolio.

Need:

The Project Manager I positions are required to support the HCHC portfolio to address pressures related to increasing volumes of work orders and unit turnovers, and implement process efficiencies.

With an increasing number of work orders issued, additional resources are required to address a significant backlog to ensure they are completed in a timely manner. In addition, the length of time to complete unit turnovers is long as a result of insufficient staff resources and high turnover. Currently, temporary resources are used to support the increased number of work orders, however, this is inefficient as it requires extensive time to provide training to temporary staff.

The Project Manager I positions will oversee the unit turnover processes for the HCHC portfolio. This will allow the maintenance tenant services worker and contractor staff currently performing the unit turnovers to return to their base roles, thereby providing additional capacity to complete the customer-facing work orders in a timely manner. In addition, these Project Manager I positions will oversee continuous improvement initiatives for the unit turnover processes, and will utilize project management skillsets to implement improvements and efficiencies for these processes going forward. This allows for improvements in the length of duration of unit turnovers and a corresponding reduction in vacancy loss.

These roles will provide support for the HCHC housing portfolio, and will therefore be recovered from the HCHC Budget.

Implications:

Without the addition of these positions, the issues identified above will not be addressed, and the length of time to complete work orders and unit turnovers will likely continue to increase which will negatively impact the residents of the HCHC housing portfolio.

Alternatives:

Continue with the current staffing complement, utilizing temporary resources to mitigate the workload pressures, however this will result in further delays in work order and unit turnover completion.

Reference:

N/A

Strategic Investment

Energy Data Clerk

Funding Source

Tax

Program Details

Department	Digital & Information Services
Division	Energy, Fleet & Facilities
Program	Energy Management

Complement Details

Position Title	Energy Data Clerk
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 78,360	\$ 78,360
Materials & Supplies	4,034	84
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	82,394	78,444
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	82,394	78,444
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 82,394	\$ 78,444

Business Case

Recommendation:

Approve 1.0 FTE Energy Data Clerk to meet the growing needs of Energy Management at Halton Region.

Need:

The Region continues to investigate alternative energy technologies to reduce Regional energy costs and further reduce greenhouse gas emissions. A strategic priority for the Region is to reduce the carbon footprint related to Regional services by reducing energy consumption and greenhouse gas emissions. This Energy Data Clerk position is required to accurately track and monitor critical energy consumption data, and meet the growing needs of energy management and reporting. This position will be responsible for entering utility bill data into the Region's Energy Tracker database which is used for internal and external reporting purposes. The need for Energy Management has evolved and increased in responsibility. This position will benefit the Region by meeting the growing needs of Energy Management including database maintenance, liaising with stakeholders, investigating data anomalies, and providing overall data quality assurance. Attention to detail is of the utmost importance for this position, therefore having a dedicated staff in this role would help to minimize data inaccuracies and improve the timeliness of information and reporting.

Implications:

The additional permanent resource will allow the Energy Management program to continue to meet service levels and provide crucial energy data maintenance, tracking, and reporting functions. Fulfilling this role permanently will reduce business disruptions, improve the timeliness and accuracy of the information, and provide opportunities for cross-training and backup for critical functions, ensuring business continuity.

Alternatives:

Continue to fulfill this role using temporary resources, which is less efficient. The increased turnover associated with contract staff places increased pressure on other team members to backfill during vacancies and provide continuous training.

Reference:

N/A

Strategic Investment Claims & Risk Specialist

Funding Source	Tax
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Program Details	
Department	Legislative & Planning Services
Division	Legal Services
Program	Risk & Insurance Services

Complement Details	
Position Title	Claims & Risk Specialist
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2023 Impact	2024 Impact
Personnel Services	\$ 121,650	\$ 121,650
Materials & Supplies	5,495	360
Purchased Services	2,750	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	129,895	122,010
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	129,895	122,010
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 129,895	\$ 122,010

Business Case

Recommendation:

Approve 1.0 FTE Claims & Risk Specialist to provide claims adjusting, subrogation, recovery, risk management, and insurance support to the Region and Halton Community Housing Corporation (HCHC).

Need:

Risk & Insurance Services continues to experience an overwhelming increase in its portfolio annually for claims, incidents, recoveries, subrogated claims, and the need for general risk management support and advice. Insufficient internal resources have negatively influenced the ability to carry out day-to-day operational needs, meet Regional and customer expectations, and take an integrative approach to manage the program area.

Current open claims have reached a record high of 340 available and active files, and based on year-to-date figures, are projected to grow to 500 claims by year-end, double of those received in 2021. First-party property damage claims are expected to reach 90 by year-end, more than double the 2021 claims. Each claim needs to be reviewed for subrogation (pursue at-fault party for damages), and recovery needs to be initiated. Subrogation, or recovery, potential can range from \$1,000 to \$200,000 per claim. In addition, with increasing deductibles, very few claims exceed the increased deductible resulting in the majority of affirmations being shifted from the insurer to Halton's Risk & Insurance Services. This shift places the onus on the program area to review and pursue recoveries; however, without additional staffing, there is potential for missed opportunities.

Adding a Claims & Risk Specialist will facilitate substantial financial recoveries on Regional, and HCHC claims, rectify significant capacity constraints, and promote operational efficiencies. This position will adjust first-party property and third-party liability claims made against the Region and HCHC; identify and pursue subrogation for cost recovery of claims falling with the Region's or HCHC's deductible or uninsured claims; where applicable, oversee claim files handled by external adjusting firm and external legal counsel; liaise with insurance broker and insurer on open claims and claims which have the potential to exceed the deductible to ensure they are reported promptly; consult with departments on hazard and liability risks posed by their activities and recommend remedial loss prevention and control techniques; and, assist with developing and delivering risk training programs.

Implications:

The considerable volume of claims, active litigation files, contract reviews, risk management activities and the amount of work involved in annual insurance renewals is currently borne primarily by the Manager. Without this position, the Region's and HCHC's claims may not be managed consistently. Subrogation claims for recovery of monies owing to the Region or HCHC may be missed, leading to missed financial recoveries. There will be an increased need for an external adjuster or counsel support, which will result in increased costs. Even with the external backing, existing staff cannot manage the volume as it currently lives.

Alternatives:

The alternative is to hire temporary contract staff or rely heavily on an external adjuster, which will not support the stability and long-term management of the program area. Training requires, on average, six months to one year. Using an external adjuster is only sometimes financially viable since adjusting fees may exceed the cost of potential recovery.

Reference:

N/A

Strategic Investment

Law Clerk - Risk & Insurance

Funding Source	Tax
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Program Details

Department	Legislative & Planning Services
Division	Legal Services
Program	Risk & Insurance Services

Complement Details

Position Title	Law Clerk - Risk & Insurance
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 108,780	\$ 108,780
Materials & Supplies	4,615	-
Purchased Services	1,750	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	115,145	108,780
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	115,145	108,780
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 115,145	\$ 108,780

Business Case

Recommendation:

Approve 1.0 FTE Law Clerk - Risk & Insurance to provide risk management, insurance and litigation support.

Need:

Risk & Insurance Services continues to experience an overwhelming increase in its portfolio annually for claims, incidents, insurance requests, and the need for general risk management support and advice. Insufficient internal resources have negatively influenced the ability to carry out day-to-day operational needs, meet Regional and customer expectations, and take an integrative approach to manage the program area.

An interim solution temporarily reassigned an existing law clerk to assist in Risk & Insurance Services over one year to provide assistance and identify process improvements and efficiencies. The high volume of work, amongst other matters, proved necessary to focus on operational needs vs process improvements. This included contract review and insurance compliance, assistance with insurance program renewals, litigation support, risk awareness and identification, and training/guidance. This interim solution has highlighted and reaffirmed that additional staff are critical to supporting the Risk & Insurance Services program area to maintain and improve upon basic levels of service and that a digital solution for claims management, as well as risk and insurance management, is needed which will benefit the public, the program area, and the departments for whom Risk & Insurance Services support.

Adding a Law Clerk dedicated to Risk & Insurance Services will facilitate a proactive approach to dealing with the additional demands. This position will provide input and assistance in administering the compliance program for third-party insurance (Conflict of Interest Reviews, Notices of Cancellation, annual renewals); contract development to ensure appropriate language to limit risk exposures; assisting with assessing the Region and Halton Community Housing Corporation's (HCHC) insurance needs; providing litigation support and liaison between external counsel and Regional employees; collaborating on a digital solution for managing Claims and Insurance; developing policies and procedures aimed at mitigating risk; consulting with departments on hazard and liability risks posed by their activities; reviewing and updating various forms used by Regional staff; and, presenting seminars to raise awareness of potential liability exposures and risk controls.

Implications:

The Manager primarily bears the considerable volume of claims, active litigation files, contract reviews, risk management activities, and the amount of work involved in annual insurance. Without this position, management and mitigation of the Region's risk and insurance will be inconsistent, and identified risk mitigation measures may not be implemented, leading to potential financial exposure and reputational risk.

Alternatives:

The alternative is to hire temporary contract staff, which may not be beneficial as it will not support the stability and long-term management of the program area. Resources will be required for training which requires, on average, six months to one year, which is not feasible.

Reference:

N/A

Strategic Investment

Human Resources Business Partner

Funding Source	Tax
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Program Details

Department	Legislative & Planning Services
Division	Human Resource Services
Program	Human Resource Services

Complement Details

Position Title	Human Resources Business Partner
FTE Impact	2.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 333,160	\$ 333,160
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	333,160	333,160
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	333,160	333,160
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 333,160	\$ 333,160

Business Case

Recommendation:

Approve 2.0 FTE Human Resources Business Partners to assist the Region in achieving its strategic objectives, focusing on advancing Equity, Diversity, and Inclusion (EDI).

Need:

The Human Resources Business Partner bridges the Region's strategy and Human Resource Services' network of expertise as the advisor to Commissioners and senior leaders on strategic issues about human resource services. The Business Partner combines an understanding of the Region's strategic objectives with in-depth line-of-business expertise. Business Partners work with department leadership to ensure that the organization's strategies for acquiring, developing, and retaining talent align with the overall strategic objectives for transformation and service excellence.

The Business Partner will be responsible for the entire employee experience and lifecycle for a particular department, which is strategically critical for the Region's top priorities of EDI, wellness, and digital transformation. Success in these areas touches on every aspect of the employee lifecycle and requires an integrated deployment of all Human Resource Services functions in collaboration with operating units.

Early strategic intervention and oversight of the employee lifecycle will increase the speed of existing Human Resource Services processes as vacant positions will be filled faster due to a robust succession plan that builds and sources an internal labour market to ensure that a talented roster of internal candidates is ready for succession when vacancies arise.

Currently, the Region's Human Resource Services organizational structure comprises six "Centres Of Excellence" (COE), which includes recruitment, total rewards, learning and development, health and safety, disability management, and labour relations. A COE model is ideally suited for resolving complex problems that are narrow in their scope, such as job evaluation, but is less effective when an issue involves several components of the employee lifecycle, such as talent acquisition, succession planning and compensation. Adding these roles will provide a strategic orientation and line of business knowledge for specialized functional human resource services.

Implications:

Currently, the role of strategic advisor to each department is fulfilled by the Director of Human Resource Services and occasionally Human Resource Services managers, who are primarily assigned to deliver narrowly-focused programs within their COE. As a result, departments need a dedicated Human Resource Services advisor with in-depth business knowledge who can address their short- and long-term strategic goals. The Human Resource Services team cannot advance the business strategy and is more reactive to unexpected events.

Alternatives:

The alternative is to redefine existing positions from the existing COE to the Human Resource Services Business Partner role.

Reference:

N/A

Halton Region

Budget and Business Plan

BUDGET REPORT 2023

STRATEGIC INVESTMENTS

RATE-SUPPORTED STRATEGIC INVESTMENTS

Rate-Supported Strategic Investments

Dept.	Division	Position Title	FTE	Personnel Services	Gross Impact	Savings	Recoveries	Rate Impact
PW	W&WW Treatment	Team Supervisor, Plant Maintenance	1.0	\$ 137,970	\$ 143,110	\$ -	\$ -	\$ 143,110
PW	W&WW Treatment	Maintain, Repair and Overhaul Material Coordinator	1.0	121,650	126,790	-	-	126,790
PW	W&WW Treatment	Project Manager III	1.0	149,090	154,230	(154,230)	-	-
PW	W&WW Treatment	Project Manager III - Maintenance Capital	1.0	149,090	154,230	-	(154,230)	-
PW	W&WW System Services	Operators - Water & Wastewater Stations	3.0	297,690	313,302	(130,000)	-	183,302
PW	Engineering & Construction	Construction Ambassador	1.0	108,780	113,920	-	(113,920)	-
PW	Engineering & Construction	Project Manager III	2.0	298,180	308,460	-	(308,460)	-
PW	Infrastructure Management	Project Manager II	1.0	133,650	138,790	-	(69,395)	69,395
PW	Infrastructure Management	Project Manager II	1.0	133,650	138,790	-	(138,790)	-
PW	Infrastructure Management	Project Manager II - Asset Management	1.0	133,650	138,790	-	(69,395)	69,395
Rate-Supported Strategic Investments Total			13.0	\$ 1,663,400	\$ 1,730,412	\$ (284,230)	\$ (854,190)	\$ 591,992

Strategic Investment

Team Supervisor, Plant Maintenance

Funding Source	Rate
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Program Details

Department	Public Works
Division	W&WW Treatment
Program	Water & Wastewater Plant Maintenance

Complement Details

Position Title	Team Supervisor, Plant Maintenance
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 137,970	\$ 137,970
Materials & Supplies	5,140	360
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	143,110	138,330
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	143,110	138,330
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 143,110	\$ 138,330

Business Case

Recommendation:

Approve 1.0 FTE Team Supervisor, Plant Maintenance to provide leadership of the asset refurbishment program to avoid asset replacement costs, maintain proactive maintenance work in the plants, reduce existing supervisor and management over time, and provide additional supervision of trades staff.

Need:

The new Team Supervisor position will help manage the workload of the current Plant Maintenance Supervisors and Manager and assist the Region in avoiding asset replacement costs by providing additional support and sustainable resourcing for the asset refurbishment program. Currently, the program's demands are supported through staff overtime which is not sustainable. The additional resource will reinforce the refurbishment program, reducing asset replacements and putting less pressure on the State-of-Good-Repair capital program. In addition, requirements from the Ministry of the Environment, Conservation and Parks and the Ministry of Labour are increasing, and there is a need to align how the Region works with new safety programs. Additional supervision of trades is required to avoid workplace injury and risk of non-compliance.

Implications:

If this strategic investment is not approved, the Region will either need to scale back or cancel the refurbishment program, which will result in higher costs of asset ownership due to increased asset replacement, thus adding to the cost of the State-of-Good-Repair program.

Alternatives:

Scale back or pause the refurbishment program, which will result in higher costs for asset replacement.

Reference:

Report No. **PW-01-22/FN-11-22/DI-01-22** (re: Asset Management Program and Lifecycle Models Update)

Strategic Investment

Maintain, Repair and Overhaul Material Coordinator

Funding Source	Rate
----------------	------

Program Details	
Department	Public Works
Division	W&WW Treatment
Program	Water & Wastewater Plant Maintenance

Complement Details	
Position Title	Maintain, Repair and Overhaul Material Coordinator
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact		
Operating	2023 Impact	2024 Impact
Personnel Services	\$ 121,650	\$ 121,650
Materials & Supplies	5,140	360
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	126,790	122,010
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	126,790	122,010
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 126,790	\$ 122,010

Business Case

Recommendation:

Approve 1.0 FTE Maintain, Repair and Overhaul (MRO) Material Coordinator to enable Treatment Plant Maintenance to develop and manage original equipment manufacturer (OEM) recommended inventory and critical spare parts.

Need:

Recent supply chain issues have exacerbated the timely availability of replacement parts. Crucially, the timely availability of critical spare parts is imperative to reduce the risk of non-compliance with Ministry of the Environment, Conservation and Parks regulations and avoid plant downtime. The market conditions are changing, and the "just-in-time" concept is no longer viable. A more proactive approach is required to manage recommended inventory and critical spare parts.

