



Halton Region Budget and Business Plan 2020



Budget Report

Dear Chair and Members of Regional Council,
Re: Halton Region 2020 Budget and Business Plan

November 21, 2019

We are pleased to present Halton's proposed 2020 Budget and Business Plan for consideration by Regional Council. The 2020 Budget is based on the solid financial planning principles that continue to preserve Halton's AAA credit rating and strong long-term financial position.

This document includes both the Tax-Supported and Rate-Supported Budgets to 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.

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 2020 Budget is scheduled for December 11, 2019. If you have any questions or require further information, please contact us.

Respectfully submitted,



J. E. MacCaskill
Chief Administrative Officer



C. Winslow
*Acting Commissioner of Finance
and Regional Treasurer*

GFOA Distinguished Budget Presentation Award

The 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 the fiscal year beginning January 1, 2019.

In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and 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 the GFOA to determine its eligibility for another year.



Table Of Contents

Introduction

Halton is a Great Place to Live	1
Property Tax Impact	2
Halton Regional Council	3
Strategic Business Plan 2019-2022	4
Halton Region's Corporate Organization	5
Departments and Services	6
Recent Awards	11
Connecting with the Region	12

Executive Summary

2020 Regional Property Tax Impact including HRPS	13
2020 Water and Wastewater Rate Impact	14
2020 Budget Overview	15
2020 Budget Key Drivers	16
2020 Budget Summary	46
2020 Budget Risks	61
2020 Operating Budget and Forecast	62
2020 Capital Budget & Forecast	66
2020 Capital Budget	67
10-Year Capital Budget & Forecast	70
10-Year Capital Financing	74
Conclusion	83

Tax Overview

2020 Regional Property Tax Impact including HRPS	84
2020 Budget Overview	85
2020 Tax Operating Budget By Program	88
2020 Tax Operating Budget By Cost Category	92
2020 Tax Strategic Investments	109

10-Year Tax Operating Budget Forecast	112
Tax Capital Budget & Forecast Overview	114
2020 Tax Capital Budget	115
10-Year Tax Capital Budget & Forecast	117
10-Year Tax Capital Financing	119
Health Department	121
Social & Community Services Department	140
Legislative & Planning Services Department	161
Public Works Department – Tax	169
Corporate Administration	180
Non-Program Items & Fiscal Transactions	192
Boards & Agencies	199

Water & Wastewater Overview

2020 Operating Budget Summary	204
2020 Budget Drivers	207
2020 Water & Wastewater Operating Budget By Program	210
2020 Water & Wastewater Operating Budget By Cost Category	211
2020 Rate Strategic Investments	216
10-Year Water & Wastewater Operating Budget Forecast	217
Water & Wastewater Budget	219
Water & Wastewater Capital Budget & Forecast Overview	240
2020 Water & Wastewater Capital Budget	241
10-Year Water & Wastewater Capital Budget and Forecast	242
10-Year Water & Wastewater Capital Financing	244

Strategic Investments

Key Investments 2007-2019	249
Tax-Supported Strategic Investments	252
Rate Supported Strategic Investments	265

Operating Budget

Tax-Supported Budget Summary	270
Net Program Expenditure – Tax	271
Net Program Expenditure – by Committee	274
Corporate Administration Costs	277
Gross Expenditures & Revenues by Program (Tax)	278
Rate-Supported Budget Summary	282
Gross Expenditures & Revenues by Program (Rate)	283

Community Profile

Welcome to Halton	284
Halton's Heritage	286
Education	287
Hospitals	288
Regional Economy	289

Policies & Procedures

Presentation of Halton Region's Financial Information	291
Halton Region's Budget Process	293
Halton Region's Financial Policies	295

Glossary

Glossary of Terms	301
Acronyms	307



Halton Region

Budget and Business Plan 2020

Introduction



Halton is a Great Place to Live



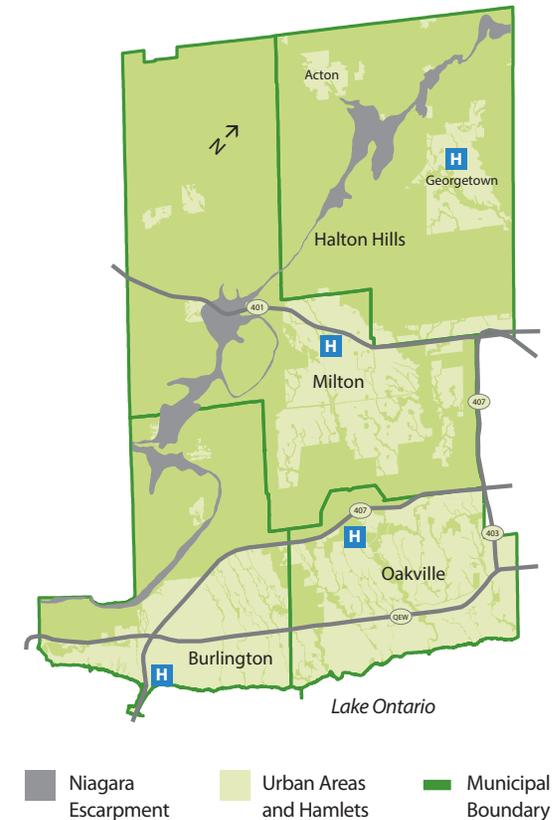
Halton is home to more than 580,000 people and 13,000 businesses in four diverse municipalities: the City of Burlington and the Towns of Halton Hills, Milton and Oakville.

Residents enjoy a high quality of life in our community, which is supported by essential Regional programs and services. These include social services, Regional road operations, housing services, waste management, water and wastewater services, public health programs, paramedic services and more. The 2020 Budget and Business Plan details how we will invest in each of these areas while ensuring maximum value for taxpayers and preserving Halton's strong long-term financial position.

The 2020 Budget is based on prudent, forward-looking financial planning principles that have earned Halton a top credit rating for more than 30 years. It also supports the objectives, outcomes and actions identified in our 2019–2022 Strategic Business Plan. I encourage you to review this resource to learn more about our plans for the year ahead.

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

Gary Carr
Halton Regional Chair



Halton Region's programs, services and infrastructure support residents and businesses throughout our growing community. To learn more, visit halton.ca or call 311.

Property Tax Impact

The property tax impact of Regional and Police Services per \$100,000 current value assessment (CVA) will increase from \$276 in 2019 to \$282 in 2020. The 2020 property tax impact for Regional Services is an increase of \$3 and the impact for Police Services is an additional \$3, resulting in a combined increase of \$6 per \$100,000 CVA.

For example, for a household with \$500,000 CVA, the Regional tax increase would be \$30 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 \$6.

PROPERTY TAX IMPACT OF REGIONAL GOVERNMENT SERVICES**
(per \$100,000 CVA)

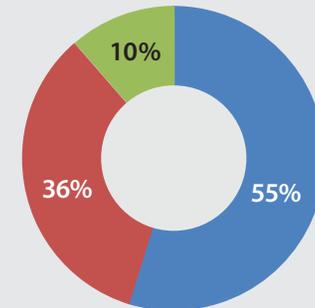
	2019 Actual	2020 Budget	\$ Change	% Change
Regional Services	\$175	\$178	\$3	1.7%
Police Services*	\$101	\$104	\$3	2.5%
Total Regional Taxes**	\$276	\$282	\$6	2.0%

Schedule may not add due to rounding.

* Approved by Police Services Board

** Based on projected 1.7 per cent assessment growth

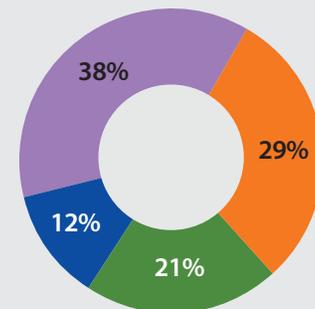
Average Ontario family tax bill breakdown



Federal Provincial Municipal

Source: Fraser Institute's Canadian Tax Simulator, 2019
Figures may not add due to rounding.

Percentage share of 2019 municipal levy



Local Education Region Police

Figures may not add due to rounding.

Halton Regional Council



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

For Council meeting schedules, agendas, documents and streaming video, please visit halton.ca.

Council listing

Front Row (left to right):

Lisa Kearns, Burlington; Marianne Meed Ward, Mayor, Burlington; Rick Bonnette, Mayor, Halton Hills; Gary Carr, Regional Chair; Gordon Krantz, Mayor, Milton; Rob Burton, Mayor, Oakville; Cathy Duddeck, Oakville

Middle Row:

Angelo Bentivegna, Burlington; Shawna Stolte, Burlington; Jane Fogal, Halton Hills; Rick Malboeuf, Milton; Colin Best, Milton; Clark Somerville, Halton Hills; Pavan Parmar, Oakville; Rory Nisan, Burlington; Mike Cluett, Milton

Back Row:

Kelvin Galbraith, Burlington; Allan Elgar, Oakville; Tom Adams, Oakville; Jeff Knoll, Oakville; Paul Sharman, Burlington; Zeeshan Hamid, Milton; Dave Gittings, Oakville; Sean O'Meara, Oakville