The Maintain, Repair & Overhaul (MRO) Material Coordinator will:

- Significantly reduce wait time on work by developing aligned supply chain strategies and inventory management systems. The lack of inventory is putting plants at serious risk, as 90% of material is purchased directly, resulting in delays in the start of maintenance work (an average of 4-5 months and sometimes up to 12 months after the initial order has been made).
- Implement Material containment locations at each plant, develop stock strategy and prevent outages.
- Work with the Reliability Engineer and equipment manufacturers to develop SAP PM requirements that meet reliability, maintainability and Ministry of the Environment, Conservation and Park requirements.
- Support reliability engineering strategies and build asset-related component lists by utilizing advanced analytics to determine stock and non-stock quantities.

The maintenance program highlights unmet material needs. Inventory value is expected to increase over the next ten years as the refurbishment program addresses aging infrastructure and parts obsolescence increases. This increase requires a dedicated resource to manage the materials management program.

Implications:

If this investment is not approved, maintenance delays will put the Region at risk of regulatory non-compliance and/or plant interruptions.

Alternatives:

Continue to rely on temporary staffing and/or consultants which increases the risk of service unreliability and loss of intellectual capital.

Reference:

Report No. **PW-01-22/FN-11-22/DI-01-22** (re: Asset Management Program and Lifecycle Models Update)

Strategic Investment

Project Manager III

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	W&WW Treatment
Program	Water & Wastewater Plant Maintenance

Complement Details

Position Title	Project Manager III
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 149,090	\$ 149,090
Materials & Supplies	5,140	360
Purchased Services	(154,230)	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	-	149,450
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	149,450
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ 149,450

Business Case

Recommendation:

Approve 1.0 FTE Project Manager III within the Water and Wastewater Treatment division of Public Works to provide optimization and continuous improvement services for the treatment plants.

Need:

The Project Manager III will provide technical expertise toward continuous improvement and optimization of water and wastewater treatment plants.

The position will help to:

- Identify and implement solutions to optimize energy and chemical usage per unit of water or wastewater treated, particularly in the near term with economic challenges and expected increases in commodity pricing over the coming years.
- Advise and administer training to staff on process control strategies, particularly at the Mid-Halton and Skyway wastewater treatment plants, to enable agility required to handle climate change driven impacts arising from seasonal flow variations.
- Provide technical support in the design and development of capital projects, operational strategies, maintenance strategies, and start-up/commissioning training for new processes, including any impacts from future green energy initiatives that tie into the treatment process.
- Identify opportunities to reduce or defer capital project costs through capacity development of treatment processes at the Mid Halton and Skyway wastewater treatment plants.
- Report and characterize water and wastewater plant performance relative to regulation, optimized performance, and industry standards to assist with long-term planning and emerging Ministry of the Environment, Conservation and Parks wastewater treatment requirements. Research, design, change in practices/processes take considerable lead time; work with Provincial & Federal government to develop guidelines.

This investment is fully offset by savings with no net rate impact.

Implications:

A lack of investment in the optimization program risks missing out on potential operating cost savings, performance-based training for staff, and the optimization of plant assets. A significant impact will be the inability to build a viable strategy to reduce chemical consumption at the wastewater treatment plants.

Alternatives:

Either outsource this work at a higher overall cost to the Region, or do not identify and implement continuous improvement initiatives at the treatment plants.

Reference:

N/A

Strategic Investment

Project Manager III - Maintenance Capital

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	W&WW Treatment
Program	Plant Capital & Engineering

Complement Details

Position Title	Project Manager III - Maintenance Capital
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 149,090	\$ 149,090
Materials & Supplies	5,140	360
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	154,230	149,450
Allocated Charges/Recoveries	(154,230)	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	149,450
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ 149,450

Business Case

Recommendation:

Approve 1.0 FTE Project Manager III to deliver maintenance and state-of-good-repair projects for water and wastewater stations.

Need:

The Project Manager III, Maintenance Capital, will help perform condition needs assessments every five years for each of the 125 water and wastewater stations.

The condition needs assessments are required to identify the necessary emergency repairs, planned maintenance and capital work needed to maintain the stations in a state of good repair, avoid unnecessary operational service disruptions and meet regulatory requirements. A minimum of 25 condition assessments are completed each year. Due to growth, additional capacity is needed to deliver the Maintenance and State-of-Good-Repair projects for Linear and Station Assets. As detailed in Report No. **PW-01-22/FN-11-22/DI-01-22** (re: Asset Management Program and Lifecycle Models Update), it is projected that there will be fifteen new or expanded stations throughout the region in the next ten years.

The maintenance work identified requires a project manager to oversee a consultant to develop the scope, review and comment on the design and may require managing specialized contractors or multiple trades to deliver the work. Dedicated project managers are needed to oversee these complex projects, which take more than a year to complete. An additional FTE is required to provide the necessary oversight and ensure projects are delivered in alignment with Regional procurement requirements and that the work meets operational objectives, addresses the current backlog, and keeps pace with growth.

This investment will support capital programs and therefore be recovered from the capital budget.

Implications:

This FTE will help mitigate the risk of failure and service disruption, which could lead to regulatory compliance issues, reputational risk to the Region, environmental threats, and expensive unplanned emergency repairs and shutdowns. Without this FTE, only reactive maintenance would be performed, which could be much more costly than planned maintenance repairs.

Alternatives:

Defer work until it can be completed as part of a major capital project which may lead to potential asset failure and significant impact on residents.

Reference:

Report No. **PW-01-22/FN-11-22/DI-01-22** (re: Asset Management Program and Lifecycle Models Update)

Strategic Investment

Operators - Water & Wastewater Stations

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	W&WW System Services
Program	Water & Wastewater Stations

Complement Details

Position Title	Operators - Water & Wastewater Stations
FTE Impact	3.0
Relief Hours Impact	0.0
Personnel Group	CUPE_PW

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 297,690	\$ 297,690
Materials & Supplies	15,612	252
Purchased Services	(130,000)	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	183,302	297,942
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	183,302	297,942
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 183,302	\$ 297,942

Business Case

Recommendation:

Approve 3.0 FTE Operator positions for the Water and Wastewater Stations group to support the growth of the system as well as to support the maintenance program.

Need:

The 3.0 FTE Operators will support the water & wastewater system's growth and maintenance program. Over the past several years, there has been significant growth in the number of new and expanded water and wastewater station facilities throughout the region. Eight pumping and booster stations have been built or expanded over the last five years. New stations require up to 1,082 operator hours annually to operate and maintain in addition to the extra hours required for expanded stations. As detailed in Report No. **PW-01-22/FN-11-22/DI-01-22** (re: Asset Management Program and Lifecycle Models Update), it is projected that there will be fifteen new or expanded stations throughout the region in the next ten years.

Additional staff are needed to operate and maintain new and expanded infrastructure and meet regulatory obligations. The 3.0 FTE Operators will provide the additional capacity required to support the operation and maintenance of the new stations and ensure that the Region can meet the regulatory requirements for station operation, sampling and inspection.

Savings partially offset this investment with a net rate impact of \$183,000.

Implications:

The 3.0 FTE Operators will provide the necessary oversight to reduce the risk of service disruptions and non-compliance violations. Due to licensing required for operations staff and collective agreement obligations, the Region cannot contract the stations' operation.

Alternatives:

Without additional FTEs, the Region will rely on overtime to meet workload demands and contracted services to support maintenance programs.

Reference:

Report No. **PW-01-22/FN-11-22/DI-01-22** (re: Asset Management Program and Lifecycle Models Update)

Strategic Investment

Construction Ambassador

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	Engineering & Construction
Program	Engineering Management Office

Complement Details

Position Title	Construction Ambassador
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 108,780	\$ 108,780
Materials & Supplies	5,140	360
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	113,920	109,140
Allocated Charges/Recoveries	(113,920)	(109,140)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 FTE to support the increased workload for the Construction Ambassador program.

Need:

The Construction Ambassador program, introduced in 2019, has seen considerable success and has now expanded to support all of the active projects in Engineering & Construction. At present, each of the Construction Ambassadors is supporting approximately 81 projects. Due to limited capacity, a large number of the projects are being supported on a limited basis, however Project Managers are seeking a higher level of support. For smaller capital projects that require ad-hoc engagement, the Ambassador program provides support in notice drafting & circulation, coordination of notice distributions, project webpage updates, one-off inquiries and complaints, and monthly site visits.

In addition to the services noted above, for large and complex projects, the Construction Ambassador program is now able to offer extended services that include:

- Co-ordination of all communication and engagement activities (newsletter updates, website updates, social media updates, Councillor communications, etc.)
- Single point of contact for all stakeholder inquiries and issues/complaints
- Facilitation of third party claims
- Performing regular site visits and pro-actively identifying project/site issues

With the Region's capital program continuing to grow in size and complexity, the need for Construction Ambassador services are increasing, needing more capacity to fulfill those needs. An additional FTE will enable the expansion in Construction Ambassador service portfolio, building the capacity and capability to consistently deliver quality, reliable services to the Engineering & Construction group and other stakeholders.

This investment will support capital programs and will therefore be recovered from the capital budget.

Implications:

The approval of this investment will provide better customer service, improved timeliness and quality in service delivery, and an appropriate allocation of work based on role and qualification (tasks that can be handled by a Construction Ambassador are currently performed by Project Managers and Senior Project Advisors).

Alternatives:

Continue with the current staffing level, however this will compromise the level of customer service that can be provided, and will necessitate further overtime for existing employees.

Reference:

N/A

Strategic Investment

Project Manager III

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	Engineering & Construction
Program	Engineering & Construction

Complement Details

Position Title	Project Manager III
FTE Impact	2.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 298,180	\$ 298,180
Materials & Supplies	10,280	720
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	308,460	298,900
Allocated Charges/Recoveries	(308,460)	(298,900)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 2.0 FTE Project Manager III positions within the Capital Engineering and Construction program to help stabilize workloads and ensure the continued delivery of effective short-term and long-term project commitment.

Need:

Growth within the Region can only be sustained by delivering on-time and reliable infrastructure. The Engineering & Construction division will continue to position itself and respond to the community's demands and expectations. Project managers within the Capital Engineering and Construction program deliver an annual State-of-Good-Repair program that has been increasing in size over the last several years, is set to increase by approximately 50% in 2023 and nearly double in the years to follow.

The new Project Manager III positions are needed to stabilize the existing and future capital workloads with an increased focus on the quality of capital delivery while maintaining a high level of service to internal and external stakeholders. Additional project management support is needed to meet the demands of the expanding capital programs (i.e., state-of-good-repair and development-related) and to strengthen internal expertise and resources to increase the effectiveness of delivering complex capital programs. Support is also required to stabilize capital workloads with an increased focus on the quality of capital delivery while maintaining a high level of service to internal and external stakeholders and ensuring the group can continue effectively delivering on its short-term and long-term project commitments.

The positions are also needed to help prepare the State-of-Good-Repair capital budget to support the Asset Management Plan ([PW-01-22/FN-11-22/DI-01-22](#)).

This investment will support capital programs and therefore be recovered from the capital budget.

Implications:

If the 2.0 FTEs are not approved, the delivery of the proposed capital program will be at risk. In addition, any deferral of capital work may result in adverse impacts on to cost of operating existing infrastructure and the ability to service new growth. The Region's current high level of customer service could also be impacted.

Alternatives:

Reduce/defer state-of-good-repair and development-related capital programs and continue to increase maintenance-related budgets for existing assets. Increase project workloads for existing project managers.

Reference:

Report No. [PW-01-22/FN-11-22/DI-01-22](#) (re: Asset Management Program and Lifecycle Models Update)

Strategic Investment

Project Manager II

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	Infrastructure Management
Program	Water & Wastewater Planning

Complement Details

Position Title	Project Manager II
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 133,650	\$ 133,650
Materials & Supplies	5,140	360
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	138,790	134,010
Allocated Charges/Recoveries	(69,395)	(67,005)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	69,395	67,005
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 69,395	\$ 67,005

Business Case

Recommendation:

Approve 1.0 FTE Project Manager to balance workloads, ensure timely responses to planning reviews, and deliver high-quality Municipal Class Environmental Assessment Studies in support of the Water and Wastewater Capital Program.

Need:

This new position of Project Manager II for the Water & Wastewater Infrastructure Planning group will manage the execution of Municipal Class Environmental Assessment (MCEA) studies and the review of development applications. The Project Manager will be executing these MCEA Studies and will have significant stakeholder engagement internally and with regulatory agencies, local municipalities, the development community and an increasingly engaged public who expect their concerns to be met.

A considerable time commitment from the Project Manager is required to ensure that the multitude of interests is balanced while achieving Region objectives. The Project Managers are involved at the project kick-off and chartering and through the Engineering and Construction phase to provide continuity, monitor MCEA commitment, and review support for Detail Design.

The Project Manager is required to develop unique infrastructure planning solutions and substantial coordination with local partners. This will help reduce the logged overtime of the current Supervisor from performing reviews. The new Project Manager will allow for a more appropriate balancing of workload, freeing the Supervisor to prioritize team resources and mentor the team.

The Project Manager will reduce the current workload issue significantly. One of its primary responsibilities is to commit to stakeholder engagement internally and externally. The new role will also play a significant role in new MCEA's more complex studies as they will become more complicated and time-consuming. It will also prevent the risk of poor infrastructure coordination. If this position is not approved, existing resources will continue to accumulate extensive overtime and potential delays in project delivery.

Implications:

Suppose this FTE is not approved, with the Provincial focus on increasing the speed of development review. In that case, the current staff complement will require an unsustainable additional level of effort. The new Project Manager will help reduce the logged overtime of the current Supervisor performing reviews and allow for a more appropriate balancing of workload, freeing the Supervisor to prioritize team resources and mentor the team.

Alternatives:

Continue to increase project manager and supervisor workloads at the risk of staff wellness and retention. Defer starting MCEA Studies, delaying the delivery of the capital program.

Reference:

N/A

Strategic Investment

Project Manager II

Funding Source	Rate
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Program Details

Department	Public Works
Division	Infrastructure Management
Program	Transportation & Mobility Planning

Complement Details

Position Title	Project Manager II
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 133,650	\$ 133,650
Materials & Supplies	5,140	360
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	138,790	134,010
Allocated Charges/Recoveries	(138,790)	(134,010)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 FTE Project Manager II to assist with workload and ensure the continued delivery of high-quality Municipal Class Environmental Assessment (MCEA) Studies in support of the Transportation Capital Implementation Plan.

Need:

This new position of Project Manager II will establish the technical solutions to meet transportation needs for growth and identify the property requirements and cost estimates for subsequent Engineering and Construction implementation according to the Municipal Class Environmental Assessment (MCEA) standards. The Transportation and Mobility group will be undertaking 10 MCEAs in 2023 and 2024 and an additional 5 in 2025/2026 to meet identified growth needs.

A significant time commitment from the Project Manager is required to ensure that the multitude of interests is balanced while achieving Region objectives due to the increased complexity of MCEA studies. The Project Managers are involved at the project kick-off and chartering and through the Engineering and Construction phase to provide continuity and monitoring of MCEA commitment and review support at 30%, 60% and 90% for Transportation-related Detail Design.

The Project Manager II will help reduce the workload problem that's currently existing in the department. The Supervisor is logging significant additional hours to support these applications. This is expected to increase as more reviews are intended to support intensification, often requiring developing unique infrastructure planning solutions and substantial coordination with local partners. The position will help MCEA studies to ensure a successful transition to the design and implementation phase of a project.

The Project Manager II will review Secondary Plans/MTSA/OPAs and Transportation Related Studies by the Local and Adjacent Municipalities. With the Provincial focus on increasing the speed of development review, an unsustainable additional level of effort will be required.

Implications:

Suppose this FTE is not approved, with the Provincial focus on increasing the speed of development review. In that case, the current staff complement will require an unsustainable additional level of effort. With 15 MCEAs scheduled for the next four years, a lack of a dedicated Project Manager will significantly delay project delivery as requested by the Provincial government.

Alternatives:

Continue to increase project manager and supervisor workloads at the risk of staff wellness and retention. Defer starting MCEA Studies, delaying the delivery of the capital program.

Reference:

N/A

Strategic Investment

Project Manager II - Asset Management

Funding Source	Rate
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Program Details

Department	Public Works
Division	Infrastructure Management
Program	Asset Management

Complement Details

Position Title	Project Manager II - Asset Management
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT_MMMSG

Funding Impact

Operating	2023 Impact	2024 Impact
Personnel Services	\$ 133,650	\$ 133,650
Materials & Supplies	5,140	360
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	138,790	134,010
Allocated Charges/Recoveries	(69,395)	(67,005)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	69,395	67,005
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Financing & Other Costs	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
	-	-
Net Program Expenditures	\$ 69,395	\$ 67,005

Business Case

Recommendation:

Approve 1.0 FTE Project Manager II, Asset Management to provide a dedicated resource for roads and storm capital program planning, asset management program support, and address Asset Management regulatory compliance.

Need:

The position will support asset management and capital programming coordination of right-of-way road assets, including bridges and culverts, retaining walls programs, road resurfacing programs, signalized intersections and storm assets. This will address the gap between road operations and engineering and construction; the gap has resulted in reduced services due to delayed asset renewal. The right-of-way assets get missed resulting in late scope changes.

The position will also support the implementation of the PW Costing Tool, Life-cycle Modelling, and Asset Management Program updates and support coordination with local municipal partners, Peel boundary roads and external agencies (MTO & Metrolinx) for an aligned capital program. Additionally, road works may be coordinated with growth-triggered projects that share the same right-of-way or may need to be scheduled to avoid construction conflicts.

The Project Manager II will maintain service levels through the timely renewal of infrastructure assets. This will improve the consistency of quality and reliable capital project/program information for all internal stakeholders and the public. In addition, this will improve the timeliness and quality of decision-making applicable to Halton's asset management program and capital budget programming. The addition of the Project Manager II will enhance the efficiency of retrieving/utilizing capital project data for all stakeholders.

Implications:

If this position is not approved, right-of-way road assets will be maintained reactively rather than proactively, resulting in higher costs and potential service interruptions.

Alternatives:

Continue filling the role with contract resources. Implementation of the roads asset management program and efficient operation of the Division will be adversely impacted due to a lack of consistent, experienced help.

Reference:

Report No. **PW-01-22/FN-11-22/DI-01-22** (re: Asset Management Program and Lifecycle Models Update)

Halton Region Budget and Business Plan

BUDGET REPORT 2023

OPERATING BUDGET



Tax-Supported Budget Summary

Tax-Supported Budget Summary (\$000s)									
	2022	2023			Change in Budget				
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved		
Regional Services	\$ 293,009,903	\$ 304,743,025	\$ 2,184,062	\$ 306,927,087	\$ 11,733,122	4.0%	\$ 13,917,184	4.7%	
Police Services	175,946,539	183,468,548	2,570,461	186,039,009	7,522,009	4.3%	10,092,470	5.7%	
Total	\$ 468,956,442	\$ 488,211,573	\$ 4,754,523	\$ 492,966,096	\$ 19,255,131	4.1%	\$ 24,009,654	5.1%	

Schedule may not add due to rounding

Summary of Tax Changes (With 1.7% Weighted Assessment Growth)				
	2023			2023
	Base Budget	Strategic Investments	Requested Budget	Budget Directions
Regional Services	2.3%	0.7%	3.0%	3.0%
Police Services	2.5%	1.4%	4.0%	
Total	2.4%	1.0%	3.4%	

Net Program Expenditures - Tax

The following tables set out the net expenditure by program at a detailed level.

Net Dollars	2020	2021	2022		2023			Change in Budget			
	Actuals	Actuals	Approved Budget	Projected Actual ¹	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved	
Health											
Healthy Families	\$ 5,251,939	\$ 3,323,656	\$ 4,875,707	\$ 3,078,509	\$ 5,037,377	\$ 105,686	\$ 5,143,063	\$ 161,670	3.3%	\$ 267,356	5.5%
Health Protection	4,153,310	3,942,644	3,698,449	3,484,324	3,793,501	-	3,793,501	95,052	2.6%	95,052	2.6%
Healthy Schools & Communities ¹	3,514,479	6,177,555	4,265,911	6,662,333	4,476,919	-	4,476,919	211,008	4.9%	211,008	4.9%
Infectious Disease Control	1,174,477	1,983,107	3,425,657	3,678,266	3,548,086	41,534	3,589,620	122,429	3.6%	163,963	4.8%
Public Health Resources	2,229,280	1,757,071	2,310,833	2,508,124	2,454,567	(41,534)	2,413,033	143,735	6.2%	102,201	4.4%
Total Public Health	16,323,484	17,184,033	18,576,556	19,411,556	19,310,450	105,686	19,416,136	733,894	4.0%	839,580	4.5%
Paramedic Services	21,462,472	20,762,730	23,131,195	22,531,195	24,927,374	305,408	25,232,782	1,796,179	7.8%	2,101,587	9.1%
Total Health	37,785,957	37,946,764	41,707,752	41,942,751	44,237,824	411,094	44,648,918	2,530,072	6.1%	2,941,166	7.1%
Social & Community Services											
Children's Services	11,071,105	7,390,366	12,725,151	10,849,151	13,087,046	-	13,087,046	361,895	2.8%	361,895	2.8%
Employment & Social Services	6,132,547	6,114,466	7,477,158	6,917,158	7,474,694	-	7,474,694	(2,464)	0.0%	(2,464)	0.0%
Housing Services	36,526,757	36,410,565	36,953,131	37,037,131	39,303,875	-	39,303,875	2,350,744	6.4%	2,350,744	6.4%
Human Services Planning & Program Support	7,598,110	7,863,188	8,740,751	8,672,751	8,887,915	250,000	9,137,915	147,164	1.7%	397,164	4.5%
Services for Seniors	19,401,526	20,906,058	21,322,067	21,754,067	23,990,727	29,463	24,020,190	2,668,661	12.5%	2,698,124	12.7%
Total Social & Community Services	80,730,045	78,684,642	87,218,259	85,230,258	92,744,258	279,463	93,023,721	5,525,999	6.3%	5,805,462	6.7%
Legislative & Planning Services											
Planning Services	11,235,910	11,447,057	12,866,910	12,751,910	13,545,741	-	13,545,741	678,831	5.3%	678,831	5.3%
Economic Development	2,914,140	2,903,283	3,795,858	3,340,858	3,719,450	-	3,719,450	(76,408)	-2.0%	(76,408)	-2.0%
Total Legislative & Planning Services	14,150,050	14,350,340	16,662,768	16,092,768	17,265,191	-	17,265,191	602,423	3.6%	602,423	3.6%
Public Works - Tax											
Waste Management	46,276,935	46,018,416	45,624,460	47,831,460	47,842,264	-	47,842,264	2,217,804	4.9%	2,217,804	4.9%
Road Operations	56,262,922	55,481,980	58,570,731	58,830,731	60,413,414	69,395	60,482,809	1,842,684	3.1%	1,912,079	3.3%
Total Public Works - Tax	102,539,857	101,500,396	104,195,191	106,662,191	108,255,678	69,395	108,325,073	4,060,488	3.9%	4,129,883	4.0%
Corporate Administration											
Corporate Administration	(2,336,740)	(1,124,016)	-	1,482,000	-	-	-	-	0.0%	-	0.0%
Total Corporate Administration	(2,336,740)	(1,124,016)	-	1,482,000	-	-	-	-	0.0%	-	0.0%

Schedule may not add due to rounding

¹Includes COVID-19 Vaccination Program



Net Dollars	2020	2021	2022		2023			Change in Budget			
	Actuals	Actuals	Approved Budget	Projected Actual ²	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved	
Non-Program Items & Fiscal Transactions											
Supplementary Tax Revenue	(6,781,823)	(6,901,143)	(7,300,000)	(7,300,000)	(7,300,000)	-	(7,300,000)	-	0.0%	-	0.0%
Other Tax Revenue	(4,897,457)	(4,816,407)	(4,400,000)	(4,400,000)	(4,700,000)	-	(4,700,000)	(300,000)	9.4%	(300,000)	9.4%
Tax Write-Off Provision	5,926,777	7,267,109	4,700,000	4,700,000	4,900,000	-	4,900,000	200,000	4.3%	200,000	4.3%
Tax Policy Expenditures	367,967	452,035	548,000	548,000	548,000	-	548,000	-	0.0%	-	0.0%
Assessment Services	9,830,722	9,845,574	9,930,500	9,862,500	9,947,500	-	9,947,500	17,000	0.2%	17,000	0.2%
<i>Provincial Offences Act</i>	(2,330,555)	(982,527)	(2,327,852)	(803,852)	(2,327,852)	-	(2,327,852)	-	0.0%	-	0.0%
Net Interest Earnings	(7,750,801)	(7,750,799)	(7,750,800)	(7,750,799)	(7,750,800)	-	(7,750,800)	-	0.0%	-	0.0%
General Expenditures ²	38,187,140	38,636,492	31,132,762	26,249,763	30,416,339	1,424,110	31,840,449	(716,423)	-2.3%	707,687	2.3%
Governance Chargeback	-	5,348,938	6,177,202	6,177,202	5,476,977	-	5,476,977	(700,225)	-11.3%	(700,225)	-11.3%
Total Non-Prog Items & Fiscal Transactions	32,551,970	41,099,273	30,709,812	27,282,814	29,210,164	1,424,110	30,634,274	(1,499,648)	-4.9%	(75,538)	-0.2%
Boards & Agencies											
Conservation Authorities	9,772,316	10,086,073	10,452,410	10,452,410	10,939,051	-	10,939,051	486,641	4.7%	486,641	4.7%
Royal Botanical Gardens	802,491	818,541	834,912	834,912	859,959	-	859,959	25,047	3.0%	25,047	3.0%
North Halton Mental Health Clinic	1,018,949	1,224,274	1,228,800	1,228,800	1,230,900	-	1,230,900	2,100	0.2%	2,100	0.2%
Total Boards & Agencies	11,593,756	12,128,888	12,516,122	12,516,122	13,029,910	-	13,029,910	513,788	4.1%	513,788	4.1%
Net Regional Impact Expenditure	277,014,895	284,586,287	293,009,903	291,208,904	304,743,025	2,184,062	306,927,087	11,733,122	4.0%	13,917,184	4.7%
Halton Regional Police Service											
Police Services	152,717,652	158,449,447	168,209,916	166,109,916	174,280,000	2,570,461	176,850,461	6,070,084	3.6%	8,640,545	5.1%
Police Services - Debt Charges	4,153,761	3,416,834	3,230,107	3,230,107	5,007,540	-	5,007,540	1,777,433	55.0%	1,777,433	55.0%
Police Services - Reserves/Capital Transfers	5,103,210	6,965,932	4,506,516	4,506,516	4,181,008	-	4,181,008	(325,508)	-7.2%	(325,508)	-7.2%
Total Halton Regional Police Service	161,974,623	168,832,213	175,946,539	173,846,539	183,468,548	2,570,461	186,039,009	7,522,009	4.3%	10,092,470	5.7%
Net Regional Levy Requirement	\$ 438,989,518	\$ 453,418,500	\$ 468,956,442	\$ 465,055,442	\$ 488,211,573	\$ 4,754,523	\$ 492,966,096	\$ 19,255,131	4.1%	\$ 24,009,654	5.1%

Schedule may not add due to rounding

² Includes projected utilization of CRFM funding for COVID-19

Net Dollars	2020	2021	2022		2023			Change in Budget			
	Actuals	Actuals	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved		2023 Requested / 2022 Approved	
Corporate Administration											
Finance											
Budgets & Tax Policy	\$ 2,497,046	\$ 2,576,021	\$ 3,064,927	\$ 3,102,657	\$ 3,240,896	\$ 133,650	\$ 3,374,546	\$ 175,969	5.7%	\$ 309,619	10.1%
Capital & Development Financing	2,100,417	2,401,671	2,291,198	2,319,403	2,352,287	-	2,352,287	61,089	2.7%	61,089	2.7%
Financial Services & Payroll	4,426,931	4,594,560	4,853,365	4,913,112	4,881,059	122,175	5,003,234	27,694	0.6%	149,869	3.1%
Supply Chain Management	2,472,477	3,022,458	3,193,905	3,233,223	3,278,560	260,658	3,539,218	84,656	2.7%	345,314	10.8%
Total Finance	11,496,870	12,594,709	13,403,395	13,568,395	13,752,803	516,483	14,269,286	349,408	2.6%	865,891	6.5%
Digital & Information Services											
Business Solutions & Process Transformation	4,478,936	4,776,809	5,089,871	5,091,461	5,240,832	-	5,240,832	150,962	3.0%	150,962	3.0%
Digital Architecture & Portfolio Management	761,362	924,564	1,262,518	1,262,913	1,289,877	-	1,289,877	27,359	2.2%	27,359	2.2%
Digital Services & Data Management	4,103,135	4,886,139	6,469,969	6,471,991	6,918,058	-	6,918,058	448,089	6.9%	448,089	6.9%
Digital Workplace & Technology	12,731,138	13,942,684	13,045,363	13,049,440	14,011,604	-	14,011,604	966,240	7.4%	966,240	7.4%
Communications	3,307,305	3,256,678	3,679,703	3,797,475	3,756,616	-	3,756,616	76,913	2.1%	76,913	2.1%
Energy, Fleet & Facilities	20,633,686	21,634,933	22,762,986	22,127,131	23,467,413	465,756	23,933,169	704,427	3.1%	1,170,183	5.1%
Total Digital & Information Services	46,015,562	49,421,807	52,310,411	51,800,411	54,684,400	465,756	55,150,156	2,373,990	4.5%	2,839,746	5.4%
Legislative & Planning Services											
Legal Services	8,311,528	9,257,920	9,539,206	10,060,194	10,841,377	245,040	11,084,107	1,302,171	13.7%	1,544,901	16.2%
Human Resource Services	4,255,160	5,424,272	5,611,217	5,388,129	5,722,934	333,160	6,059,455	111,717	2.0%	448,238	8.0%
Performance, Emergency & Enterprise Risk Management	445,721	454,056	1,367,743	1,324,843	1,457,354	-	1,456,303	89,611	6.6%	88,560	6.5%
Total Legislative & Planning Services	13,012,409	15,136,247	16,518,166	16,773,166	18,021,665	578,200	18,599,865	1,503,499	9.1%	2,081,699	12.6%
Office of the CAO											
Internal Audit	732,459	745,693	847,533	759,054	862,131	-	862,131	14,599	1.7%	14,599	1.7%
Strategic Policy & Government Relations	1,734,079	1,935,459	3,134,536	2,486,615	3,295,444	-	3,295,444	160,907	5.1%	160,907	5.1%
Total Office of the CAO	2,466,538	2,681,152	3,982,069	5,093,872	4,157,575	-	4,157,575	175,506	4.4%	175,506	4.4%
Office of the Chair & Regional Council											
Office of the Chair	252,250	248,592	293,109	293,109	299,604	-	299,604	6,495	2.2%	6,495	2.2%
Regional Council	1,559,364	1,516,069	1,655,330	1,655,330	1,708,630	-	1,708,630	53,300	3.2%	53,300	3.2%
Total Office of the Chair & Regional Council	1,811,615	1,764,661	1,948,439	1,948,439	2,008,234	-	2,008,234	59,795	3.1%	59,795	3.1%
Total Corporate Administration Costs	\$ 74,802,994	\$ 81,598,577	\$ 88,162,480	\$ 89,184,283	\$ 92,624,677	\$ 1,560,439	\$ 94,185,116	\$ 4,462,197	5.1%	\$ 6,022,636	6.8%

Schedule may not add due to rounding

Corporate Administration Costs

In accordance with MBNCanada, the Region allocates corporate support costs to program delivery departments. This table includes details of the Corporate Administration expenditures that are reallocated through corporate support.