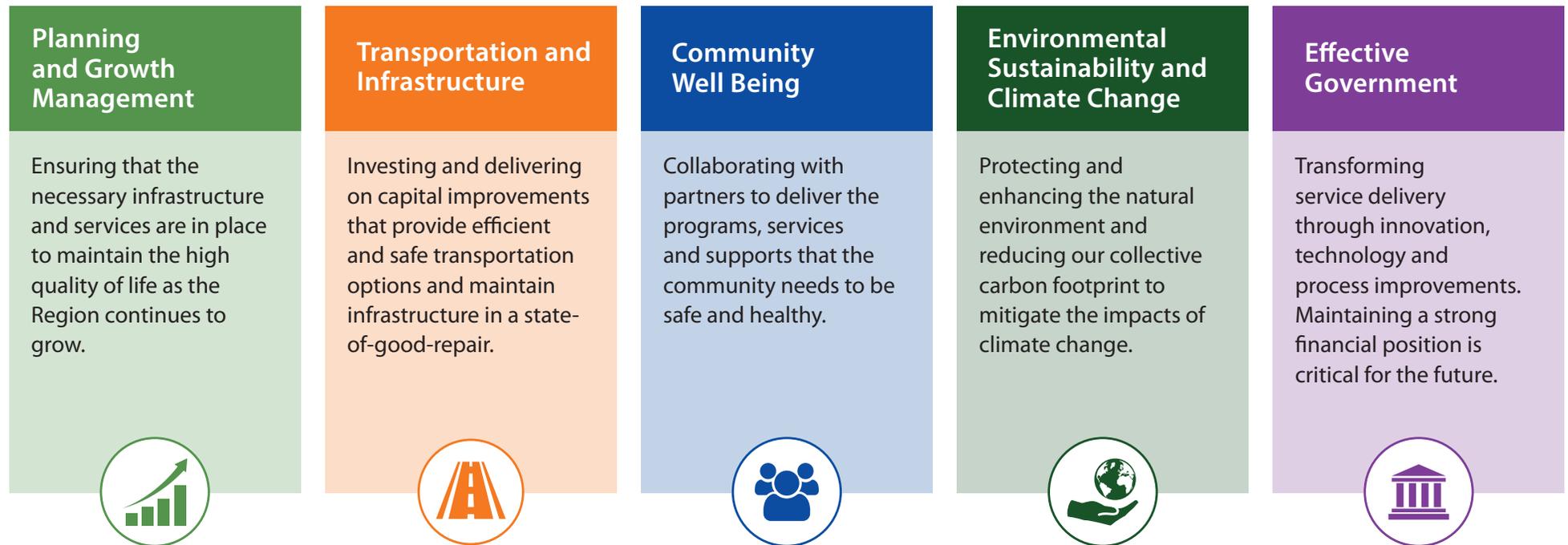
Strategic Business Plan 2019–2022

Our Strategic Business Plan 2019–2022 sets the objectives and specific actions that help achieve our vision and shape the future.

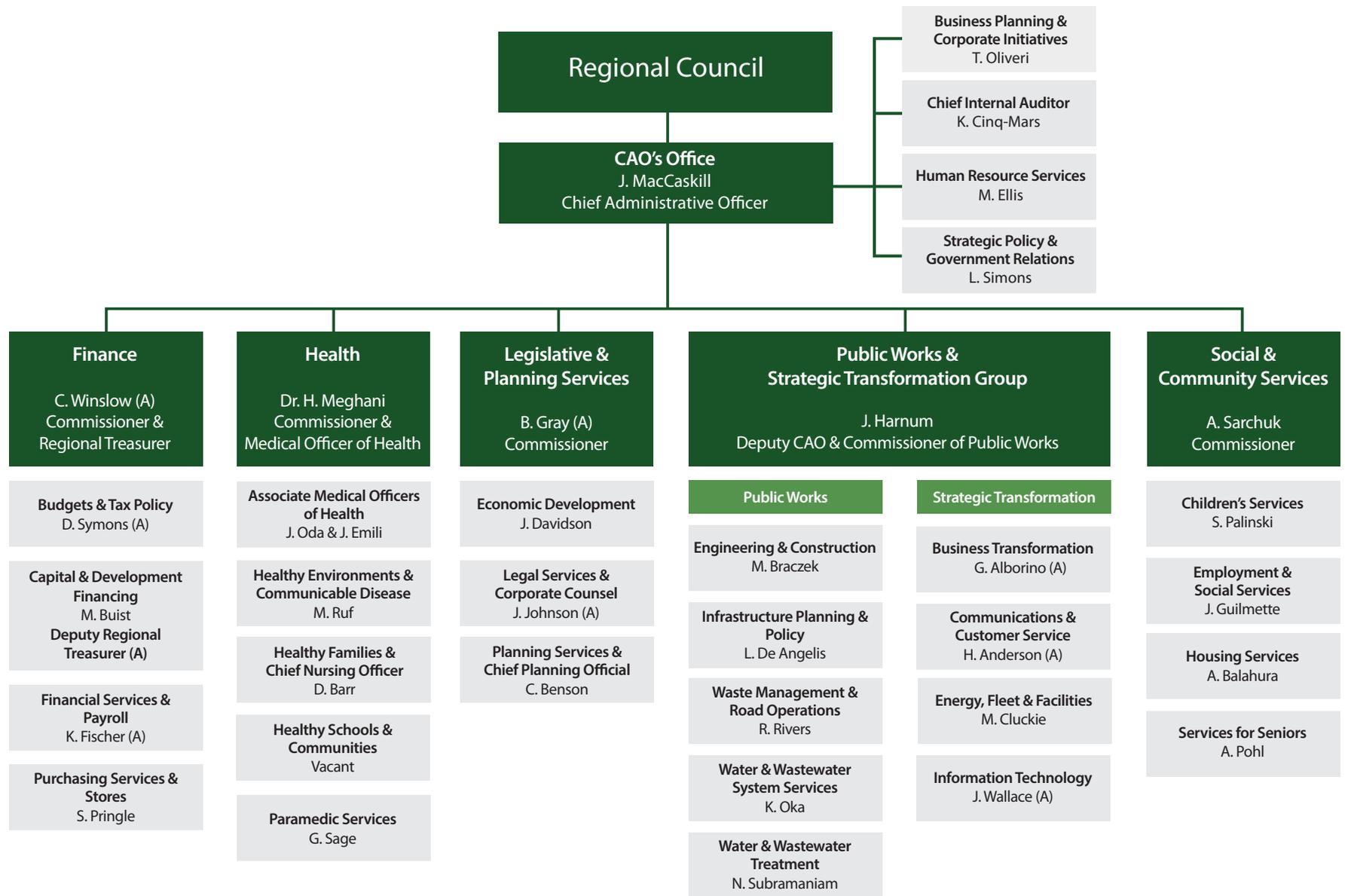
The strategic planning process also ensures a strong alignment between Council priorities, our corporate and departmental business planning and processes, and the Region's Budget and Business Plan.

Through the consultation process, we identified 21 strategic objectives for this term of Council. The objectives are organized into five themes. The Plan identifies the actions that need to be undertaken over the term to achieve these objectives and their respective outcomes.

The five themes for Strategic Business Plan 2019–2022 are:



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 Region 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, illness and disease prevention, as well as environmental and health hazard management. Paramedic Services provides essential emergency response services to the community.



Highlights:

- 26 emergency vehicles and 254 paramedics deployed in 2018 to provide ambulance services in Halton
- 53,094 paramedic calls answered and 32,797 patients transported in 2018
- 113,195 influenza vaccines distributed to community partners in 2018
- 6,634 client appointments/clients served in 2018 at oral health, sexual health and tobacco cessation clinics
- 13,128 contacts with parents of children and youth receiving parenting information at groups, seminars and consultations in 2018
- 5,154 inspections of food premises completed in 2018
- 20,137 children screened in 2018 for oral health in elementary schools

Departments and Services - continued

Social & Community Services

The Social & Community Services department delivers programs and services that enhance the independence and quality of life of Halton Region 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 child care fee assistance, Regional child care centres, financial assistance to low-income residents, employment services, housing supports, and direct care and services to older adults at Regionally operated long-term care homes.



Highlights:

- Child care fee assistance for 4,396 children in 2018
- Increase of 579 licensed child care spaces within Halton in 2018, from 28,861 to 29,440
- Financial assistance to an average of 2,095 Halton Ontario Works caseloads per month in 2018
- 7,588 residents accessed Employment Halton Services in 2018
- Oversight of 5,123 housing units in 2018, of which 2,193 are directly operated by Halton Community Housing Corporation
- Development of 84 new assisted housing opportunities in 2018, for a cumulative total of 1,658 new units since 2008
- Funding for 55 community projects and programs through the Halton Region Community Investment Fund in 2018, using one-year and multi-year funds for a total of \$2.4 million
- Direct care and service to older adults in 2018 through 572 beds at Regionally operated long-term care homes

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 division is 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.



Highlights:

- 30,164 hectares of land designated for development
- 795 development applications received and processed in 2018
- 7,917 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 and nearing completion of the Burloak Waterfront Park
- 1,063 small business consultations conducted in 2018
- 63 small business seminars/workshops held in 2018, attended by 1,073 entrepreneurs and small business clients
- Programs that support agriculture and agri-tourism, including Simply Local (now available on the OneHalton mobile app), 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 delivery of 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.



Highlights:

- 93,496 tonnes of residential garbage collected and disposed in 2018
- 131,744 tonnes of residential Blue Box and organic materials, diverted from the landfill in 2018
- 1,116 paved lane kilometres of roadway maintained in 2018
- 95 bridges and 178 major culverts maintained in 2018
- Operation and maintenance of 256 signalized intersections in 2018
- 6,285 streetlights maintained in 2018
- Treatment of more than 63 million cubic metres of water and more than 88 million cubic metres of wastewater in 2018
- Operation and maintenance of 12 water treatment plants (treatment provided prior to distribution), 21 municipal wells, seven wastewater treatment plants and one biosolids facility in 2018
- Operation and maintenance of more than 2,299 kilometres of watermains, six bulk water stations, 22 reservoirs and storage facilities, 15 booster stations, more than 1,941 kilometres of sewer mains, and 79 pumping stations in 2018

Departments and Services - continued

Corporate Administration

Corporate Administration includes Legal Services, Budgets and Tax Policy, Capital and Development Financing, Financial Services and Payroll, Purchasing Services and Stores, Business Transformation, Communications and Customer Service, Energy, Fleet and Facilities, Information Technology, Business Planning and Corporate Initiatives, Human Resource Services, Internal Audit and Strategic Policy and Government Relations. The Regional Clerk provides support services to Regional Council and its Committees. These internal services support the balance of the corporation in order to provide services directly to the customer.