Net Dollars	Total Expenditures					Allocated Recoveries & External Revenues					Net Expenditures / Corporate Support				
	2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change 2023 Requested / 2022 Approved		2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change 2023 Requested / 2022 Approved		2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change 2023 Requested / 2022 Approved	
Finance															
Budgets & Tax Policy	\$ 2,569,092	\$ 3,055,344	\$ 3,364,791	\$ 309,447	10.1%	\$ (1,719,739)	\$ (1,824,978)	\$ (1,913,342)	\$ (88,364)	4.8%	\$ 849,353	\$ 1,230,365	\$ 1,451,449	\$ 221,083	18.0%
Capital & Development Financing	2,776,469	2,899,166	2,960,597	61,432	2.1%	(2,334,494)	(2,616,997)	(2,589,945)	27,051	-1.0%	441,975	282,169	370,652	88,483	31.4%
Financial Services & Payroll	4,694,494	5,044,186	5,352,537	308,351	6.1%	(738,001)	(1,023,822)	(1,183,293)	(159,471)	15.6%	3,956,493	4,020,365	4,169,245	148,880	3.7%
Supply Chain Management	3,181,519	3,477,269	3,648,061	170,791	4.9%	(1,128,789)	(1,344,588)	(1,371,645)	(27,057)	2.0%	2,052,730	2,132,681	2,276,416	143,734	6.7%
Total Finance	13,221,574	14,475,965	15,325,986	850,021	5.9%	(5,921,022)	(6,810,385)	(7,058,225)	(247,840)	3.6%	7,300,551	7,665,580	8,267,761	602,180	7.9%
Digital & Information Services															
Business Solutions & Process Transformation	5,038,521	5,269,672	5,419,897	150,225	2.9%	(661,744)	(501,731)	(1,139,905)	(638,174)	127.2%	4,376,777	4,767,941	4,279,992	(487,949)	-10.2%
Digital Architecture & Portfolio Management	923,522	1,259,933	1,287,195	27,262	2.2%	(2,661)	-	-	-	0.0%	920,861	1,259,933	1,287,195	27,262	2.2%
Digital Services & Data Management	4,881,200	6,583,582	7,030,360	446,778	6.8%	(333,050)	(123,211)	(270,694)	(147,483)	119.7%	4,548,150	6,460,371	6,759,666	299,295	4.6%
Digital Workplace & Technology	14,085,750	13,296,427	14,247,682	951,256	7.2%	(2,924,481)	(2,939,917)	(2,390,942)	548,975	-18.7%	11,161,269	10,356,510	11,856,741	1,500,231	14.5%
Communications	3,253,008	3,672,169	3,748,806	76,637	2.1%	(60,145)	-	-	-	0.0%	3,192,862	3,672,169	3,748,806	76,637	2.1%
Energy, Fleet & Facilities	24,306,040	25,845,037	27,482,745	1,637,708	6.3%	(12,780,013)	(13,848,608)	(15,012,990)	(1,164,382)	8.4%	11,526,027	11,996,429	12,469,755	473,326	3.9%
Total Digital & Information Services	52,488,040	55,926,820	59,216,686	3,289,866	5.9%	(16,762,093)	(17,413,467)	(18,814,531)	(1,401,064)	8.0%	35,725,946	38,513,353	40,402,155	1,888,802	4.9%
Legislative & Planning Services															
Legal Services	9,427,636	9,804,382	11,313,844	1,509,462	15.4%	(4,823,449)	(5,698,557)	(6,688,114)	(989,557)	17.4%	4,604,187	4,105,825	4,625,730	519,905	12.7%
Human Resource Services	6,412,189	6,596,289	7,058,915	462,626	7.0%	(1,923,601)	(1,963,249)	(2,001,826)	(38,577)	2.0%	4,488,588	4,633,040	5,057,088	424,048	9.2%
Performance, Emergency & Enterprise Risk Management	452,157	1,365,377	1,454,280	88,904	6.5%	(5,931)	(166,930)	(171,100)	(4,170)	2.5%	446,227	1,198,447	1,283,180	84,734	7.1%
Total Legislative & Planning Services	16,291,983	17,766,047	19,827,039	2,060,992	11.6%	(6,752,981)	(7,828,736)	(8,861,040)	(1,032,304)	13.2%	9,539,002	9,937,311	10,965,999	1,028,687	10.4%
Office of the CAO															
Internal Audit	727,378	847,533	862,131	14,599	1.7%	-	-	-	-	0.0%	727,378	847,533	862,131	14,599	1.7%
Strategic Policy & Government Relations	2,103,774	3,134,536	3,295,444	160,907	5.1%	(197,932)	-	-	-	0.0%	1,905,842	3,134,536	3,295,444	160,907	5.1%
Total Office of the CAO	2,831,152	3,982,069	4,157,575	175,506	4.4%	(197,932)	-	-	-	0.0%	2,633,220	3,982,069	4,157,575	175,506	4.4%
Office of the Chair & Regional Council															
Office of the Chair	248,592	293,109	299,604	6,495	2.2%	-	-	-	-	0.0%	248,592	293,109	299,604	6,495	2.2%
Regional Council	1,521,069	1,660,330	1,766,130	105,800	6.4%	(5,000)	(5,000)	(57,500)	(52,500)	1050.0%	1,516,069	1,655,330	1,708,630	53,300	3.2%
Total Office of the Chair & Regional Council	1,769,661	1,953,439	2,065,734	112,295	5.7%	(5,000)	(5,000)	(57,500)	(52,500)	1050.0%	1,764,661	1,948,439	2,008,234	59,795	3.1%
Total Corporate Administration	\$ 86,602,410	\$ 94,104,340	\$ 100,593,019	\$ 6,488,679	6.9%	\$(29,639,028)	\$(32,057,588)	\$(34,791,296)	\$ (2,733,709)	8.5%	\$ 56,963,381	\$ 62,046,753	\$ 65,801,723	\$ 3,754,970	6.1%

Schedule may not add due to rounding

Gross Expenditures & Revenues by Program (Tax)

This table sets out the total direct costs, other expenditures, capital expenditures, which total gross expenditures, revenues and net program impact.

	Total Direct Costs					Other Expenditures					Capital Financing & Other Costs				
	2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change		2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change		2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change	
				2023 Requested / 2022 Approved					2023 Requested / 2022 Approved				2023 Requested / 2022 Approved		
Health															
Healthy Families	\$ 6,258,036	\$ 8,690,002	\$ 9,084,730	\$ 394,728	4.5%	\$ 1,808,293	\$ 2,502,003	\$ 2,547,465	\$ 45,462	1.8%	\$ -	\$ -	\$ -	\$ -	0.0%
Health Protection	5,449,516	6,895,488	7,058,148	162,660	2.4%	2,209,798	1,907,017	1,950,706	43,689	2.3%	-	-	-	-	0.0%
Healthy Schools & Communities	47,320,879	14,002,080	13,978,243	(23,837)	-0.2%	2,753,473	2,332,347	2,595,474	263,127	11.3%	18,500	18,500	46,000	27,500	148.6%
Infectious Disease Control	16,635,436	9,267,517	7,445,515	(1,822,002)	-19.7%	2,750,754	1,848,800	1,994,912	146,112	7.9%	11,166	11,166	34,023	22,857	204.7%
Public Health Resources	4,355,552	4,562,192	4,824,992	262,800	5.8%	(36,314)	826,411	1,053,615	227,204	27.5%	-	-	-	-	0.0%
Total Public Health	80,019,418	43,417,279	42,391,628	(1,025,651)	-7.2%	9,486,005	9,416,577	10,142,172	725,595	50.8%	29,666	29,666	80,023	50,357	353.4%
Paramedic Services	34,293,089	37,682,992	39,555,538	1,872,546	5.0%	5,659,906	6,106,498	7,074,581	968,083	15.9%	3,415,407	3,086,446	3,203,359	116,913	3.8%
Total Health	114,312,507	81,100,271	81,947,166	846,895	1.0%	15,145,910	15,523,075	17,216,753	1,693,677	10.9%	3,445,073	3,116,112	3,283,382	167,270	5.4%
Social & Community Services															
Children's Services	66,287,878	119,206,769	119,725,702	518,933	0.4%	3,293,951	2,378,146	3,964,354	1,586,208	66.7%	50,000	50,000	50,000	-	0.0%
Employment & Social Services	25,411,393	32,687,308	32,521,165	(166,143)	-0.5%	2,830,649	2,941,385	2,964,762	23,377	0.8%	-	-	-	-	0.0%
Housing Services	51,896,497	50,871,973	51,509,792	637,820	1.3%	3,602,060	2,080,620	1,949,602	(131,018)	-6.3%	6,500,000	6,500,000	6,500,000	-	0.0%
Human Services Planning & Program Support	6,976,728	7,834,690	9,403,034	1,568,344	20.0%	886,460	906,061	1,063,725	157,664	17.4%	-	-	-	-	0.0%
Services for Seniors	71,415,868	68,797,935	72,358,788	3,560,854	5.2%	11,208,340	11,297,627	12,643,023	1,345,396	11.9%	2,234,323	2,265,223	2,265,223	-	0.0%
Total Social & Community Services	221,988,364	279,398,675	285,518,482	6,119,807	2.2%	21,821,460	19,603,839	22,585,466	2,981,627	15.2%	8,784,323	8,815,223	8,815,223	-	0.0%
Legislative & Planning Services															
Planning Services	6,959,980	8,091,748	8,269,153	177,405	2.2%	3,485,207	3,795,805	4,036,914	241,109	6.4%	2,307,250	2,330,250	2,615,250	285,000	12.2%
Economic Development	2,036,901	2,848,580	2,749,616	(98,964)	-3.5%	1,110,357	1,144,467	1,167,225	22,758	2.0%	18,500	18,500	18,500	-	0.0%
Legal Services	9,238,825	9,760,078	11,358,603	1,598,525	16.4%	(8,146,545)	(9,528,206)	(11,120,525)	(1,592,319)	16.7%	-	-	-	-	0.0%
Human Resource Services	6,284,020	6,579,962	7,091,328	511,366	7.8%	(6,500,712)	(6,579,962)	(7,091,328)	(511,366)	7.8%	-	-	-	-	0.0%
Performance, Emergency & Enterprise Risk Management	463,492	1,363,979	1,465,473	101,494	7.4%	(662,659)	(1,363,979)	(1,465,473)	(101,494)	7.4%	-	-	-	-	0.0%
Total Legislative & Planning Services	24,983,217	28,644,347	30,934,173	2,289,826	8.0%	(10,714,352)	(12,531,874)	(14,473,187)	(1,941,313)	15.5%	2,325,750	2,348,750	2,633,750	285,000	12.1%
Public Works - Tax															
Waste Management	42,834,662	41,903,987	43,547,496	1,643,509	3.9%	4,863,827	4,603,133	5,096,174	493,041	10.7%	7,208,525	7,223,240	7,266,179	42,939	0.6%
Road Operations	15,623,613	18,115,370	18,694,482	579,111	3.2%	3,506,414	3,916,687	4,356,274	439,587	11.2%	37,144,659	37,145,421	38,146,201	1,000,780	2.7%
Total Public Works - Tax	58,458,275	60,019,357	62,241,978	2,222,620	3.7%	8,370,241	8,519,820	9,452,448	932,628	10.9%	44,353,184	44,368,661	45,412,380	1,043,719	2.4%
Finance															
Budgets & Tax Policy	2,585,762	3,064,533	3,373,747	309,215	10.1%	(2,787,950)	(3,064,533)	(3,373,747)	(309,215)	10.1%	-	-	-	-	0.0%
Capital & Development Financing	2,722,662	2,855,410	2,916,501	61,091	2.1%	(2,350,155)	(2,263,410)	(2,324,501)	(61,091)	2.7%	-	-	-	-	0.0%
Financial Services & Payroll	4,692,814	5,051,327	5,351,047	299,720	5.9%	(4,480,723)	(4,928,077)	(5,227,797)	(299,720)	6.1%	-	-	-	-	0.0%
Supply Chain Management	2,909,294	3,216,274	3,391,377	175,103	5.4%	(2,847,983)	(3,187,674)	(3,362,777)	(175,103)	5.5%	-	6,000	6,000	-	0.0%
Total Finance	12,910,532	14,187,543	15,032,672	845,129	6.0%	(12,466,811)	(13,443,693)	(14,288,822)	(845,129)	6.3%	-	6,000	6,000	-	0.0%

Schedule may not add due to rounding



	Total Direct Costs					Other Expenditures					Capital Financing & Other Costs				
	2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change		2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change		2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change	
				2023 Requested / 2022 Approved					2023 Requested / 2022 Approved					2023 Requested / 2022 Approved	
Office of the CAO															
Internal Audit	703,708	847,197	861,762	14,566	1.7%	(811,756)	(847,197)	(861,762)	(14,566)	1.7%	-	-	-	-	0.0%
Strategic Policy & Government Relations	2,124,548	3,131,858	3,291,683	159,824	5.1%	(2,866,906)	(3,131,858)	(3,291,683)	(159,824)	5.1%	-	-	-	-	0.0%
Total Office of the CAO	2,828,255	3,979,055	4,153,445	174,390	4.4%	(3,678,662)	(3,979,055)	(4,153,445)	(174,390)	4.4%	-	-	-	-	0.0%
Digital Information Services															
Business Solutions & Process Transformation	5,046,782	5,273,266	5,423,875	150,610	2.9%	(5,287,231)	(5,088,515)	(5,239,124)	(150,609)	3.0%	-	-	-	-	0.0%
Digital Architecture & Portfolio Management	925,365	1,262,271	1,289,404	27,133	2.1%	(996,262)	(1,262,271)	(1,289,404)	(27,133)	2.1%	-	-	-	-	0.0%
Digital Services & Data Management	3,914,282	6,591,859	7,036,643	444,785	6.7%	(3,534,327)	(6,490,648)	(6,935,432)	(444,785)	6.9%	-	-	-	-	0.0%
Digital Workplace & Technology	8,638,974	8,925,005	9,565,816	640,811	7.2%	(12,191,402)	(12,957,882)	(13,883,046)	(925,164)	7.1%	3,838,791	4,032,876	4,317,230	284,354	7.1%
Communications	3,268,057	3,676,373	3,741,185	64,813	1.8%	(4,047,260)	(3,676,373)	(3,744,185)	(67,813)	1.8%	-	-	3,000	3,000	0.0%
Energy, Fleet & Facilities	18,313,751	19,278,498	20,161,931	883,433	4.6%	(19,953,066)	(21,326,482)	(22,355,592)	(1,029,110)	4.8%	4,452,063	4,655,663	5,263,307	607,644	13.1%
Total Digital Information Services	40,107,210	45,007,271	47,218,855	2,211,584	4.9%	(46,009,548)	(50,802,169)	(53,446,784)	(2,644,615)	5.2%	8,290,854	8,688,539	9,583,537	894,998	10.3%
Office of the Chair & Regional Council															
Office of the Chair	239,311	284,300	290,390	6,090	2.1%	(281,770)	(284,300)	(290,390)	(6,090)	2.1%	-	-	-	-	0.0%
Regional Council	1,521,069	1,660,330	1,766,130	105,800	6.4%	(1,634,510)	(1,660,330)	(1,766,130)	(105,800)	6.4%	-	-	-	-	0.0%
Total Office of the Chair & Regional Council	1,760,380	1,944,630	2,056,520	111,890	5.8%	(1,916,280)	(1,944,630)	(2,056,520)	(111,890)	5.8%	-	-	-	-	0.0%
Boards & Agencies															
Conservation Authorities	10,086,073	10,452,410	10,939,051	486,641	4.7%	-	-	-	-	0.0%	-	-	-	-	0.0%
Royal Botanical Gardens	818,541	834,912	859,959	25,047	3.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
North Halton Mental Health Clinic	1,039,574	1,040,000	1,040,000	-	0.0%	184,700	188,800	190,900	2,100	1.1%	-	-	-	-	0.0%
Total Boards & Agencies	11,944,188	12,327,322	12,839,010	511,688	4.2%	184,700	188,800	190,900	2,100	1.1%	-	-	-	-	0.0%
Halton Regional Police Service															
Halton Regional Police Service	167,420,629	176,695,017	186,017,514	9,322,497	5.3%	4,659,949	2,090,071	2,397,007	306,936	14.7%	7,421,610	7,736,623	9,188,548	1,451,925	18.8%
Halton Regional Police Service	167,420,629	176,695,017	186,017,514	9,322,497	5.3%	4,659,949	2,090,071	2,397,007	306,936	14.7%	7,421,610	7,736,623	9,188,548	1,451,925	18.8%
Non-Program Items & Fiscal Transactions															
Supplementary Tax Revenue	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Other Tax Revenue	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Tax Write-Off Provision	7,267,109	4,700,000	4,900,000	200,000	4.3%	-	-	-	-	0.0%	-	-	-	-	0.0%
Tax Policy Expenditures	452,035	548,000	548,000	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Assessment Services	9,845,574	9,930,500	9,947,500	17,000	0.2%	-	-	-	-	0.0%	-	-	-	-	0.0%
Provincial Offences Act Revenue	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Net Interest Earnings	(391,623)	-	-	-	0.0%	55,526,085	43,632,200	43,632,200	-	0.0%	-	-	-	-	0.0%
General Expenditures	1,902,743	4,457,466	3,882,326	(575,140)	-12.9%	17,405,898	5,005,164	5,837,991	832,827	16.6%	28,610,747	29,644,994	30,090,016	445,022	1.5%
Governance Chargeback	-	-	-	-	0.0%	5,348,938	6,177,202	5,476,977	(700,225)	-	-	-	-	-	0.0%
Total Non-Program Items & Fiscal Transactions	19,075,837	19,635,966	19,277,826	(358,140)	-1.8%	78,280,921	54,814,566	54,947,168	132,602	0.2%	28,610,747	29,644,994	30,090,016	445,022	1.5%
Net Regional Tax Levy	\$ 675,789,397	\$ 722,939,454	\$ 747,237,640	\$ 24,298,186	3.4%	\$ 53,677,528	\$ 18,038,749	\$ 18,370,984	\$ 332,234	1.8%	\$ 103,231,541	\$ 104,724,902	\$ 109,012,836	\$ 4,287,934	4.1%