AAA Credit rating 31 years in a row



Highlights:

- Development of annual Budget and Business Plan
- Achieved AAA credit rating
- Achieved annual tax rate at or below inflation
- Awarded the Distinguished Budget Presentation Award for the past 15 years, with the most recent received for the 2019 Budget and Business Plan
- Awarded the Canadian Award for Financial Reporting for the past 12 years, with the most recent received for the 2017 Annual Financial Report
- Continued advocacy to Provincial and Federal governments
- Greater Toronto's Top Employers Award
- 3.1 million visits to Halton's website in 2018, and operation of five Regional social media channels
- 300,380 calls received by Access Halton in 2018
- Five emergency exercises and four drills completed in 2018
- 56 Regional Council and Committee meetings supported by Legal Services in 2018
- 27,000 Facilities Services work requests (preventative and demand) completed in 2018

Recent Awards

2018 Project of the Year in the Large Project > \$50M, Structures Category

Zone 1 Watermain project
Ontario Public Works Association (OPWA)

2019 Award for Engineering Project of the Year, Infrastructure Engineering Category

Zone 1 Watermain project
Ontario Society of Professional Engineers (OSPE),
Hamilton/Halton Engineering Week Committee

Award of Excellence – Programs

Heritage Services – Partners in Time program
Ontario Museum Association

Award of Merit – Environment

Zone 1 Watermain project
Consulting Engineers of Ontario (CEO)

Canadian Award for Financial Reporting

2017 Annual Financial Report
Government Finance Officers Association of the
United States and Canada

Distinguished Budget Presentation Award

2019 Budget and Business Plan
Government Finance Officers Association of the
United States and Canada

Greater Toronto's Top Employers Award 2019

Halton Region
Mediacorp Canada Inc.

Gold Promotion and Education Award

Compost and Recycling Information Kits
Municipal Waste Association

Tereo Award – Second Place (2018)

Asset Management tools and techniques
Canadian Network of Asset Managers (CNAM)



Canadian Award for Financial Reporting

2017 Annual Financial Report
Government Finance Officers Association
of the United States and Canada



The 2019 Award for Engineering Project of the Year in the Infrastructure Engineering Category

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 |  Paramedic services |
|  Children's services |  Public health programs and services |
|  Emergency planning |  Services for seniors |
|  Financial assistance |  Waste management |
|  Housing services |  Wastewater treatment |
|  Infrastructure and construction |  Water purification |
|  Land use planning and growth management |  Regional roads and transportation |

It's easy to access
Regional programs
and services



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



Download the OneHalton app



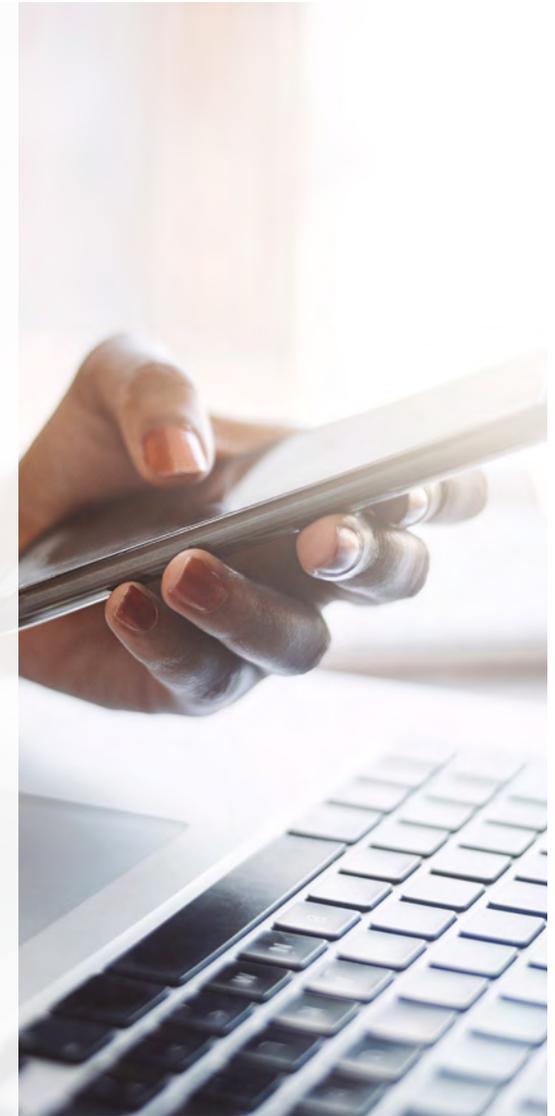
Follow us on social media



Email accesshalton@halton.ca
or call 311



Visit a Regional facility



Halton Region

Budget and Business Plan 2020

Executive Summary



Executive Summary

Halton Regional Council is scheduled to review and approve the 2020 Regional Budget and Business Plan on December 11, 2019, which includes the funding requested from Boards and Agencies including Police Services and the Conservation Authorities. The 2020 budget book 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 Services Boards submit operating and capital estimates of maintaining the police force and providing it with the necessary equipment and facilities to Regional Council. The Halton Police Board approved the Police Services budget on October 31, 2019. 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. Conservation Halton and Grand River Conservation Authority's budgets are scheduled to be approved by their Boards on November 21, 2019 and February 28, 2020, respectively. Credit Valley Conservation's budget is scheduled to be approved by its Board early 2020.

As reported to Council through Report No. FN-28-19 (re: 2020 Budget Directions) the impact of the 2019 Provincial budget and subsequent funding announcements resulted in uncertainty throughout the development of the 2020 Budget and Business Plan. In addition, the 2020 budget was developed while the Province was undertaking a Regional Review, and while the Province was contemplating changes in Public Health, Paramedic Services, and Social & Community Services. This resulted in the need for Halton to take a conservative approach, focused on maintaining service levels, while developing the 2020 budget to ensure the Region had flexibility to respond to these changes.

The 2020 budget for Regional Tax-Supported services results in a **1.7% tax increase** in the Regional share of property taxes (excluding Police Services). 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 2020 budget for Water and Wastewater Rate-Supported services has a **3.3% 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 0.9% increase to operate and maintain the water and wastewater system.

2020 Regional Property Tax Impact including Halton Regional Police Service

Property taxes fund Regional programs and services including social services, Regional road operations, housing services, waste management, public health programs, paramedic services and more. Property taxes also fund Police Services, and provide funding for Conservation Authorities, the Royal Botanical Gardens, and the North Halton Mental Health Clinic. Water and wastewater services are not funded by property taxes. These services are fully funded by water and wastewater rates, which are described in the Water and Wastewater Overview section.

The Regional 2020 Tax-Supported budget is increasing by 3.4%, and includes a 1.7% assessment growth assumption for a net tax rate increase of 1.7%. The Regional tax rate increase of 1.7% is lower than the 2.0% budget guideline set out in Report No. FN-28-19. The Police Services guideline was 3.7% before assessment and has been approved by the HRPS Board at 4.2% due to immediate resourcing requirements. The 2020 combined impact of Regional Services and Police Services is a 2.0% increase in property taxes, which is comprised of 1.7% for Regional Services and 2.5% for Police Services. The Regional Tax-Supported budget is detailed in the Tax Overview section.

2020 Budget Combined Tax Impact			
	Net Expenditure Increase	Assessment Growth	Tax Increase
Regional Services	3.4%	1.7%	1.7%
Police Services	4.2%	1.7%	2.5%
Regional & Police Services	3.7%	1.7%	2.0%

For illustrative purposes, the property tax impact per \$100,000 current value assessment (CVA) is an increase of \$3 for Regional Services and the impact for Police Services is an additional \$3, resulting in a combined increase of \$6 per \$100,000 CVA. The Regional tax increase including Police Services for 2020 would be \$30 for a household with a CVA of \$500,000, which is the current median household CVA in Halton. 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 \$6.

Property Tax Impact of Regional Government Services (Per \$100,000 CVA)*							
	2019		2020		Change		
	Actual		Budget		\$	%	
Regional Services	\$	175	\$	178	\$	3	1.7%
Police Services		101		104		3	2.5%
Total Regional Taxes	\$	276	\$	282	\$	6	2.0%

Schedule may not add due to rounding.

* Based on projected 1.7% assessment growth

2020 Water and Wastewater Rate Impact

Water and wastewater services are not funded by property taxes. 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 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. Industrial, commercial and institutional customers are typically billed monthly for water and wastewater services, and residential customers are typically billed bi-monthly.

The 2020 Water and Wastewater Rate-Supported Budget has a 3.3% increase, which is primarily driven by capital financing required to support the State-of-Good-Repair capital program, as detailed in the Water and Wastewater Overview section. The water and wastewater rate increase of 3.3% is lower than the 3.9% budget guideline set out in Report No. FN-28-19. The 2020 Rate-Supported budget includes the assumptions of 0% consumption growth and 1.5% customer growth.

2020 Budget Rate Increase				
	Net Expenditure Increase	Customer Growth	Consumption Growth	Rate Increase
Water & Wastewater Services	4.0%	1.5%	0.0%	3.3%

As shown in the following table, for a typical residential home using 250 cubic metres (m³) of water per year, this will result in an additional \$33 in 2020 for water and wastewater charges combined.

Rate Impact On a Typical Household (250 m ³ / Year)						
	2019		2020		Change*	
	Budget		Budget		\$	%
Water	\$	464	\$	478	\$	3.0%
Wastewater		535		554	19	3.6%
Total	\$	999	\$	1,032	\$	33
						3.3%

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

2020 Budget Overview

As part of the annual budget development process, the Region ensures continued financial sustainability through effective financial planning and risk management, which results in maintaining a AAA credit rating and tax rate increases at or below the rate of inflation. For the 2020 budget, the Region (excluding Police Services) has been successful in delivering a property tax increase below the rate of inflation while maintaining or enhancing services. To achieve this objective, the 2020 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 credit rating is maintained.

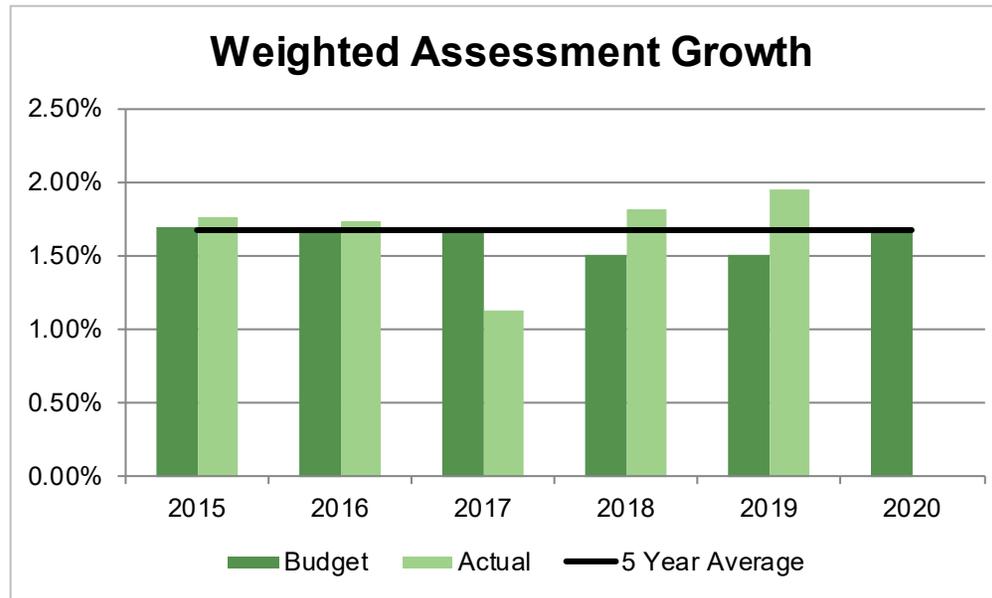
- Strategic investments in additional staff resources resulting from growth, program enhancements or additional federal/provincial funding will require a business case to be considered by Council as part of the annual budget process.
- The Annual Budget includes investment in the state-of-good-repair 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. All revenues are reviewed annually through the budget process to ensure sustainability, in particular revenues that represent significant sources of funding or contain an increased risk or variability such as investment income, supplementary tax revenues, water and wastewater utility revenues, and provincial and federal subsidies. These revenues are discussed in more detail in the tax and water and wastewater overview sections.
- 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 2020 Tax and Rate-Supported budgets.

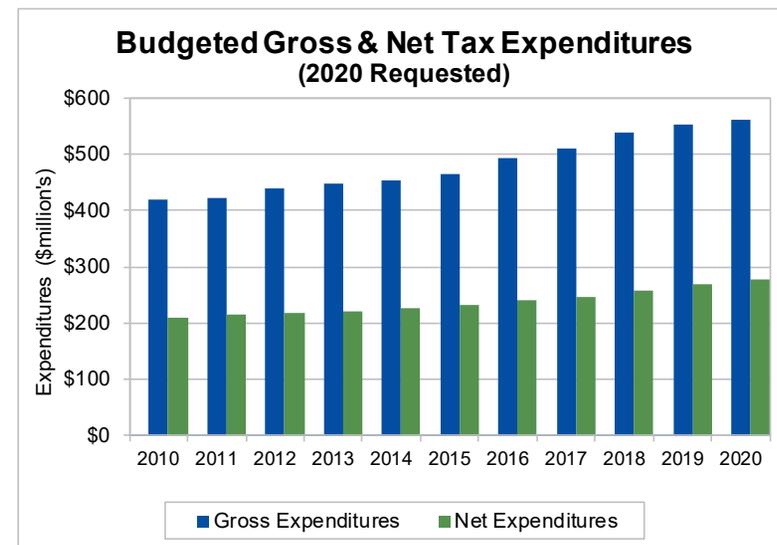
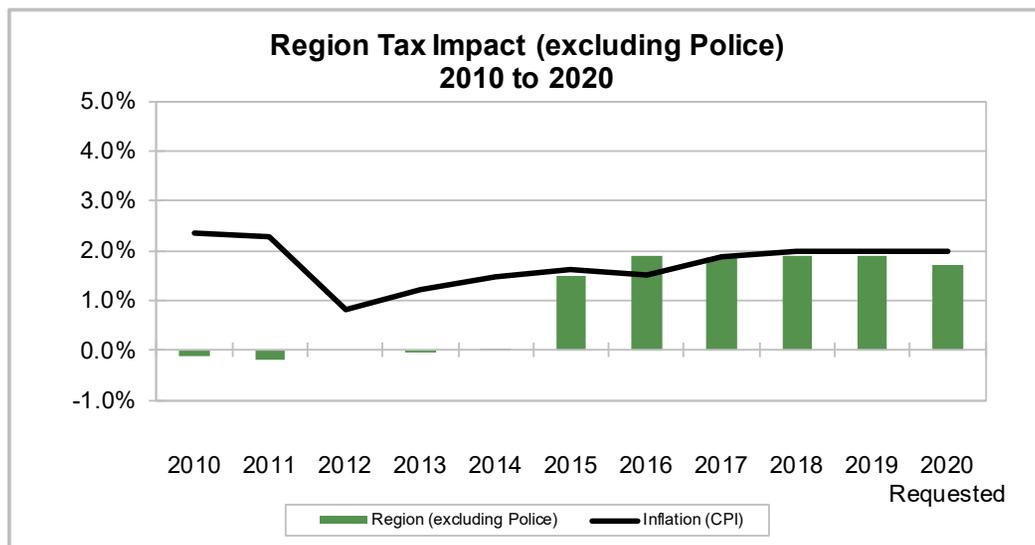
2020 Budget Process				
	Tax Increase	Assessment Growth	Rate Increase	Consumption / Customer Growth
2020 Forecast	2.3%	1.5%	3.9%	0.0% / 1.5%
2020 Budget Directions	2.0%	1.7%	3.9%	0.0% / 1.5%
2020 Budget	1.7%	1.7%	3.3%	0.0% / 1.5%

Tax-Supported Budget

The 10-Year Operating Budget Forecast in the 2019 Budget and Business Plan projected the tax increase for Regional programs in 2020 to be 2.3%. The 10-Year Operating Budget 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 2020 Budget Directions (FN-28-19), the tax forecast budget model assumptions reflect updated information, including adjusted program financing plans, assessment growth and Provincial funding announcements. The tax increase was set at a guideline of 2.0% which aligned with Council's priority of a tax rate increase at or below the rate of inflation. When estimating assessment growth, it is important to look at historical data as well as implications of a development allocation program. Over the past 5 years, the actual assessment growth has fluctuated from 1.13% to 1.95%. As shown in the following chart, based on the 5-year average, it was recommended 1.7% assessment growth be used to prepare the 2020 budget.



The 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 been successful in delivering an average property tax increase of 0.9% for Regional Services (excluding Police Services) from 2010 to 2019, while maintaining or enhancing core services which is outlined in the Strategic Investments section. The Region has been able to keep average property tax rate increases at or below the rate of inflation even though gross expenditures have been increasing at an average rate of 3.5%, while net expenditures (after deducting subsidies and other revenues and recoveries) have been increasing at an average rate of 2.8%. Net expenditure increases were offset by the increase in the Region's assessment base due to average growth of 1.9% over the same 10-year period, resulting in an average tax increase of 0.9%.



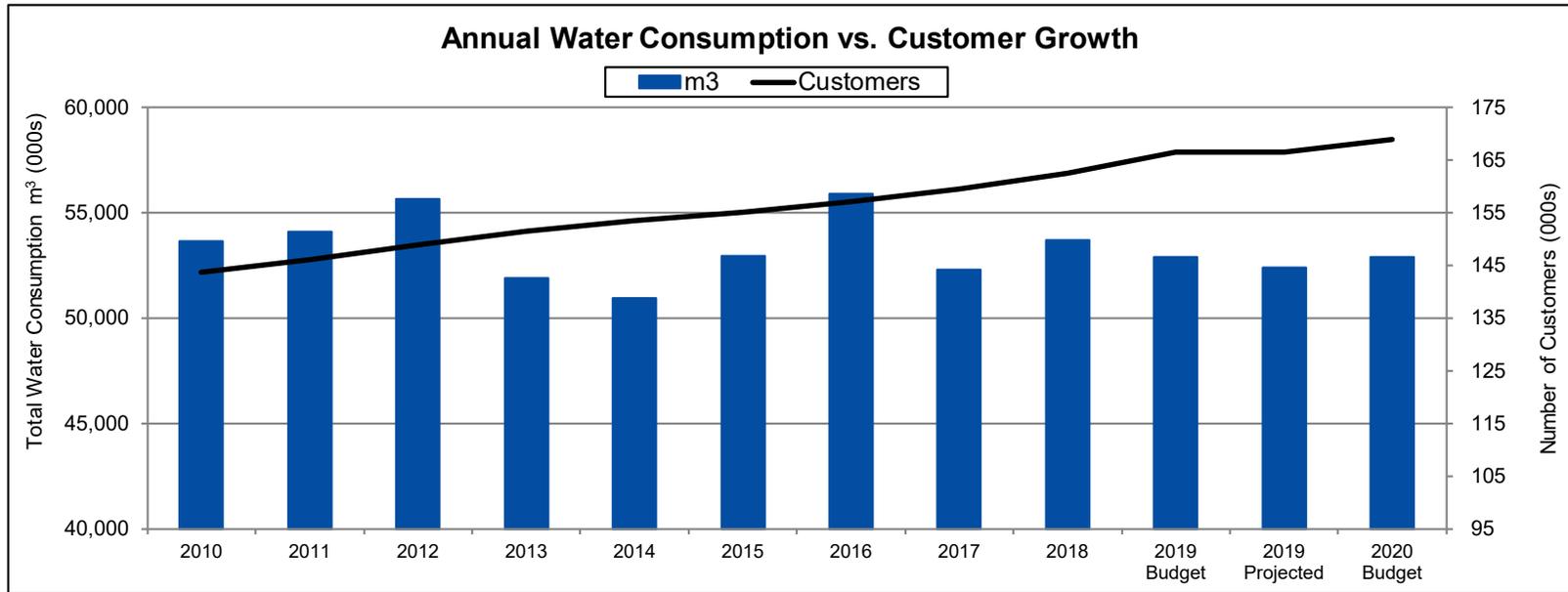
Rate-Supported Budget

The 10-Year Operating Budget Forecast in the 2019 Budget and Business Plan projected the rate increase in 2020 to be 3.9%. The 10-Year Operating Budget Forecast was developed based on existing program financing plans, program-specific assumptions with respect to expected inflationary and growth factors. For the rate forecast budget model, Budget Directions (FN-28-19) maintained the water consumption (0.0%) and customer growth (1.5%) projected in the 2019 forecast and included capital financing based on the Asset Management Plan as set out in Report No. PW-28-17 (re: Public Works Asset Management Program Update, 2017). The 2020 Budget Directions also recognized that some program enhancements would need to address growth and other program pressures in order to maintain service levels. Based on these factors, Council approved the 2020 Budget Directions with a rate increase not to exceed 3.9%.