Schedule may not add due to rounding



	Total Gross Expenditures				Total Revenue				Net Program Expenditures						
	2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change		2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change		2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change	
				2023 Requested / 2022 Approved					2023 Requested / 2022 Approved					2023 Requested / 2022 Approved	
Health															
Healthy Families	\$ 8,066,329	\$ 11,192,005	\$ 11,632,195	\$ 440,190	3.9%	\$ (4,742,674)	\$ (6,316,298)	\$ (6,489,132)	\$ (172,834)	2.7%	\$ 3,323,656	\$ 4,875,707	\$ 5,143,063	\$ 267,356	5.5%
Health Protection	7,659,313	8,802,505	9,008,854	206,349	2.3%	(3,716,669)	(5,104,056)	(5,215,353)	(111,297)	2.2%	3,942,644	3,698,449	3,793,501	95,052	2.6%
Healthy Schools & Communities	50,092,853	16,352,927	16,619,717	266,790	1.6%	(43,915,297)	(12,087,016)	(12,142,798)	(55,782)	0.5%	6,177,555	4,265,911	4,476,919	211,008	4.9%
Infectious Disease Control	19,397,356	11,127,483	9,474,450	(1,653,033)	-14.9%	(17,414,249)	(7,701,826)	(5,884,830)	1,816,996	-23.6%	1,983,107	3,425,657	3,589,620	163,963	4.8%
Public Health Resources	4,319,238	5,388,603	5,878,607	490,005	9.1%	(2,562,167)	(3,077,770)	(3,465,574)	(387,804)	12.6%	1,757,071	2,310,833	2,413,033	102,201	4.4%
Total Public Health	89,535,089	52,863,522	52,613,823	(249,699)	2.1%	(72,351,055)	(34,286,966)	(33,197,687)	1,089,279	-5.6%	17,184,033	18,576,556	19,416,136	839,580	4.5%
Paramedic Services	43,368,401	46,875,936	49,833,478	2,957,542	6.3%	(22,605,671)	(23,744,741)	(24,600,696)	(855,955)	3.6%	20,762,730	23,131,195	25,232,782	2,101,587	9.1%
Total Health	132,903,490	99,739,459	102,447,301	2,707,842	2.7%	(94,956,726)	(58,031,707)	(57,798,383)	233,324	-0.4%	37,946,764	41,707,752	44,648,918	2,941,166	7.1%
Social & Community Services															
Children's Services	69,631,830	121,634,915	123,740,056	2,105,141	1.7%	(62,241,464)	(108,909,764)	(110,653,010)	(1,743,246)	1.6%	7,390,366	12,725,151	13,087,046	361,895	2.8%
Employment & Social Services	28,242,042	35,628,693	35,485,927	(142,766)	-0.4%	(22,127,576)	(28,151,535)	(28,011,233)	140,302	-0.5%	6,114,466	7,477,158	7,474,694	(2,464)	0.0%
Housing Services	61,998,557	59,452,592	59,959,394	506,802	0.9%	(25,587,992)	(22,499,461)	(20,655,519)	1,843,942	-8.2%	36,410,565	36,953,131	39,303,875	2,350,744	6.4%
Human Services Planning & Program Support	7,863,188	8,740,751	10,466,759	1,726,008	19.7%	-	-	(1,328,844)	(1,328,844)	0.0%	7,863,188	8,740,751	9,137,915	397,164	4.5%
Services for Seniors	84,858,531	82,360,785	87,267,034	4,906,250	6.0%	(63,952,474)	(61,038,718)	(63,246,844)	(2,208,126)	3.6%	20,906,058	21,322,067	24,020,190	2,698,124	12.7%
Total Social & Community Services	252,594,147	307,817,737	316,919,171	9,101,435	3.0%	(173,909,505)	(220,599,478)	(223,895,450)	(3,295,972)	1.5%	78,684,642	87,218,259	93,023,721	5,805,462	6.7%
Legislative & Planning Services															
Planning Services	12,752,437	14,217,803	14,921,317	703,514	4.9%	(1,305,380)	(1,350,893)	(1,375,576)	(24,683)	1.8%	11,447,057	12,866,910	13,545,741	678,831	5.3%
Economic Development	3,165,758	4,011,547	3,935,341	(76,206)	-1.9%	(262,475)	(215,689)	(215,891)	(202)	0.1%	2,903,283	3,795,858	3,719,450	(76,408)	-2.0%
Legal Services	1,092,280	231,872	238,078	6,206	2.7%	(197,599)	(231,872)	(238,078)	(6,206)	2.7%	894,680	-	-	-	0.0%
Human Resource Services	(216,692)	-	-	-	-	-	-	-	-	0.0%	(216,692)	-	-	-	0.0%
Performance, Emergency & Enterprise Risk Management	(199,167)	-	-	-	-	-	-	-	-	0.0%	(199,167)	-	-	-	0.0%
Total Legislative & Planning Services	16,594,615	18,461,223	19,094,736	633,513	3.4%	(1,765,454)	(1,798,454)	(1,829,545)	(31,091)	1.7%	14,829,161	16,662,768	17,265,191	602,423	3.6%
Public Works - Tax															
Waste Management	54,907,014	53,730,360	55,909,849	2,179,489	4.1%	(8,888,598)	(8,105,900)	(8,067,585)	38,315	-0.5%	46,018,416	45,624,460	47,842,264	2,217,804	4.9%
Road Operations	56,274,686	59,177,478	61,196,957	2,019,479	3.4%	(792,706)	(606,747)	(714,147)	(107,400)	17.7%	55,481,980	58,570,731	60,482,809	1,912,079	3.3%
Total Public Works - Tax	111,181,700	112,907,838	117,106,806	4,198,968	3.7%	(9,681,305)	(8,712,647)	(8,781,732)	(69,085)	0.8%	101,500,396	104,195,191	108,325,073	4,129,883	4.0%
Finance															
Budgets & Tax Policy	(202,188)	-	-	-	0.0%	-	-	-	-	0.0%	(202,188)	-	-	-	0.0%
Capital & Development Financing	372,507	592,000	592,000	-	0.0%	(361,711)	(592,000)	(592,000)	-	0.0%	10,796	-	-	-	0.0%
Financial Services & Payroll	212,092	123,250	123,250	-	0.0%	(106,535)	(123,250)	(123,250)	-	0.0%	105,557	-	-	-	0.0%
Supply Chain Management	61,311	34,600	34,600	-	0.0%	(50,235)	(34,600)	(34,600)	-	0.0%	11,076	-	-	-	0.0%
Total Finance	443,721	749,850	749,850	-	0.0%	(518,481)	(749,850)	(749,850)	-	0.0%	(74,760)	-	-	-	0.0%

Schedule may not add due to rounding



	Total Gross Expenditures				Total Revenue				Net Program Expenditures			
	2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change 2023 Requested / 2022 Approved	2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change 2023 Requested / 2022 Approved	2021 Actuals	2022 Approved Budget	2023 Requested Budget	Change 2023 Requested / 2022 Approved
Office of the CAO												
Internal Audit	(108,049)	-	-	- 0.0%	-	-	-	- 0.0%	(108,049)	-	-	- 0.0%
Strategic Policy & Government Relations	(742,358)	-	-	- 0.0%	-	-	-	- 0.0%	(742,358)	-	-	- 0.0%
Total Office of the CAO	(850,407)			0.0%				0.0%	(850,407)			0.0%
Digital Information Services												
Business Solutions & Process Transformation	(240,449)	184,751	184,751	- 0.0%	(262,330)	(184,751)	(184,751)	- 0.0%	(502,778)	-	-	- 0.0%
Digital Architecture & Portfolio Management	(70,897)	-	-	- 0.0%	-	-	-	- 0.0%	(70,897)	-	-	- 0.0%
Digital Services & Data Management	379,954	101,211	101,211	- 0.0%	(557)	(101,211)	(101,211)	- 0.0%	379,397	-	-	- 0.0%
Digital Workplace & Technology	286,363	-	-	- 0.0%	-	-	-	- 0.0%	286,363	-	-	- 0.0%
Communications	(779,204)	-	-	- 0.0%	-	-	-	- 0.0%	(779,204)	-	-	- 0.0%
Energy, Fleet & Facilities	2,812,747	2,607,679	3,069,646	461,966 17.7%	(2,647,399)	(2,607,679)	(3,069,646)	(461,967) 17.7%	165,349	-	-	- 0.0%
Total Digital Information Services	2,388,516	2,893,641	3,355,608	461,967 16.0%	(2,910,286)	(2,893,641)	(3,355,608)	(461,967) 16.0%	(521,769)			0.0%
Office of the Chair & Regional Council												
Office of the Chair	(42,459)	-	-	- 0.0%	-	-	-	- 0.0%	(42,459)	-	-	- 0.0%
Regional Council	(113,441)	-	-	- 0.0%	-	-	-	- 0.0%	(113,441)	-	-	- 0.0%
Total Office of the Chair & Regional Council	(155,900)			0.0%				0.0%	(155,900)			0.0%
Boards & Agencies												
Conservation Authorities	10,086,073	10,452,410	10,939,051	486,641 4.7%	-	-	-	- 0.0%	10,086,073	10,452,410	10,939,051	486,641 4.7%
Royal Botanical Gardens	818,541	834,912	859,959	25,047 3.0%	-	-	-	- 0.0%	818,541	834,912	859,959	25,047 3.0%
North Halton Mental Health Clinic	1,224,274	1,228,800	1,230,900	2,100 0.2%	-	-	-	- 0.0%	1,224,274	1,228,800	1,230,900	2,100 0.2%
Total Boards & Agencies	12,128,888	12,516,122	13,029,910	513,788 4.1%				0.0%	12,128,888	12,516,122	13,029,910	513,788 4.1%
Halton Regional Police Service												
Halton Regional Police Service	179,502,189	186,521,711	197,603,069	11,081,358 5.9%	(10,669,975)	(10,575,172)	(11,564,060)	(988,888) 9.4%	168,832,213	175,946,539	186,039,009	10,092,470 5.7%
Halton Regional Police Service	179,502,189	186,521,711	197,603,069	11,081,358 5.9%	(10,669,975)	(10,575,172)	(11,564,060)	(988,888) 9.4%	168,832,213	175,946,539	186,039,009	10,092,470 5.7%
Non-Program Items & Fiscal Transactions												
Supplementary Tax Revenue	-	-	-	- 0.0%	(6,901,143)	(7,300,000)	(7,300,000)	- 0.0%	(6,901,143)	(7,300,000)	(7,300,000)	- 0.0%
Other Tax Revenue	-	-	-	- 0.0%	(4,816,407)	(4,400,000)	(4,700,000)	(300,000) 6.8%	(4,816,407)	(4,400,000)	(4,700,000)	(300,000) 6.8%
Tax Write-Off Provision	7,267,109	4,700,000	4,900,000	200,000 4.3%	-	-	-	- 0.0%	7,267,109	4,700,000	4,900,000	200,000 4.3%
Tax Policy Expenditures	452,035	548,000	548,000	- 0.0%	-	-	-	- 0.0%	452,035	548,000	548,000	- 0.0%
Assessment Services	9,845,574	9,930,500	9,947,500	17,000 0.2%	-	-	-	- 0.0%	9,845,574	9,930,500	9,947,500	17,000 0.2%
Provincial Offences Act Revenue	-	-	-	- 0.0%	(982,527)	(2,327,852)	(2,327,852)	- 0.0%	(982,527)	(2,327,852)	(2,327,852)	- 0.0%
Net Interest Earnings	55,134,462	43,632,200	43,632,200	- 0.0%	(62,885,262)	(51,383,000)	(51,383,000)	- 0.0%	(7,750,800)	(7,750,800)	(7,750,800)	- 0.0%
General Expenditures	47,919,387	39,107,624	39,810,333	702,709 1.8%	(9,282,895)	(7,974,862)	(7,969,884)	4,978 -0.1%	38,636,492	31,132,762	31,840,449	707,687 2.3%
Governance Chargeback	5,348,938	6,177,202	5,476,977	(700,225) -11.3%	-	-	-	- 0.0%	5,348,938	6,177,202	5,476,977	(700,225) -11.3%
Total Non-Prog Items & Fiscal Transactions	125,967,505	104,095,526	104,315,010	219,484 0.2%	(84,868,233)	(73,385,714)	(73,680,736)	(295,022) 0.4%	41,099,272	30,709,812	30,634,274	(75,538) -0.2%
Net Regional Tax Levy	\$832,698,465	\$845,703,106	\$874,621,461	\$28,918,355 3.4%	\$(379,279,966)	\$(376,746,663)	\$(381,655,365)	\$ (4,908,702) 1.3%	\$453,418,500	\$468,956,442	\$492,966,097	\$24,009,654 5.1%