As shown below, Halton’s average Water and Wastewater rate increase since 2010 has been 3.9%, while average increases in other municipalities across the Greater Toronto Area and Hamilton over the same period have been higher. 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 maintained at or below the rate of inflation. The Strategic Investments section outlines investments made in Water & Wastewater Services.

Municipality	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Average
Halton	0.0%	4.1%	3.5%	4.8%	4.3%	4.9%	5.0%	5.1%	3.8%	3.7%	3.9%
Toronto	9.0%	9.0%	9.0%	9.0%	9.0%	8.0%	8.0%	5.0%	5.0%	4.0%	7.5%
Peel	5.0%	9.1%	8.0%	7.0%	7.4%	7.0%	9.0%	4.3%	6.5%	6.5%	7.0%
Durham	7.2%	4.5%	6.4%	8.4%	6.5%	5.0%	5.0%	3.6%	4.0%	1.8%	5.2%
Hamilton	4.0%	4.3%	4.3%	4.3%	4.0%	4.2%	4.7%	4.9%	4.5%	4.7%	4.4%

Water consumption has varied over the years mainly due to changing seasonal conditions as shown in the table below. The 2020 budget continues to reflect average consumption which includes both dry and wet seasonal conditions, with 0.0% consumption growth projected for 2020. While there is no growth projected for water consumption, the number of water and wastewater customers continues to grow, and the 2020 budget reflects this trend with a 1.5% increase in customer growth.



2020 Budget Key Drivers

The following key drivers of the 2020 budget reflect Council priorities as approved in the 2019-2022 Strategic Business Plan grouped by five strategic themes:

- 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 to this priority as the Region transforms service delivery through innovation, technology and continuous improvements. The 2020 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 will be highlighted in the Effective Government section:

- Continuous Improvements
- Provincial Funding
- Financing Growth
- Regional Investments in Economic Development

Continuous Improvements

As discussed in Report No. CA-10-19 (re: Halton Region 2019-2022 Strategic Business Plan), the 2019-2022 Strategic Business Plan establishes an objective of annual tax rate increases not to exceed inflation. Management Committee plays an active role in reviewing the base budget and proposed strategic investments to ensure levels of services are maintained and Council priorities are achieved. With the level of uncertainty over future provincial funding, a commitment to continuous improvement including increased use of technology, streamlining of business processes, reallocation of resources to address priorities, implementing efficiencies, 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 2019 include:

- Public Health sexual health services review (complete)
- Immunization services review (complete)
- Process review of client service in the Ontario Works program
- Process review and technology implementation (YARDI) for the Halton Community Housing Corporation resulting in streamlined service delivery, improved data management, and improved client service
- Process review and technology implementation of an automated staff scheduling system in Long Term Care homes (complete) and Paramedic Services
- Comprehensive review of purchasing and accounts payable to streamline processes through increased automation and improved internal controls
- Process review for inventory management within the Regional stores
- Modernize Halton.ca to include a new user experience, refreshed content and enhanced service delivery that has resulted in improved service delivery and reduced demand on 311 (complete)
- Expansion of Paramedic Services Community Paramedic program to two buildings in Oakville (complete)
- Air Quality program review (complete)
- Implementation of 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 augment the Asset Management Program to improve programming of the "state of good repair program"
- 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 systems

- The Energy Resource Management study to identify sustainable and green initiatives to reduce operational carbon footprint
- Delivery of enhanced Council Document system to ensure reliable, secure and mobile access to Regional Council documents (complete)
- 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
- Process review and optimization of dead end watermain flushing program to address seasonal needs and improve efficiency
- Review and update of the Energy Conservation and Demand Management Plan
- Conduct a Fleet Management Model Review
- Planning and delivery of the Halton Region Centre Redevelopment and Modernization Project
- Procurement preparation for an Advanced Traffic Management System to provide an efficient and safe region wide transportation network for all road users
- Procurement preparation for an Advanced Meter Infrastructure System to automate meter reading
- Establishment of an Engineering Management Office to ensure consistent and efficient delivery of the capital program
- Implementation of light emitting diode (LED) streetlights resulting in savings, reduced maintenance and reduced carbon footprint
- Development of the enterprise risk management system to ensure risks are identified, assessed and mitigated
- Development and implementation of a Construction Ambassador Program to improve communications and customer service
- Revamp of the Building a Better Halton communication strategy for capital works (complete)
- Process review and business improvements in the administration of childcare fee subsidy
- Reorganization and refocussing of Social & Community Services Quality Service Integration team, now called Human Services Planning & Program Support (complete)
- Review of Early Learning and Childcare support services
- Implementation of the Memorandum of Understanding for an Integrated Halton Planning System that includes clear targets for advancing timely development reviews and clarifying roles and responsibilities for environmental planning review, among other improvements
- Key planning processes have been reviewed and refined to ensure timely approvals – this includes process supports being implemented, like a comprehensive development tracking system (DATS) as well as electronic application circulations
- The Small Business Centre providing key seminar content online in 2020 improving customer access and service delivery efficiency
- New electronic forms for applications to the Region's Tourism-Oriented Destination Signage (TODS) program, which directs resident and visitor traffic to qualified tourism-oriented operations in Halton; and applications for Exemptions under the Retail Business Holidays Act improving the customer experience of resident businesses

Provincial Funding

The 2020 budget was prepared with a conservative approach as previously highlighted, as a result of the Provincial uncertainty. As noted in Report No. FN-28-19, the funding announcement changes delivered in the 2019 Provincial Budget on April 11, 2019 presented significant challenges in preparing the 2020 Tax-Supported Budget in the areas of public health, paramedic services, and social and community services. Since then there have been a number of subsequent Provincial announcements which were provided to Council through Report No. CA-08-19 (re: 2019 Provincial Budget Update), the Memorandums "Update on Report No. CA-08-19 – 2019 Provincial Budget Update", "Update on Report No. CA-08-19 – 2019 Provincial Budget Update Part II", "Update on Report No. CA-08-19 – 2019 Provincial Budget Update Part III", and Report No. FN-28-19. At the time of preparing the 2020 budget, there are certain 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. This includes the Children's Services funding model, Ontario Works cost of administration funding, service delivery of Employment Ontario programs, and the structure of Public Health and Paramedic Services in the Province.

As shown in the table below, the 2020 Provincial subsidy budget is decreasing by \$1.7 million, not including the new funding for the Ontario Seniors Dental Care Program (OSDCP). While funding is decreasing, the demand for services and inflationary cost pressures continue to increase. In the various program areas, savings and efficiencies were identified to mitigate subsidy funding reductions or shortfalls in the 2020 budget, while ensuring that service levels continue to be maintained.

Provincial Subsidies By Program				
\$000s	2019	2020	Change in Budget	
Children's Services	\$ 63,280	\$ 61,262	\$ (2,018)	-3.2%
Housing Services	13,731	12,870	(861)	-6.3%
Public Health - Base Funding	22,837	22,845	7	0.0%
Paramedic Services	19,525	20,051	526	2.7%
Services for Seniors	36,704	36,927	223	0.6%
Employment & Social Services	24,976	25,337	360	1.4%
Road Operations	100	100	-	0.0%
Economic Development	127	226	99	78.2%
Total	\$ 181,281	\$ 179,617	\$ (1,665)	-0.9%

New Provincial Subsidy				
\$000s	2019	2020	Change in Budget	
Public Health - Ontario Seniors Dental Care Program	\$ -	\$ 1,238	\$ 1,238	100.0%

Provincial Subsidy Funding Reductions

The 2020 budget reflects funding reductions in Children's Services and Housing Services as follows:

Children's Services: Beginning January 1, 2020, municipalities will be asked to begin cost-sharing Expansion Plan operating funding that is currently 100% funded, at a rate of 80/20 provincial/municipal. The 2020 budget was prepared reflective of this cost-share funding model change, which is a \$1.5 million funding reduction in 2020. In addition, there is a decrease of \$0.8 million due to Fee Stabilization funding ending as of March 31, 2019 and there is an increase of \$0.3 million for Community-Based Early Years and Child-Care Capital funding. Despite the subsidy reduction of \$1.5 million in Expansion Plan funding, the 2020 budget includes an increase of 43 subsidized childcare spaces from the 2019 projected number of spaces. However, funding for quality investments in repairs and maintenance to licensed child care operators provided as part of Community Support will be reduced from the 2019 level.

Housing Services: Two new housing funding allocations were announced in the 2019 Provincial budget; the Canada-Ontario Community Housing Initiative (COCHI), which can be used to repair, regenerate and expand community housing providers whose original program agreements are expiring, and the Ontario Priorities Housing Initiative (OPHI) which is a successor program to the current Investment in Affordable Housing-Extension (IAH-E) which ends in March 2020. As reported through Report No. SS-19-19/ LPS-86-19 (re: Comprehensive Housing Strategy 2014-2024 – Five Year Review), the initial funding allocation for the first

three years of OPHI is significantly lower than funding received under the previous federal/provincial cost-shared (IAH-E) program. The 2020 budget includes the new allocations for COCHI and OPHI funding totaling \$1.3 million, offset with the decrease of \$2.1 million resulting from the IAH-E program ending, resulting in a funding reduction of \$0.8 million in 2020. Reduced funding, and the necessity to support both growth and existing units, will have implications on the Region's ability to create new housing opportunities at previous rates.

Provincial Subsidy Funding Shortfalls

The following program areas have an increase in Provincial subsidy in the 2020 budget however these increases do not keep pace to match increases in costs and growth, creating funding shortfalls in the program areas of Public Health, Paramedic Services, Services for Seniors and Employment & Social Services as follows:

Public Health: The Province confirmed that effective January 1, 2020, the Provincial cost-share for Public Health will change from the current 100% and 75% model, to 70%. Given that the Region already contributes more than 30%, it is anticipated that the Provincial subsidy will be frozen in 2020. It was identified in Report No. FN-28-19 that this Provincial direction would be challenging and require the identification of opportunities for savings. The 2020 budget was developed with this in mind, and savings were identified without impacting service levels. As shown in the table below, Public Health's 2020 base budget is funded based on 58% funding from the Province, and 42% from the Region. Despite the funding for Public Health being frozen in 2020, the 2020 cost-share has been maintained at the 2019 level as a result of program expenditure reductions with no service level impact.