Schedule may not add due to rounding



Rate-Supported Budget Summary

Regional Water & Wastewater Services											
	2020	2021	2022		2023			Change in Budget			
Rate Supported Services	Actual	Actual	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2023 Base / 2022 Approved	2023 Requested / 2022 Approved		
Treatment	\$ 74,000,317	\$ 71,329,919	\$ 69,658,198	\$ 71,470,634	\$ 72,361,662	\$ 493,525	\$ 72,855,187	\$ 2,703,464	3.9%	\$ 3,196,989	4.6%
System Services	53,059,536	54,316,031	55,205,259	53,902,695	56,786,990	252,697	57,039,687	1,581,731	2.9%	1,834,428	3.3%
Infrastructure Planning & Policy	3,107,451	3,236,505	3,773,651	3,773,651	3,877,460	208,185	4,085,645	103,809	2.8%	311,994	8.3%
Engineering & Construction	12,030,567	12,291,024	15,272,842	13,963,204	16,142,022	422,380	16,564,402	869,180	5.7%	1,291,560	8.5%
Public Works Administration	546,661	518,882	1,613,672	633,800	1,637,572	-	1,637,572	23,900	1.5%	23,900	1.5%
Recoveries from Capital Projects	(17,255,364)	(16,683,068)	(22,986,499)	(21,676,861)	(24,087,725)	(784,795)	(24,872,520)	(1,101,225)	4.8%	(1,886,020)	8.2%
Gross Operating Expenditures	125,489,168	125,009,293	122,537,123	122,067,123	126,717,981	591,992	127,309,973	4,180,859	3.4%	4,772,851	3.9%
Capital Financing Expenses											
Debt Charges	24,504,020	22,183,328	20,902,600	20,902,600	16,200,700	-	16,200,700	(4,701,901)	-22.5%	(4,701,901)	-22.5%
Transfers to Reserve	87,168,772	95,208,062	101,593,136	101,593,136	109,522,152	-	109,522,152	7,929,016	7.8%	7,929,016	7.8%
Transfers to Vehicle Reserve	1,492,700	1,530,000	1,587,300	1,587,300	1,646,900	-	1,646,900	59,600	3.8%	59,600	3.8%
Transfers to Canada Community-Building Fund Reserve	9,482,000	9,482,000	9,482,000	9,482,000	9,482,000	-	9,482,000	-	0.0%	-	0.0%
Transfers from Reserve	(9,898,970)	(9,891,670)	(9,882,162)	(9,882,162)	(6,897,720)	-	(6,897,720)	2,984,442	-30.2%	2,984,442	-30.2%
Capital Financing Expenditures	112,748,522	118,511,719	123,682,875	123,682,875	129,954,032	-	129,954,032	6,271,157	5.1%	6,271,157	5.1%
Total Gross Expenditures	238,237,690	243,521,012	246,219,998	245,749,998	256,672,013	591,992	257,264,005	10,452,016	4.2%	11,044,008	4.5%
Subsidy Revenue	(9,482,000)	(9,482,000)	(9,482,000)	(9,482,000)	(9,482,000)	-	(9,482,000)	-	0.0%	-	0.0%
Other Revenues											
Bulk Water Charges	(901,186)	(983,396)	(775,000)	(775,000)	(850,000)	-	(850,000)	(75,000)	9.7%	(75,000)	9.7%
Fees for Service	(2,763,384)	(2,844,660)	(2,707,952)	(2,707,952)	(2,745,399)	-	(2,745,399)	(37,447)	1.4%	(37,447)	1.4%
Sewer Discharge Agreements	(708,530)	(808,812)	(1,134,872)	(1,134,872)	(1,134,872)	-	(1,134,872)	-	0.0%	-	0.0%
Interest Earnings	(3,617,000)	(3,617,000)	(3,617,000)	(3,617,000)	(3,617,000)	-	(3,617,000)	-	0.0%	-	0.0%
Total Revenue	(17,472,099)	(17,735,868)	(17,716,824)	(17,716,824)	(17,829,271)	-	(17,829,271)	(112,447)	0.6%	(112,447)	0.6%
Net Program Impact	\$ 220,765,591	\$ 225,785,145	\$ 228,503,174	\$ 224,533,174	\$ 238,842,742	\$ 591,992	\$ 239,434,734	\$ 10,339,568	4.5%	\$ 10,931,560	4.8%
Growth Impact:											
Customer Growth (1.5%)										(1,546,211)	-0.7%
Net Increase Requirement										\$ 9,385,349	4.1%
Schedule may not add due to rounding											



Gross Expenditures & Revenues by Program (Rate)

This table sets out the total direct costs, other expenditures, capital expenditures, which total gross expenditures, revenues and net program impact.

	Total Direct Costs					Other Expenditures					Capital Financing Expenditures				
	2021 Actual	2022 Approved Budget	2023 Requested Budget	Change in Budget 2023 Requested / 2022 Approved		2021 Actual	2022 Approved Budget	2023 Requested Budget	Change in Budget 2023 Requested / 2022 Approved		2021 Actual	2022 Approved Budget	2023 Requested Budget	Change in Budget 2023 Requested / 2022 Approved	
Treatment	\$ 55,444,506	\$ 56,838,071	\$ 59,141,009	\$ 2,302,938	4.1%	\$ 13,369,759	\$ 9,064,836	\$ 9,662,127	\$ 597,291	6.6%	\$ -	\$ -	\$ -	\$ -	0.0%
System Services	35,938,992	40,850,169	41,766,509	916,340	2.2%	19,061,900	13,400,407	14,318,495	918,088	6.9%	-	-	-	-	0.0%
Infrastructure Planning & Policy	6,045,780	7,048,639	7,617,131	568,492	8.1%	(5,364,827)	(6,243,671)	(6,797,870)	(554,198)	8.9%	-	-	-	-	0.0%
Engineering & Construction	9,339,233	11,857,807	12,668,508	810,701	6.8%	(9,339,233)	(11,857,807)	(12,668,508)	(810,701)	6.8%	-	-	-	-	0.0%
Public Works Administration	5,354,691	5,849,750	6,054,400	204,650	3.5%	(4,841,509)	(4,271,078)	(4,451,828)	(180,750)	4.2%	-	-	-	-	0.0%
Capital Financing	-	-	-	-	0.0%	-	-	-	-	0.0%	118,511,719	123,682,875	129,954,032	6,271,157	5.1%
Total Water & Wastewater Systems	112,123,203	122,444,437	127,247,556	4,803,120	3.9%	12,886,090	92,686	62,417	(30,269)	-32.7%	118,511,719	123,682,875	129,954,032	6,271,157	5.1%
Water & Wastewater Rate Revenues															
Bulk Water Charges	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Gas Tax Revenues	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Fees for Service	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Sewer Discharge Agreements	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Interest Earnings	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Total Rate Revenues	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Total Rate Impact	\$ 112,123,203	\$ 122,444,437	\$ 127,247,556	\$ 4,803,120	3.9%	\$ 12,886,090	\$ 92,686	\$ 62,417	\$ (30,269)	-32.7%	\$ 118,511,719	\$ 123,682,875	\$ 129,954,032	\$ 6,271,157	5.1%

Schedule may not add due to rounding

	Total Gross Expenditures					Total Revenue					Net Program Expenditures				
	2021 Actual	2022 Approved Budget	2023 Requested Budget	Change in Budget 2023 Requested / 2022 Approved		2021 Actual	2022 Approved Budget	2023 Requested Budget	Change in Budget 2023 Requested / 2022 Approved		2021 Actual	2022 Approved Budget	2023 Requested Budget	Change in Budget 2023 Requested / 2022 Approved	
Treatment	\$ 68,814,266	\$ 65,902,907	\$ 68,803,136	\$ 2,900,229	4.4%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 68,814,266	\$ 65,902,907	\$ 68,803,136	\$ 2,900,229	4.4%
System Services	55,000,892	54,250,576	56,085,004	1,834,428	3.4%	-	-	-	-	0.0%	55,000,892	54,250,576	56,085,004	1,834,428	3.4%
Infrastructure Planning & Policy	680,953	804,968	819,262	-	0.0%	-	-	-	-	0.0%	680,953	804,968	819,262	-	0.0%
Engineering & Construction	-	-	-	-	0.0%	-	-	-	-	0.0%	-	-	-	-	0.0%
Public Works Administration	513,182	1,578,672	1,602,572	23,900	1.5%	-	-	-	-	0.0%	513,182	1,578,672	1,602,572	23,900	1.5%
Capital Financing	118,511,719	123,682,875	129,954,032	6,271,157	5.1%	-	-	-	-	0.0%	118,511,719	123,682,875	129,954,032	6,271,157	5.1%
Total Water & Wastewater Systems	243,521,012	246,219,998	257,264,005	11,044,008	4.5%	-	-	-	-	0.0%	243,521,012	246,219,998	257,264,005	11,044,008	4.5%
Water & Wastewater Rate Revenues															
Subsidy Revenue	-	-	-	-	0.0%	(9,482,000)	(9,482,000)	(9,482,000)	-	0.0%	(9,482,000)	(9,482,000)	(9,482,000)	-	0.0%
Bulk Water Charges	-	-	-	-	0.0%	(983,396)	(775,000)	(850,000)	(75,000)	9.7%	(983,396)	(775,000)	(850,000)	(75,000)	9.7%
Fees for Service	-	-	-	-	0.0%	(2,844,660)	(2,707,952)	(2,745,399)	(37,447)	1.4%	(2,844,660)	(2,707,952)	(2,745,399)	(37,447)	1.4%
Sewer Discharge Agreements	-	-	-	-	0.0%	(808,812)	(1,134,872)	(1,134,872)	-	0.0%	(808,812)	(1,134,872)	(1,134,872)	-	0.0%
Interest Earnings	-	-	-	-	0.0%	(3,617,000)	(3,617,000)	(3,617,000)	-	0.0%	(3,617,000)	(3,617,000)	(3,617,000)	-	0.0%
Total Rate Revenues	-	-	-	-	0.0%	(17,735,868)	(17,716,824)	(17,829,271)	(112,447)	0.6%	(17,735,868)	(17,716,824)	(17,829,271)	(112,447)	0.6%
Total Rate Impact	\$ 243,521,012	\$ 246,219,998	\$ 257,264,005	\$ 11,044,008	4.5%	\$ (17,735,868)	\$ (17,716,824)	\$ (17,829,271)	\$ (112,447)	0.6%	\$ 225,785,145	\$ 228,503,174	\$ 239,434,734	\$ 10,931,560	4.8%

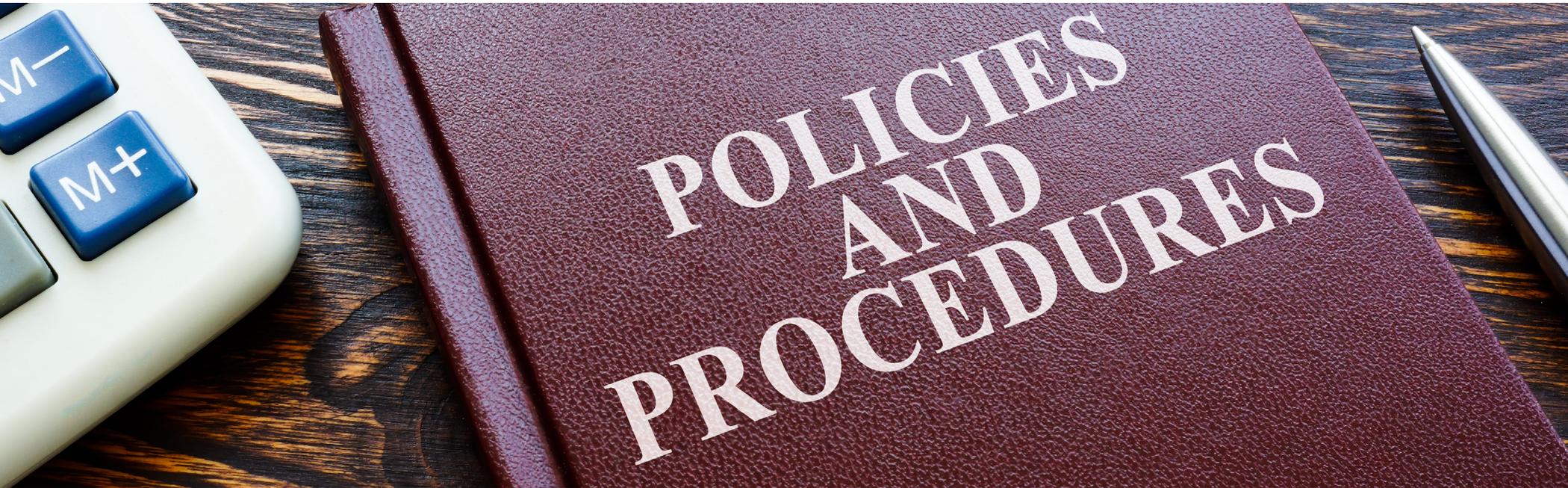
Schedule may not add due to rounding



Halton Region Budget and Business Plan

BUDGET REPORT 2023

POLICIES & PROCEDURES



Presentation of Halton Region's Financial Information

General guidelines

Halton Region prepares and presents consolidated financial statements in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

Basis of accounting and financial reporting

Halton Region follows the full accrual basis of accounting and recognizes:

- revenues as they are earned; and
- expenditures as they are incurred and measured through the receipt of goods or services and a legal obligation to pay.

As required at year-end, revenues and expenses that have not yet been processed are recognized and then reversed in the following year when the transaction is processed.

Halton Region's Fund-Based budget is converted to full accrual basis of accounting in the following way:

1. The Capital Fund is reported through the Tangible Capital Asset accounts in the Consolidated Statement of Financial Position as per PSAB 3150.
2. Reserves and Reserve Funds are reflected in the Consolidated Statement of Financial Position as "Accumulated Surplus".
3. The Operating Fund is reflected in the Consolidated Statement of Operations (which is adjusted to reflect interest on debt only), amortization expense, gain or loss on disposal of tangible capital assets, post-employment benefits and asset retirement expenses (effective in 2023 as per PSAB 3280) .



Basis of budgeting

The operating budget includes annual expenditures for personnel costs, materials and supplies, purchased services, financial and rent expenses, debt charges, reserve transfers, as well as anticipated subsidy revenue and program fees.

Halton Region's capital budget includes expenditures and financing sources to acquire, construct, upgrade and rehabilitate Regional capital assets such as Regional facilities, roads, bridges, paramedic stations, long-term care facilities and water and wastewater treatment plants, along with the water distribution and collection systems and waste management facilities. The capital budget is established on a project-by-project basis, where the costs usually span more than one fiscal year.

Regional Council approves the operating and capital budgets each year for the period of January 1 to December 31.

The *Municipal Act* requires municipalities to budget for all estimated expenses; however O. Reg. 284/09 provides an exclusion for amortization expenses, post-employment benefits expenses, and solid waste landfill closure and post-closure expenses provided the municipality prepares a report about the excluded expenses that is adopted by Council resolution. Halton Region does not budget for these expenses and satisfies the legislated reporting requirement through Council's approval of the annual consolidated financial statements.

Halton Region uses modified service-based budgeting, reflecting expenditures and revenues based on service delivery and responsibility. Halton applies the framework established by the Municipal Benchmarking Network Canada (MBNCanada) best practices in budgeting by allocating corporate support costs to service delivery departments. The use of this chargeback allocation method results in the distribution of net corporate support costs to direct service delivery areas. Program support chargebacks (Demand Driven Chargebacks) are allocated to various service areas where direct service delivery costs are accumulated based on demand/usage. Corporate management costs (Corporate Sustaining Chargebacks) are also allocated to all service areas based on a pro-rata share of the three most recent years' average of budgeted net controllable costs. Governance costs are allocated to the budgets of both funding sources (tax and rate). In the tax-supported budget, it is shown separately within Non-Program.



Fund structure and budgeting

Halton Region uses Fund Accounting for budgeting purposes, in which a self-balancing group of accounts is provided for each accounting entity established as the basis for recording and reporting all financial transactions. The Regional budget is composed of two primary funding sources—Tax-Supported Services and Rate-Supported Services.

Operating Fund: Activities are budgeted annually for each program based on the estimated operating costs. The factors considered in developing these budgets include inflation, growth, service quality, mandated requirements and customer needs. At the end of any given budget year as part of the year-end closing, any surplus or deficit is transferred to or from reserves and/or reserve funds in accordance with Council-approved policies, ensuring a closing balance of zero dollars in the operating fund.

Capital Fund: Capital projects can be budgeted in one year or several years depending on the requirements of the project (i.e., design, land purchase, construction, etc.). The corresponding expenditures may materialize over several years as the project is completed. Upon completion, each project is closed through a semi-annual variance closure reporting process, and any surplus or deficit is transferred to or from the appropriate reserves, reserve funds or Capital Holding Account in accordance with Council-approved policies.

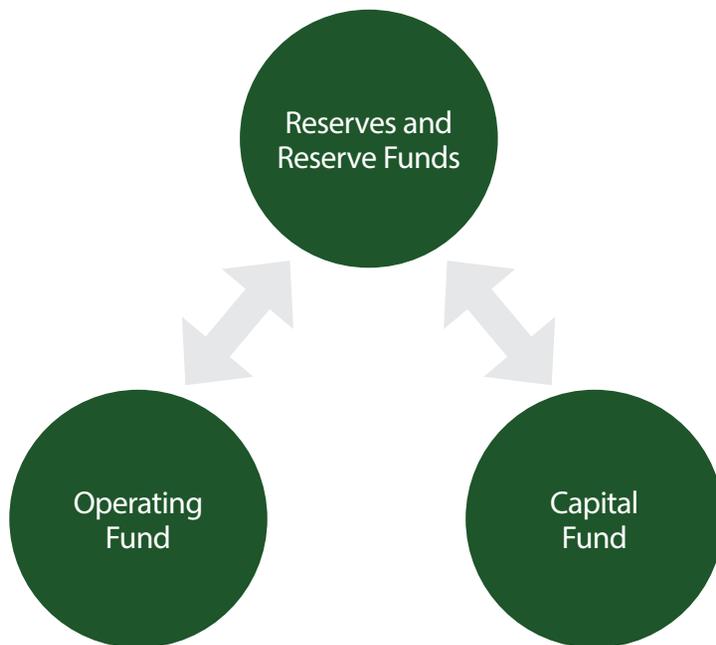
Reserves and Reserve Funds: The use of reserves is an integral part of the budget planning process and is an important financial tool in developing short-term and long-term fiscal policies. Prudent use of reserves mitigates fluctuations in taxation and rate requirements and assists in stabilizing the impact of unanticipated occurrences as set out in Report No. CS-83-02, re: Regional Reserve Policy. General principles relating to the use of the reserves are set out in the Financing State-of-Good-Repair and Financing of Growth sections of the Executive Summary. Budgeted reserve transactions flow through either the operating or capital budgets.

Regional Council approves the creation of Reserves and Reserve Funds for specific liabilities, contingencies and other specific uses. Policies dictate the use of certain Reserve Funds for designated purposes and prevent monies from being diverted to any other use.

The Region also collects development charges (DCs) as provided for in the *Development Charges Act, 1997*. These funds are maintained in separate Reserve Funds that are restricted in use and applied to eligible growth-related capital projects in accordance with the legislation and Regional DC by-laws.

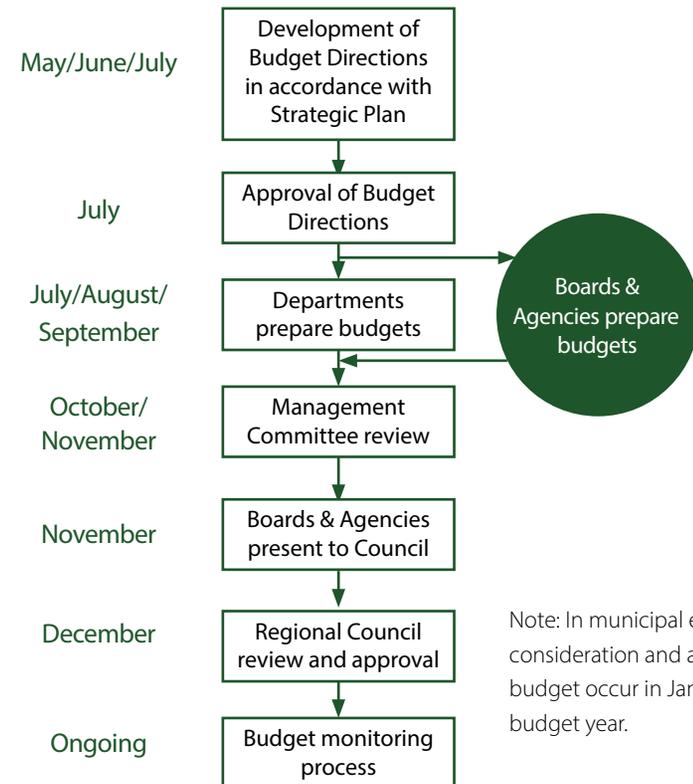
Fund relationships

The activities in the Operating and Capital Budgets are mutually exclusive. However, in some cases transactions occur between them as shown below.



Halton Region's Budget Process

As illustrated below, Halton Region's budget preparations begin in late spring. Based on a Regional Council-approved Strategic Plan, the Region develops the Budget Directions Report. The Budget Directions Report is a policy document that establishes Council's program and fiscal priorities for the following year's budget, and is considered and approved by Regional Council. Staff also use this as a guide in developing the following year's budget process.



Note: In municipal election years, consideration and approval of the budget occur in January of the budget year.



Operating departments prepare their preliminary budget requests based on the Council-approved Budget Directions Report and Strategic Plan. Preliminary budgets are prepared by all Regional departments with the help of the Budgets & Tax Policy Division of the Region's Finance Department. Budgets & Tax Policy staff maintain a Budget Information Package, which provides an overview of the budget process, includes specific technical information to assist in the budget preparation and outlines how to input information into the Region's financial system.

Departments include base budget adjustments and strategic investment requests in their preliminary budgets. Strategic investment requests are required for any significant change in direction for the program, changes to funding sources or any change in staffing levels. Preliminary budgets are reviewed by Budgets & Tax Policy staff, as well as the Management Committee, which is comprised of the Region's most senior staff.

Budget review meetings are held in September and October with senior staff in each department. At this time, Budgets & Tax Policy staff also receive budget requests from the boards and agencies funded through the property tax levy. These requests are reviewed with the consulting boards and agencies, and are then incorporated into the proposed budget.

The proposed budget document is compiled and presented to Regional Council in late November prior to Regional Council approval in December. In an election year, Regional Council begins reviewing the budget in January of the budget year, with adoption targeted for late January. Regional Council review provides for public participation in the budget process.

Proposed Budget: The proposed budget is prepared based on the Council-approved Budget Directions Report, the most recent program pressures and economic data, and iterative refinements and reviews by the Management Committee. Operating and Capital Budgets are prepared for services funded from property taxes (Tax-Supported) and from water and wastewater utility rates (Rate-Supported).

Budget adoption: Regional Council adopts the Budget by resolution as the Region's annual Budget for the year beginning January 1.

Regional Council meetings are open to the public and are advertised in the local newspapers as well as on the Regional website. The following dates are for the review and consideration of the 2023 Budget and Business Plan.

January 11, 2023

- 2023 Boards & Agencies Presentations

January 18, 2023

- 2023 Budget review at Regional Council Budget Workshop

January 25, 2023

- 2023 Budget approval by Regional Council

Halton Region's Financial Policies

Balanced budget

The operating budget is balanced with revenues equal to budgeted expenditures. Any shortfall in budgeted revenues versus budgeted expenditures for a budget period will be funded by tax levies or utility rate revenues equal to the shortfall, which will result in a balanced budget.

Deficit avoidance

In accordance with the *Municipal Act*, municipalities are prohibited from budgeting for a deficit. The annual budgets continue to show fiscal restraint to meet expenditure and revenue targets. When actual revenue shortfalls or unforeseen expenditures appear to be more than temporary occurrences, both the capital and operating budgets are reviewed. Alternatives are then identified to minimize the Region's financial risks, including drawing from reserves, reallocating budgets and expenditure constraints.

Amendments to approved budget

The approved budget may be amended at the direction of Regional Council, provided that the amount to be collected from property taxes or user rates remains unchanged. Operating budget amendments commonly occur as a result of Provincial funding initiatives for fully subsidized operating programs. The capital budget, if required, can be revised in May/June after the Local Municipalities' budgets are approved in order to align Regional programs with Local Municipalities' work. The capital budget is also amended throughout the year as a result of the public tendering process which formalizes the estimated costs and related financing to undertake specific projects.

Budget monitoring and reporting

The Region uses a real-time, enterprise-wide financial system. Financial reports are available on-demand for all appropriate staff to monitor actual expenditures and revenues. Operating budget variance reports are presented annually to Regional Council for year-to-date and year-end projections as at April 30, August 31 and December 31.



A virtual meeting of Halton Regional Council.

Capital budget (life-to-date) variance and project closure reports are presented twice annually as at June 30 and December 31.

Operating fund balance

Any actual surplus or deficit arising at year-end is transferred to or from a Tax or Rate Stabilization Reserve or other reserves as directed by Regional Council. The targeted balances in the stabilization reserves are 10 per cent of total operating expenditures for tax-supported programs and 15 per cent for water and wastewater programs. These reserves are used to mitigate the effect of any large variations in major sources of revenue or expenditure. Given that personnel services account for approximately 31 per cent of the Region's total gross expenditures for all services (excluding the Halton Regional Police Service (HRPS)), any increase in staff complement must be explicitly approved by Regional Council. New positions are approved through the Region's budget process.

Master Plans and Asset Management Plans

Master Plans support the long-term program needs for Regional services, including the Official Plan and the Asset Management Plans that ensure Regional assets are maintained in a state-of-good-repair. These plans are developed and updated regularly for specific programs, including housing, Regional facilities, Paramedic Services, transportation and water and wastewater, which then provide the basis for the annual budget and forecast requirements.

Operating budget forecasts

Operating budget forecasts are prepared and reviewed annually for each program for a 10-year period, based on recommendations included in approved Master Plans, Asset Management Plans and requirements to maintain service levels. The forecasts are designed to provide sustainable funding to maintain existing levels of service and Regional assets in a state-of-good-repair.

Capital budget forecasts

Capital budget forecasts are presented annually to forecast expenditures on a project-by-project basis. The capital 10-year forecast includes major works required to upgrade, replace or construct capital infrastructure based on Master Plans and Asset Management Plans. The ongoing maintenance of this infrastructure is included in the operating budget. Financing of the forecast capital program (Master Plans and Asset Management Plans) is undertaken at a detailed level and established as a long-term financing plan. The long-term financing plan is then reviewed and approved through the annual budget process and presented at a summary level in the budget.

Use of one-time revenues

The Region does not utilize one-time revenues for ongoing expenditures. However, one-time revenues may be used to fund non-recurring expenditures subject to Regional Council approval. One-time revenue is transferred to the appropriate reserves in accordance with Regional Council's direction.

User fees and alternative revenue sources

The Region establishes cost-recovery policies for user fees to determine whether fees collected are sufficient to recover the cost of providing certain goods or services. These policies determine the percentage of full-service cost to be recovered through fees. The level of cost recovery is reviewed and adjusted annually through the budget process to ensure that fees are current, equitable, competitive and sustainable.

Uses of unpredictable revenues

Certain revenues fluctuate widely year-to-year. At year-end, favourable revenue variances are transferred to the stabilization reserves or other reserves as approved by Regional Council.

Use of supplementary tax revenue

Supplementary taxes are generated by property tax revenue from new assessments added in-year to the property tax roll. This revenue source is estimated annually and reflected in the Region's operating budget.

Debt capacity

The Province sets a debt capacity guideline for municipalities of 25 per cent of own revenues. The Region's own guidelines (10 per cent of gross operating expenditures) translate to approximately 13 per cent of the Region's own revenues. The current projected debt capacity for the next 10 years remains well below these targets.

Penny rounding

As the Royal Canadian Mint ceased distribution of pennies on February 4, 2013, and pennies have been withdrawn from circulation, Halton Region has adopted the Government of Canada's rounding guidelines for cash transactions.

Reserve and Reserve Funds

Halton Reserve Policy Summary (CS-83-02)

Stabilization Reserves:

Purpose	To address in-year, uncontrollable or unanticipated changes in economic conditions, funding or costs
Target	Tax stabilization 10% of gross expenditures Rate stabilization 15% of gross expenditures
Funding	Shortfalls from the target should be funded from annual operating surpluses Balances in excess of target can be used to finance one-time programs or to address deficiencies in other reserves
Authority to Access	Council authority required to access funds
Interest Allocation	No interest to be allocated to these reserves

Program-Specific Reserves:

Purpose	To fund specific programs
Target	Financial plan required for each reserve and reviewed annually
Funding	Based on a financial plan
Authority to Access	Council authority required to access funds, normally established within annual budget or specific Council resolution
Interest Allocation	No interest to be allocated to these reserves

Halton Reserve Policy Summary (CS-83-02)

Vehicle/Building and Equipment Reserves:

Purpose	To fund the maintenance and replacement of Regional assets
Target	Based on lifecycle costs of assets
Funding	Based on lifecycle costs of assets Shortfalls in funding may require funding from annual operating surpluses or transfers from other reserves
Authority to Access	Council authority required to access funds, normally established within annual budget or specific Council resolution
Interest Allocation	Interest allocation at year-end based on actual interest earnings

Capital Reserves:

Purpose	To finance the Region's capital program
Target	Based on capital programs
Funding	Annual operating budget provisions Supplementary taxes Annual operating budget surpluses
Authority to Access	Council authority required to access funds, normally established with annual budget or specific Council resolution delegating authority to staff (e.g., project closures or tender awards)
Interest Allocation	Interest allocation at year-end based on actual interest earnings

Commodity Price Hedging Policy

The goal of the Commodity Price Hedging Policy is to allow the Regional Treasurer to enter into a fixed price agreement for the future delivery of any or all portions of a commodity, when it is deemed advantageous for the Region to do so. The Treasurer must report annually on all commodity price hedging agreements in place in accordance with the *Municipal Act, 2001*, Regulation 653/05, and the Region's Commodity Price Hedging Policy as approved through Report No. CS-19-07.

The Region considers procuring price hedging agreements for electricity, natural gas, gasoline and diesel, as discussed below:

- For natural gas, Halton Region manages risk by locking into fixed price contracts. In 2022, approximately 35 per cent of the annual volume was purchased on contract with the remaining 65 per cent purchased at the spot market price. Halton Region has also locked into fixed price contracts for approximately 51 per cent of the estimated annual forecast volume for the period November 1, 2022 to October 31, 2023.
- Halton Region did not enter into a fixed price agreement for electricity in 2022 as it was determined that the Hourly Ontario Energy Price (HOEP) was the lowest cost option at the time.

- Gasoline and diesel fuel are purchased in bulk for vehicles and back-up generators through a competitive bid process. Paramedic Services uses the bulk fuel and also purchases gasoline and diesel fuel at retail outlets with procurement cards when needed. Halton Region entered into a four-year contract term with Canada Clean Fuels in 2020, following an open competitive sourcing process, to enable the bulk purchase of gasoline, diesel, and biodiesel fuels. The initial agreement term extends until December 31, 2024, with an option to renew for two years at the Region's discretion.

Staff will continue to work with consultants to determine the best procurement strategy by reviewing market conditions. As shown below, commodity costs have decreased for electricity mainly due to savings relating to the Industrial Conservation Initiative, which allows eligible customers to manage their global adjustment costs by reducing demand during peak periods, as well as Provincial regulatory changes relating to the recovery of renewable energy costs.

Commodity (\$000s)	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Projected Actual	2023 Requested Budget	Changes in Budget (2023-2022)
Electricity	17,771	17,599	16,448	18,125	16,909	17,369	(755)
Natural Gas	728	886	927	882	902	1,088	205
Gasoline and Diesel	2,761	2,467	3,217	2,992	3,270	3,402	410

Schedule may not add due to rounding.

Halton Region Budget and Business Plan

BUDGET REPORT 2023

GLOSSARY



Glossary of Terms

Term	Definition
Accrual Accounting	Halton Region's sources of financing and expenditures are recorded using the accrual basis of accounting. This basis recognizes expenses and revenues when there is a legal obligation to pay or be paid, not when cash is collected or paid. This is also the basis for developing the Region's budget.
Active Transportation	The act of travelling by means of human-powered physical exercise, such as walking or cycling.
Actual	Actual revenue earned and expenditures incurred, as opposed to budgeted revenues or expenditures for the fiscal year indicated.
Allocated Charges/Recoveries	Transactions related to allocating direct charges and recoveries between departments.
Allowance	A provision for an expected loss or reduction in the value of an asset in order to reduce the reported value of the asset to an amount that reflects its estimated realizable value.
Amortization	The annual expense of writing off the cost of an asset over a period of time.
Annualization	The cost of a full year of operation.
Assessment	A value that is established for real property for use as a basis for property taxes.
Base Budget	The budget required to maintain service levels as established by the previous year's budget.
Benchmarking	Determining the quality of products, services and practices by measuring critical factors (e.g., how fast or how reliable a product or service is) and comparing the results to those of highly regarded competitors.
Boards & Agencies	Autonomous bodies that receive funding from Halton Region, including the Halton Regional Police Service, Royal Botanical Gardens, Conservation Halton, Credit Valley Conservation, Grand River Conservation Authority and North Halton Mental Health Clinic.
Budget	A financial plan for a specified period of time (fiscal year) that estimates all planned revenues and expenditures for various municipal services.
Budget Book	The official written statement prepared by staff, which presents the proposed budget to Regional Council.
Budget Directions	A policy document that establishes Council's program and fiscal priorities for the following year's budget, which is considered and approved by Regional Council. Regional staff also use this as a guide in developing the following year's budget process.