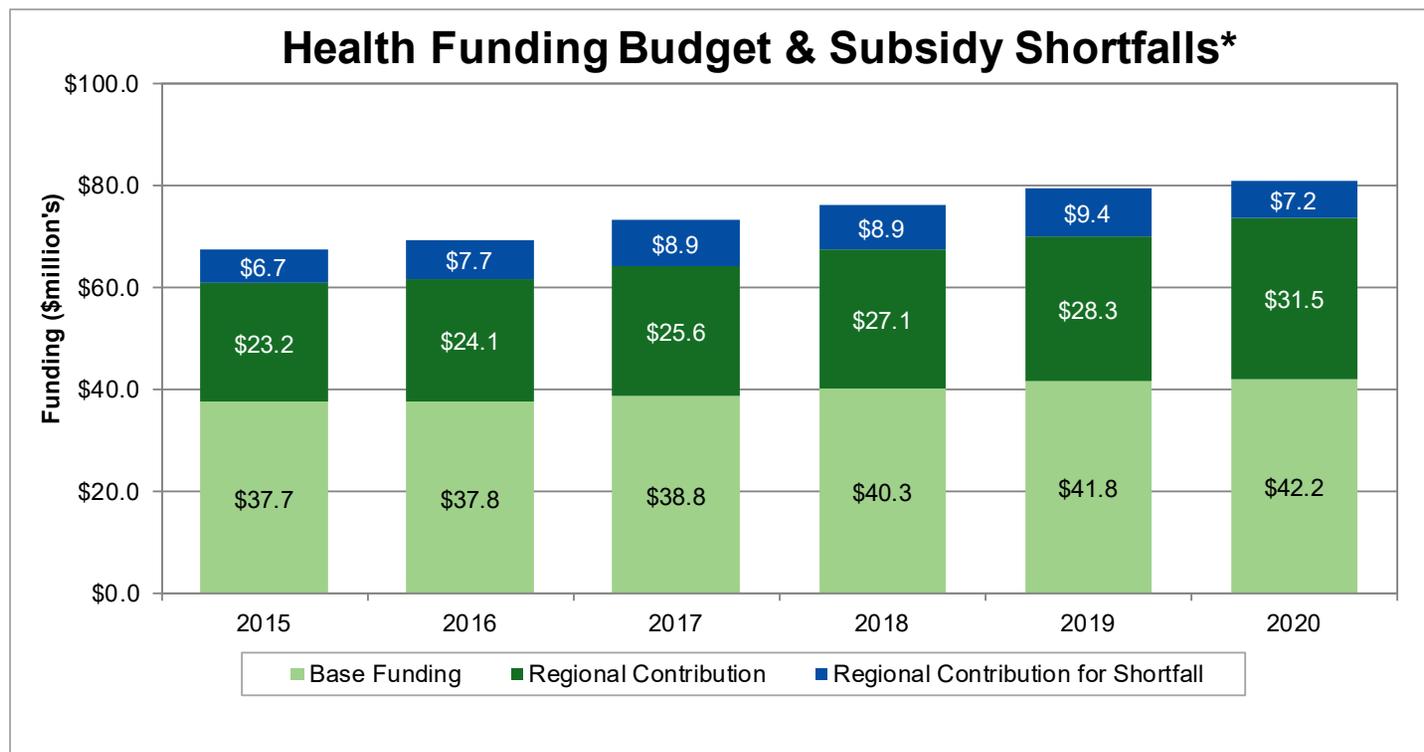
As a result of the 70% cost-share model in 2020, which reduces the provincial funding share, the anticipated shortfall is decreasing by \$2.6 million, not because Provincial funding is increasing, but because of the Provincial cost-share being reduced. Had the funding formula not changed, the shortfall for Public Health would have continued at the 2019 level.

Public Health									
	Expenditure Budget			Provincial Subsidy Budget			Anticipated Shortfall		
(\$000s)	2019	2020	Change	2019	2020	Change	2019	2020	Change
Public Health	\$ 39,200	\$ 39,124	\$ (76)	\$ 22,837 58%	\$ 22,845 58%	\$ 7 0%	\$ 8,200	\$ 5,626	\$ (2,574)

Paramedic Services: The Ministry of Health communicated that municipalities can expect continued growth in 2020 funding. Based on this announcement, the 2020 budget has been prepared with an increase of \$393,000 or 2.1% in base funding to support program growth. Base funding is intended to support a cost-share of 50/50, however the 2020 budget is funded based on a cost-share of 46% funding from the Province, and 54% from the Region. The Region's portion has increased due to inflationary increases required to maintain service levels, without equivalent increases in funding, resulting in a shortfall of \$1.5 million, which is an increase of \$305,000 in 2020.

Paramedic Services												
	Expenditure Budget			Provincial Subsidy Budget			Anticipated Shortfall					
(\$000s)	2019	2020	Change	2019	2020	Change	2019	2020	Change			
Paramedic Services - Base Funding	\$ 40,259	\$ 41,655	\$ 1,396	\$ 18,903	47%	\$ 19,295	46%	\$ 393	2%	\$ 1,227	\$ 1,532	\$ 305

The following bar graph demonstrates the Provincial funding shortfalls financed by the increase in Regional contributions for the Health program over the past few years. The funding shortfall continued to increase from 2014 to 2019. The reduction in shortfall from \$9.4 million in 2019 to \$7.2 million in 2020 is due to the change in the cost-share model for Public Health from the current 100% and 75% model, to 70%.



*Excluding Ontario Seniors Dental Care Funding

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 2019/2020 re-indexing of eligible CMI funding by the MLTC results in subsidy received that is 93.2% of the calculated care needs of residents. While the calculated CMI, which measures the care requirements of residents, 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 \$1.7 million in the 2020 budget. This shortfall results in increased Regional investment required to maintain service levels.

Long-Term Care Homes - Case Mix Index						
Case Mix Index	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020
Allendale	102.98%	103.76%	104.97%	110.13%	117.78%	120.27%
Post Inn Village	100.63%	105.71%	105.95%	106.34%	112.82%	115.66%
Creekway Village	107.85%	115.45%	114.72%	116.56%	120.52%	120.51%
MLTC Re-Indexing Factor	98.5%	97.3%	96.4%	95.6%	94.6%	93.2%
Change in Re-Indexing Factor		-1.3%	-0.9%	-0.8%	-1.1%	-1.4%

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. The 2020 budget for provincial subsidies is increasing by \$360,000, which includes an increase for OW benefits of \$549,000, partially offset with decreases due to the OW cost of administration subsidy being held at the 2018 level with no inflationary cost increases of \$105,000, and the elimination of the Employing Youth Talent and Youth Job Link programs of \$83,000. Freezing the OW cost of administration per case subsidy funding at the 2018 level increases the Regional contribution required to administer the OW program.

New Provincial Subsidy Funding

As part of the Provincial budget, the Ontario government announced the creation of the Ontario Seniors Dental Care Program (OSDCP) which, when fully implemented, will provide comprehensive dental care to eligible low-income seniors.

Public Health – Ontario Seniors Dental Care Program: Halton Region received confirmation that a pro-rated amount of \$928,500 in funding to support the new OSDCP is available in 2019, with an annualized amount of \$1.2 million available in 2020. As reported in Report No. MO-33-19 (re: Ontario Seniors Dental Care Program: Update), in August 2019, Public Health submitted a capital funding request in the amount of \$1,284,729 to the Ministry of Health for one-time, 100% capital funding for the establishment of a dental clinic in Halton. Staff are working to establish a clinic in Halton as soon as possible to best meet the needs of low-income seniors in Halton. Clinic plans will be informed by local demographic and oral health data, the technical expertise of local dental health professionals, and by the Halton Older Adult Plan (2015-2018). In 2020, program needs will be further defined as planning and implementation progress.

Financing Growth

A key principle in accommodating the Region’s growth-related capital infrastructure program is that existing taxpayers are not affected by the cost of growth-related capital requirements or the risks related to financing 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 discussed in Report No. FN-46-19/ PW-50-19/



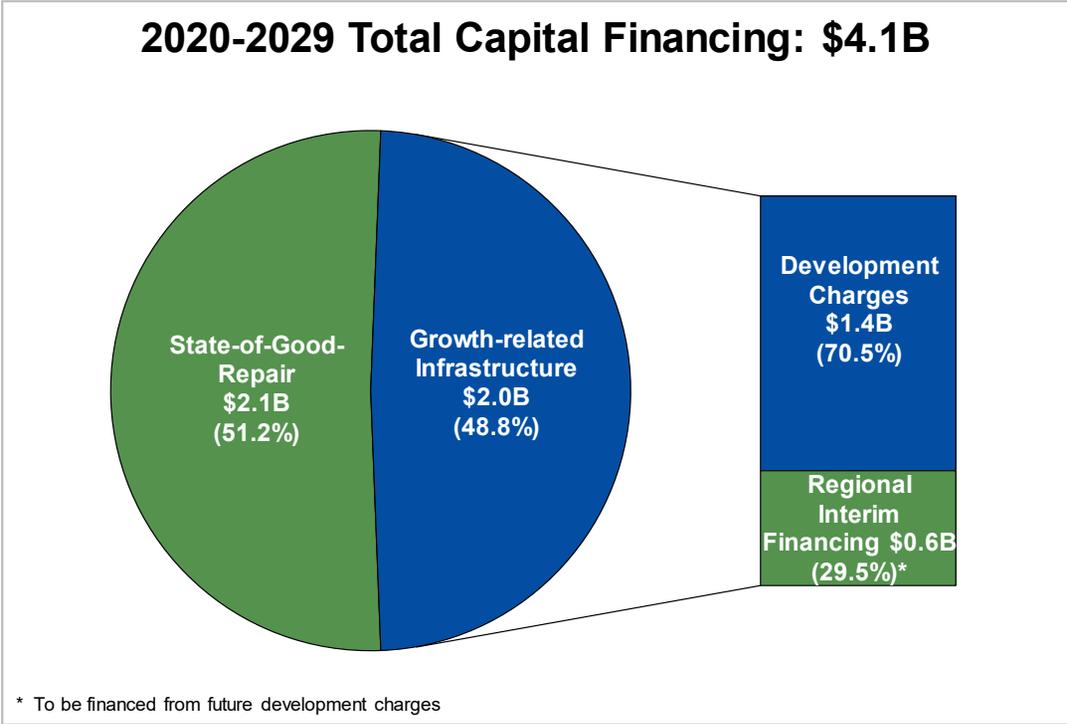
LPS112-19 (Re: 2020 Allocation Program Options) includes the release of up to 19,329 Single Detached Equivalents (SDE's) in Halton representing residential growth until 2022, without financial impact to the existing taxpayers.