Term	Definition
Canadian Public Sector Accounting Standards	Authoritative standards for financial accounting and reporting developed through an organized standard-setting process and issued by the Public Sector Accounting Board (PSAB).
Canadian Union of Public Employees (CUPE)	Canada's largest union, with 715,000 members across the country. CUPE represents workers in health care, emergency services, education, early learning and childcare, municipalities, social services, libraries, utilities, transportation, airlines and more.
Capital Budget and Forecast	A plan of proposed capital expenditures to be incurred in the current year and over a period of nine future years, identifying each capital project and the method of financing.
Capital Expenditure	An expense for the acquisition, renovation, maintenance or replacement of fixed assets resulting in an extension of the asset's useful life; or an expenditure to purchase or construct a specific capital asset or project that spans more than one fiscal year, having a value of at least \$10,000. Typically, a capital expense encompasses a purchase of land and/or the construction of a building or facility.
Case Mix Index (CMI)	The Provincial measurement used for assessing the level of care required for residents at each long-term care facility, relative to the Provincial average of 100.
Complement	The total number of full-time equivalent (FTE) staff positions approved by Regional Council.
Contingency	An appropriation of funds available to mitigate unforeseen events that may occur during the fiscal year.
Corporate Sustaining Chargeback	A method that is used to allocate costs that are required for corporate management purposes, generally fixed in nature, and not directly or indirectly consumed through a service-delivery process.
Current Value Assessment (CVA)	Real estate property value that is determined under the direction of the Province of Ontario as a basis for levying property taxes.
Debenture	The payment of interest and repayment of principal to holders of the Region's debt instruments.
Deficit	The excess of expenditures over revenues in a fund over an accounting period.
Demand Driven Chargeback	A method that is used to allocate costs that are required for program support purposes. An allocation driver is specified for each area of program support, with the allocation of costs based on the percentage of driver units for a program area as compared to the total driver units.
Development Charges (DCs)	Charges collected from developers that are imposed under the <i>Development Charges Act</i> when land is developed.
Development Charges By-law	By-law approved by Regional Council to authorize the amount and collection of Development Charges under the <i>Development Charges Act</i> .

Term	Definition
Expenditure	The disbursement of appropriated funds to purchase goods and/or services.
Fees and Charges	Charges for expenses incurred when services are provided to an individual or groups rather than the community at large.
Fiscal Year	The 12-month accounting period for recording financial transactions. Halton Region's fiscal year is from January 1 to December 31.
Fleet	The vehicles owned and operated by the Region, including Police.
Fringe Benefits	Payment to which participants may be entitled under a plan, including pension benefits.
Full-time Equivalent (FTE)	A measure of staffing equivalent to that produced by one person working full-time for one year.
Geographic Information System (GIS)	A system that integrates existing regional graphic and tabular spatial data into a common shared database.
Government Finance Officers Association (GFOA)	A professional association of government finance officers in the United States and Canada identifying and developing financial policies and best practices through education, training, facilitation of member networking and leadership.
Grant	A monetary contribution by one governmental unit or other organization to another. The Provincial and Federal governments make these contributions to local governments. Halton Region provides grants to various social service agencies.
Gross Expenditures	For Regional Services, the total amount of spending required in order to continue operations and deliver services, net of any recoveries from external sources (e.g. capital, Police) and transfers from reserves. Conversely, after considering subsidies and other revenues, this amount would then be known as "Net Expenditures".
Halton Community Housing Corporation (HCHC)	A separate Regionally owned corporation that owns and manages social housing units in Halton Region. HCHC has no staff. The Region provides staff support to HCHC.
Halton Police Board	The governing body for the Halton Regional Police Service (HRPS).
Halton Region	The geographic area made up of the City of Burlington, the Town of Halton Hills, the Town of Milton and the Town of Oakville.
Halton Regional Police Service (HRPS)	A police agency that contributes to the safety and well-being of the Region's more than 624,000 residents through the provision of police services.
Inflation	A rise in price levels caused by general economic activity and growth.
Investment Income	Revenue associated with the Region's cash management activities of investing cash balances.

Term	Definition
Land Use Planning	The term given to policy that directs how the land in a community is used. The goal is to balance the needs of the people who live in the area with the needs of the environment.
Levy	Property taxation funding which is raised through taxes.
Local Municipalities	Municipalities within a region (e.g., the City of Burlington, the Town of Halton Hills, the Town of Milton and the Town of Oakville within Halton Region).
Management Committee	The Region's senior management team comprised of the Chief Administrative Officer (CAO) and six Commissioners.
Municipal Benchmarking Network Canada (MBNCanada)	A partnership project to encourage service excellence in municipal government. Participating municipalities work together to identify and share performance statistics and operational best practices. (Formerly Ontario Municipal CAO's Benchmarking Initiative (OMBI)).
Municipal Property Assessment Corporation (MPAC)	Established by the <i>Municipal Property Assessment Corporation Act</i> , MPAC administers and determines a uniform, province-wide system of current value assessment (CVA) for all properties.
Net Expenditures	For Regional Services, the amount of spending required in order to continue operations and deliver services, net of any recoveries from external sources (e.g. capital, Police), transfers from reserves, subsidies and other revenues. In other words, the amount to be either levied from property taxes or recovered through water and wastewater rates.
Ontario Disability Support Program (ODSP)	An income redistribution program previously funded by the Province of Ontario (80%) and the Region (20%) to provide payments to individuals with disabilities who are unable to work. Municipal funding for this program was completely phased out in 2011.
Ontario Land Tribunal (OLT)	The Ontario Land Tribunal (OLT) hears and decides appeals and matters related to land use planning, environmental and natural features and heritage protection, land valuation, land compensation, municipal finance, and related matters.
Ontario Municipal Employees Retirement System (OMERS)	A local government pension plan coordinated by the Province of Ontario and funded from municipal employee and employer contributions.
Ontario Nurses' Association (ONA)	The union representing 68,000 registered nurses and health-care professionals and 18,000 nursing students providing care in hospitals, long-term care, public health, the community, clinics and industry.
Ontario Public Service Employees Union (OPSEU)	A union in Ontario for public sector workers. OPSEU has about 180,000 members across the province working for the Ontario government, inside community colleges, for the LCBO, in the health care sector, and employed in a wide range of community agencies within the broader public sector.
Ontario Works (OW)	A Provincial program jointly funded with, and administered by, the Region to provide social assistance to residents. The Province of Ontario fully funds the social assistance benefits.

Term	Definition
Operating Budget	The budget containing allocations for expenditures, such as salaries and wages, materials and supplies, utilities and insurance, to provide government services for the current year.
Performance Measure	Data collected to determine how effective and/or efficient a program is in achieving its objectives.
Program	A regional business unit formed to provide a specific type of service (e.g., Public Health, Waste Management).
Property Tax	A tax levied on the assessed value of real estate.
Province (“the Province”)	The Province of Ontario (the Provincial government).
Provincial Offences Act (POA)	An Act that governs how charges are processed and prosecuted. It applies to all Provincial statutes, as well as municipal by-laws and some minor federal contraventions. Most of the POA offences are related to the <i>Highway Traffic Act</i> , the <i>Compulsory Automobile Insurance Act</i> , the <i>Liquor Licence Act</i> or the <i>Trespass to Property Act</i> .
Public Sector Accounting Board (PSAB)	A board under the Chartered Professional Accountants of Canada, which develops standards for municipal financial reporting.
Rate-Supported Budget	Referring to the budget containing expenditures relating to the Water and Wastewater Programs that are funded through water and wastewater rates.
Regional Official Plan (ROP)	Outlines the long-term vision for Halton’s physical form and community character in accordance with the <i>Planning Act</i> .
Regional Official Plan Amendment (ROPA)	A change to the Official Plan. It could be site-specific, when an applicant wants permission for a land use in a location that conflicts with the existing plan, or it could be a policy change that affects all or part of the region.
Reserve	An allocation of accumulated net revenue. It has no reference to any specific asset and does not require the physical segregation of money or assets. An example of one of the Region’s reserves is the Tax Stabilization Reserve.
Reserve Fund	Assets segregated and restricted to meet the purpose of the reserve fund, which may be obligatory (created whenever a statute requires revenue received for special purposes to be segregated) or discretionary (created whenever a municipal council wishes to earmark revenue to finance a future project, e.g., Development Charges Reserve Funds).
Revenue	Funds that a government receives as income, including property tax payments, water and wastewater rates, fines, subsidies and interest income.
Strategic Plan	A plan to reflect Halton Regional Council’s priorities and focus on what services are important to Halton residents, developed each new term by Council. The 2023-2026 Strategic Plan is scheduled for Council approval in summer 2023.

Term	Definition
Strategic Investments	Any proposed variation in the budgeted expenditures or revenues that are not provided for in the Base Budget, and for which separate budget disclosure is provided for Regional Council's consideration.
Supplementary Taxes	Property taxes resulting from assessment added to the tax roll after January 1 of a given tax year.
Surplus	When total revenues from current operations exceed total expenditures.
Systems Application Process (SAP)	Software used for the Region's financial and human resource information systems.
Tangible Capital Assets (TCA)	Non-financial assets with physical substance that: are held for use in the production or supply of goods and services, rental to others, administrative purposes or the development, construction, maintenance or repair of other TCA; have useful economic lives extending beyond an accounting period; are to be used on a continuing basis; and are not for sale in the ordinary course of operations.
Tax Levy	The total amount to be received by property taxes for operating and debt service purposes specified in the annual Tax Levy By-law.
Tax Rate	The actual rate of tax applied to the Current Value Assessment (CVA) to determine taxes payable.
Tax-Supported Budget	Referring to the collective budget of the Health, Social and Community Services, Planning Services, Economic Development, Waste Management, Roads Operations, Corporate Administration, Boards and Agencies and other non-program and fiscal transactions. The net expenditures of these programs are funded by property taxes.
Vacant Home Tax (VHT)	A tax imposed on vacant residential units that meet the criteria established by the designated municipality.
Wastewater Treatment Plant (WWTP)	Halton Region owns and operates state-of-the-art Wastewater Treatment Plants that safely, efficiently and effectively remove contaminants from wastewater prior to discharging it into the environment.
Water Treatment Plant (WTP)	Halton Region owns and operates state-of-the-art Water Treatment Plants that deliver safe, high-quality and cost-effective drinking water.

Acronyms

Acronym	Term
AHT	Anti-Human Trafficking
ADP	Adult Day Programs
AEFI	Adverse Events Following Immunization
AMI	Advanced Metering Infrastructure
ARB	Assessment Review Board
ATMP	Active Transportation Master Plan
ATMS	Advanced Traffic Management System
AWWA	American Water Works Association
BCA	Business Condition Assessment
BIA	Business Improvement Area
BILD	Building Industry and Land Development Association
BPE	Best Planning Estimates
BSCF	Building Safer Communities Fund
BSO	Behavioural Supports Ontario
BUR	Burlington
CAO	Chief Administrative Officer
CBCP	Community-Based Early Years and Child Care Capital Program

Acronym	Term
CCBF	Canada Community-Building Fund (Formerly Federal Gas Tax)
CCEYA	<i>Child Care Early Years Act</i>
CH	Conservation Halton
CHAP	Community Health Assessment Program
CHS	Comprehensive Housing Strategy
CMI	Case Mix Index
COCHI	Canada-Ontario Community Housing Initiative
COHB	Canada-Ontario Housing Benefit
CPI	Consumer Price Index
CPNP	Canada Prenatal Nutrition Program
CSWB Plan	Community Safety and Well-Being Plan
CUAET	Canada-Ukraine Authorization for Emergency Travel
CUPE	Canadian Union of Public Employees
CVA	Current Value Assessment
CVC	Credit Valley Conservation
CWELCC	Canada-Wide Early Learning and Child Care
DC	Development Charge
DCA	<i>Development Charges Act</i>

Acronym	Term
DCC	Dental Care Counts
EA	Environmental Assessment
EAB	Emerald Ash Borer
EDU	Ministry of Education
FTE	Full-time Equivalent
GFOA	Government Finance Officers Association
GIS	Geographic Information System
GOG	General Operating Grants
GRCA	Grand River Conservation Authority
HATCH	Halton Access to Community Housing
HBHC	Healthy Babies Healthy Children
HCHC	Halton Community Housing Corporation
HFG	Home for Good
HGBC	Halton Global Business Centre
HHACT	Halton Hills - Acton
HHGEO	Halton Hills - Georgetown
HHS	Halton Healthcare Services
HIP	Halton In-Situ Program
HOEP	Hourly Ontario Energy Price
HPP	Homelessness Prevention Program

Acronym	Term
HRAP	Halton Rental Assistance Program
HRC	Halton Regional Centre
HRCIF	Halton Region Community Investment Fund
HRPS	Halton Regional Police Service
HSO	Healthy Smiles Ontario
HSPPS	Human Services Planning & Program Support
HWMS	Halton Waste Management Site
IAH-E	Investment in Affordable Housing - Extension
IAH-SIF	Investment in Affordable Housing - Social Infrastructure Fund
IGMS	Integrated Growth Management Strategy
IPAC	Infection Prevention and Control
ISPA	<i>Immunization of School Pupils Act</i>
kWh	kilowatt-hour
LCC	Licensed Child Care
LDC	Local Distribution Companies
LED	Light Emitting Diode
LHCC	Licensed Home Child Care
LHIN	Local Health Integration Network
LTC	Long-Term Care

Acronym	Term
MCCSS	Ministry of Children, Community and Social Services
MCU	Ministry of Colleges and Universities
MECP	Ministry of the Environment, Conservation and Parks
MFIPPA	<i>Municipal Freedom of Information and Protection of Privacy Act</i>
MIL	Milton
ML/d	Megalitres per day (one Megalitre is equivalent to one million litres)
MLTSD	Ministry of Labour, Immigration, Training and Skills Development
MLTC	Ministry of Long-Term Care
MNRF	Ministry of Natural Resources and Forestry
MOH	Ministry of Health
MPAC	Municipal Property Assessment Corporation
NDMP	National Disaster Mitigation Program
NHMHC	North Halton Mental Health Clinic
OAK	Oakville
ODSP	Ontario Disability Support Program
OKN	Our Kids Network
OLT	Ontario Land Tribunal
OMERS	Ontario Municipal Employees Retirement System

Acronym	Term
ONA	Ontario Nurses' Association
OPHI	Ontario Priorities Housing Initiative
OPHS	Ontario Public Health Standards
OPSEU	Ontario Public Service Employees Union
OSDCP	Ontario Seniors Dental Care Program
OW	Ontario Works
PHFAA	Public Health Funding and Accountability Agreement
PIL	Payments-In-Lieu (of taxes)
POA	<i>Provincial Offences Act</i>
PPE	Personal Protective Equipment
PRV	Pressure Reduction Valve
PSAB	Public Sector Accounting Board
PSAS	Public Sector Accounting Standards
PQI	Pavement Quality Index
RBG	Royal Botanical Gardens
RCCC	Regional Child Care Centre
RCM	Reliability Centred Maintenance
RGI	Rent-Geared-to-Income
ROP	Regional Official Plan

Acronym	Term
ROPA	Regional Official Plan Amendment
ROW	Right Of Way (taxes)
SAP	System Application Process (ERP system)
SCADA	Supervisory Control and Data Acquisition
SDE	Single Detached Equivalents
SFOA	<i>Smoke Free Ontario Act</i>
SPLIT	Subsidized Passes for Low Income Transit
STI	Sexually Transmitted Infection
TB	Tuberculosis

Acronym	Term
TCA	Tangible Capital Asset
THRC	The Halton Resource Connection
TODS	Tourism-Oriented Destination Signage
VHT	Vacant Home Tax
WEG	Wage Enhancement Grant
WTP	Water Treatment Plant
WWM	Wastewater Main
WWPS	Wastewater Pumping Station
WWTP	Wastewater Treatment Plant