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 the *Development Charges Act (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 impact 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 2020 10-year capital program totalling \$4.1 billion incorporates \$2.0 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). 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 2017 development charge (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. Under the current DCA, Halton Region's DC revenues are estimated to be, at minimum, \$14.1 million per year lower than a calculation based on a growth pays for growth principle. Throughout 2019, the Province has introduced changes to the DCA. This includes changes under Bill 108 that could pose financial challenges to the Region. The challenges include removal of soft services from the DCA to a new amended section in the *Planning Act*, timing of DC collection, timing of determination of DC rate and exemption of secondary dwelling in new construction. The extent of the impacts is still unknown as the associated regulations have not yet been prescribed, however once they come into effect, the changes will have a significant impact on how the Region delivers and finances its growth-related capital program. The Region continues to advocate to the Province for legislation that supports the "growth pays for growth" principles.

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



Regional Investments in Economic Development

The 2020 budget includes the Region’s continued investment in economic development through its interim financing for non-residential growth as set out in Report FN-46-19/ PW-50-19/ LPS112-19 (Re: 2020 Allocation Program Options). 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 impact tax or water and wastewater rates, the Region uses internal borrowing for residential-led employment growth and external debt for growth in key employment lands. The Infrastructure 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 Infrastructure Investment Revolving Fund in order to sustain the reserve fund capacity for interim financing. In addition, the Region provides an annual contribution of \$36.9 million to the Tax Capital Reserve and Roads Resurfacing Reserve for the state-of-good-repair Transportation capital cost, excluding Gas Tax revenue (\$7.2 million).

By the end of 2019, the Region’s investment from the revolving fund is projected to be approximately \$235.4 million, while the investment from the Tax Capital Reserve is projected to be \$125.1 million. In 2011, the Region also invested, through 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 one million people by 2041. While planning for and balancing residual and economic 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 will be highlighted in the Planning & Growth Management section:

- Regional Official Plan
- Local Planning Appeal Tribunal (LPAT) & Other Hearings

Regional Official Plan

The Regional Official Plan Review is underway as outlined in Report No. LPS41-19 – Regional Official Plan Review – Progress Update on the Integrated Growth management Strategy and Preliminary Growth Scenarios. This review is a multi-year project which plans for growth in Halton to 2041 and is currently accommodated within capital project T8021 – Regional Official Plan. LPS41-19 was deferred by Council so that the Local Municipal Councils can recommend what evaluation criteria and weighting best suit the local planning needs. As well, through LPS107-19 – Fall 2019 Integrated Growth Management Strategy Update, staff was directed to invite BILD (Building Industry and Land Development Association) to participate in the Official Plan consultation process with the public. The operating contribution to reserve has increased by \$380,000 in the 2020 budget.

Local Planning Appeal Tribunal (LPAT) & Other Hearings

The Region has significant files related to CN Logistics Hub, Glen Abbey, North Aldershot/Eagle Heights and proposed aggregate extractions to be addressed in 2020 and as such has included \$5.5 million in the Planning Services Capital Budget. The operating contribution to reserve to support the LPAT & Other Hearings has increased by \$500,000 in the 2020 budget.



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.

The following drivers will be highlighted in the Transportation and Infrastructure section:

- Asset Management Plans
- Water and Wastewater State-of-Good-Repair-Capital
- Roads State-of-Good-Repair-Capital
- Corporate Facilities State-of-Good-Repair
- Social Housing State-of-Good-Repair
- Water and Wastewater Maintenance
- Road Maintenance
- Advanced Traffic Management System

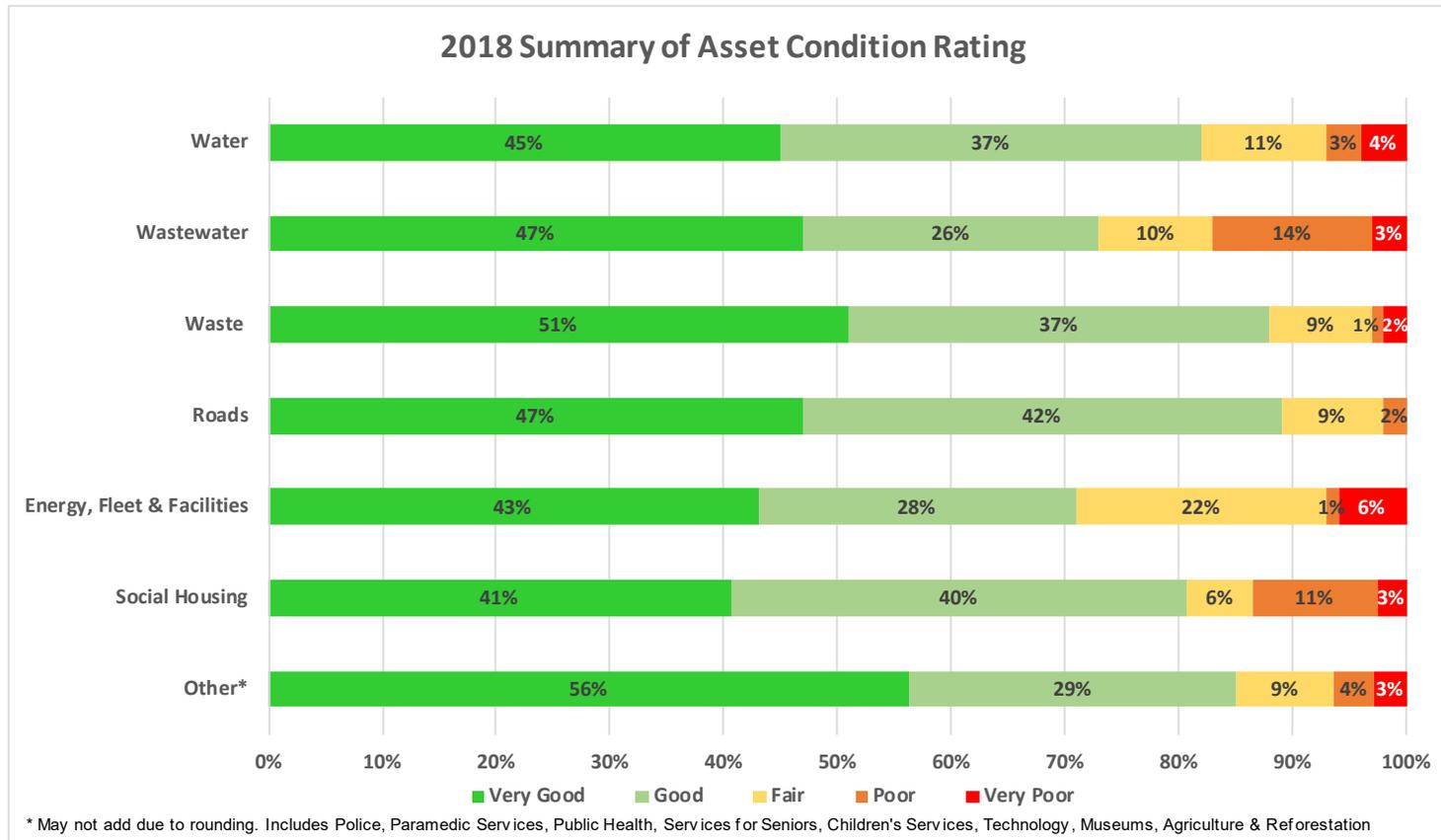
Asset Management Plans

Maintaining Regional assets and infrastructure in a State-of-Good-Repair is a key priority. 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. Based on the Asset Management Plan, the Budget ensures that Halton's State-of-Good-Repair capital program is financially sustainable. The 2020 Budget and Business Plan includes a 10-year capital plan at a projected cost of \$4.1 billion. Of the \$4.1 billion, \$2.0 billion is projected to address growth infrastructure needs, and \$2.1 billion to address the State-of-Good-Repair Capital Program for existing infrastructure.

In response to O. Reg. 588/17: Asset Management Planning for Municipal Infrastructure which came to effect on January 1, 2018, Halton Region approved the Corporate Asset Management Policy through Report No. FN-19-19 (re: "Asset Management Policy (O. Reg. 588/17)"). This policy sets out principles and requirements for asset management practices across all departments in the Region to enable transparent, auditable, repeatable and evidence based asset management and budget and business planning.

Although the Region already has a comprehensive Asset Management Plan, amendments and additions as they relate to Halton will be made in order to be fully compliant with the requirements as stated in O. Reg. 588/17. Halton Region's asset management practices have evolved throughout the years and staff will work to align existing practices with the new regulation requirements with the target completion July 2021. The Region continues to ensure the state-of-good-repair-of core infrastructure through the implementation of the Reliability Centred Maintenance program, meeting the requirement of Asset Management Plan Regulation (O.Reg 588/17) and finalizing the asset management optimized decision-making tool.

Through the 2019 Budget, the Region updated the condition rating as shown in the following graph below for all Regional assets to be consistent across all service areas. Asset conditions should be objective and repeatable, and are typically expressed as ratings. The Region's condition gradings align to the National Standard ranging from 1 (the asset is in a very good condition) to 5 (the asset is in a very poor condition) and are updated every 4 years. The updated condition rating will be presented as part of 2023 Budget and Business Plan.



Halton's asset management program has resulted in most infrastructure assets being rated as 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 endeavors to reduce construction impacts on residents and businesses and achieve 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 2020, projected ratios for Water, Wastewater and Roads are as follows:

2020 Reserve Contributions for State-Of-Good-Repair vs. Annual Amortization (\$000s)				
	Operating Transfers * (A)	Annual Amortization (B)	2020 Ratio (A)/(B)	2019 Ratio
Water & Wastewater	\$ 108,116	\$ 72,391	1.5	1.4
Roads	\$ 65,315	\$ 22,768	2.9	2.8

* Includes transfers relating to Gas Tax.

The 2020 operating contributions of \$108.1 million (including interest earnings) for the Water and Wastewater State-of-Good-Repair capital program result in a ratio of 1.5, and the \$65.3 million (including interest earnings) for the Roads State-of-Good-Repair program result in a ratio of 2.9. 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.

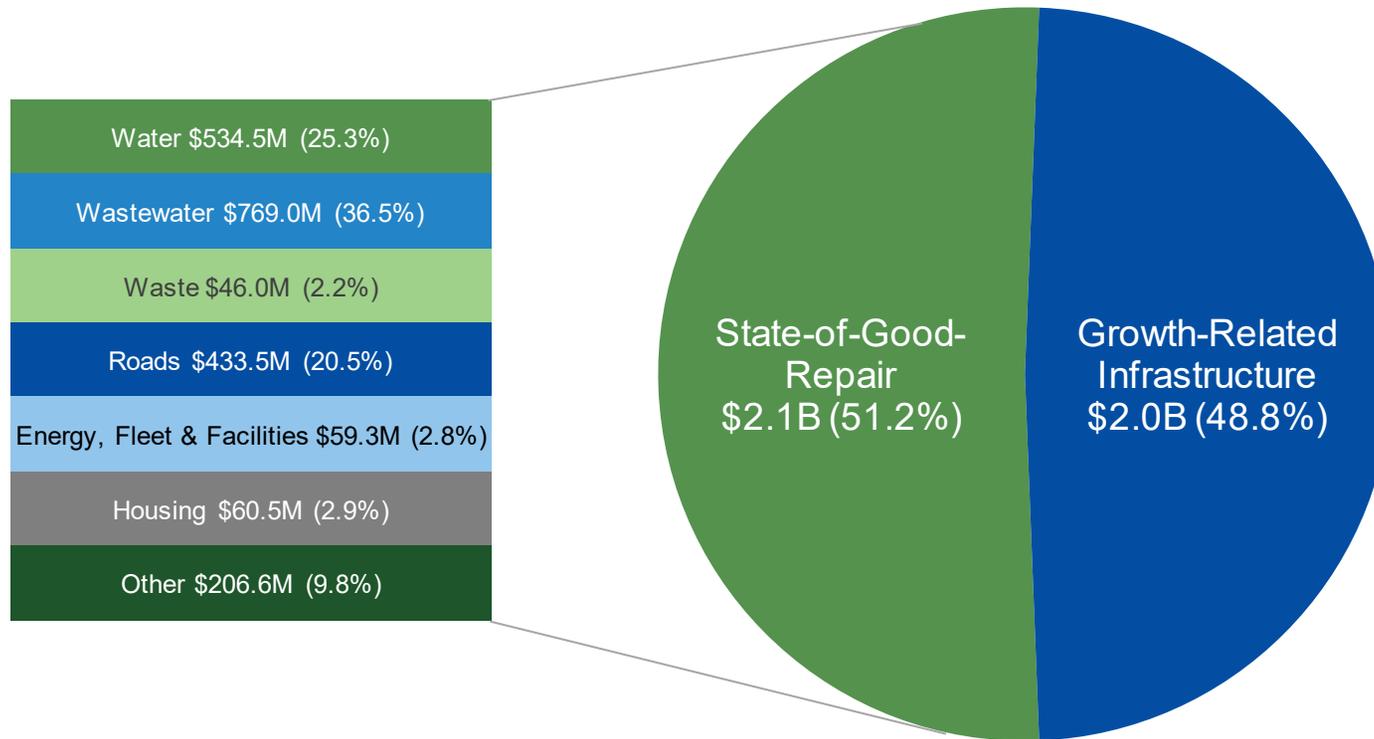
The Region has significant assets particularly in water, wastewater, roads, and waste management that are highlighted below. As of December 31, 2018, the total book value of these assets was \$6.0 billion. The replacement value of these assets would be significantly higher.

Assets - Book Value (\$Millions)			
	2017	2018	Change
Water and Wastewater	\$ 3,871	\$ 4,053	\$ 182
Roads	1,091	1,155	64
Waste Management	111	112	1
Other*	578	706	128
Total	\$ 5,651	\$ 6,026	\$ 375

* 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.

2020-2029 Total Capital Expenditures: \$4.1B



As shown in the table below, the operating contributions to fund reserves included in the 2020 budget in support of the entire State-of-Good-Repair capital program (excluding Police) totals \$169.1 million.

Transfer to Reserves (\$000's)			
	2019	2020	Change
Water & Wastewater*	\$ 89,001	\$ 96,226	\$ 7,225
Roads*	43,195	44,020	825
Waste Management	7,107	7,233	126
Sub-Total PW	\$ 139,302	\$ 147,478	\$ 8,176
Energy, Fleet & Facilities	4,875	5,018	143
Health	3,169	3,291	122
Social & Community Services	2,132	2,284	152
Information Technology	3,691	4,034	343
Vehicles	1,485	1,522	37
Planning Services	1,280	2,165	885
Waterfront Master Plan	2,099	3,287	1,188
Sub-Total Non-PW	\$ 18,732	\$ 21,601	\$ 2,869
Total	\$ 158,034	\$ 169,079	\$ 11,045

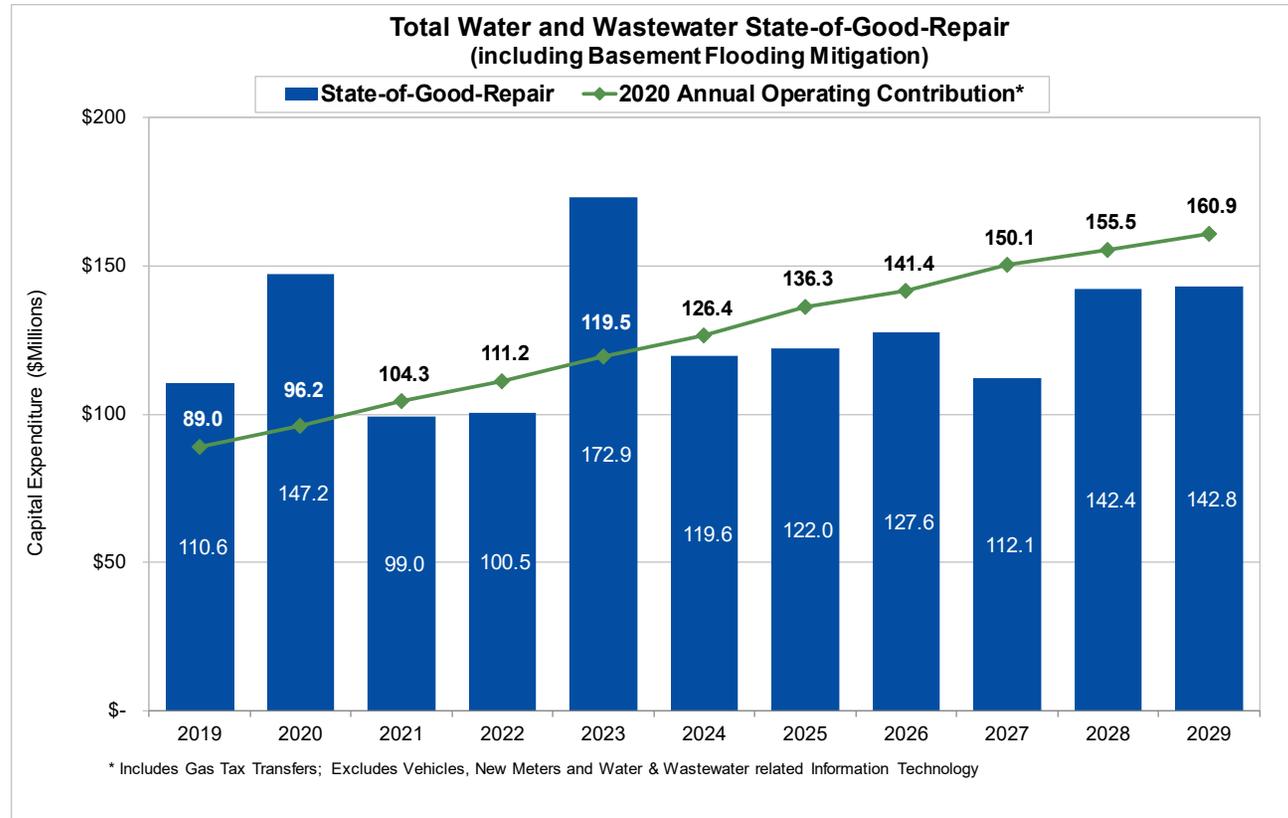
* Excludes Vehicles, Information Technology related costs, and interest earnings

The \$169.1 million in operating contributions to reserves (including gas tax) is an \$11.0 million increase compared to the 2019 transfers driven primarily by a \$7.2 million increase to support the Water and Wastewater State-of-Good-Repair capital program and a \$0.8 million increase to support the Roads State-of-Good-Repair capital program. The remaining operating transfer increases are primarily driven by Planning and Waterfront (\$2.1 million) of which \$1.2 million is related the Burlington Beach Waterfront implementation, \$0.5 million is related to LPAT and Other Hearings and \$0.4 million is related to the Regional Official Plan. 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 and rate-supported programs throughout the 10-year forecast. The Water, Wastewater and Roads State-of-Good-Repair programs are discussed in more detail below.

Water and Wastewater State-of-Good-Repair Capital

The operating contributions included in the 2020 budget in support of the Water and Wastewater State-of-Good-Repair capital program total \$96.2 million. These contributions are a \$7.2 million increase over the 2019 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 1.6% to 2.4% 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 2020 10-year State-of-Good-Repair capital program has increased by \$53.2 million from the 2019 10-year program to a total of \$1.2 billion revised through the annual budget process based on the Public Works' Asset Management Strategy (PW-28-17). As a result, the total operating contributions over the forecast period increases from \$96.2 million in 2020 to \$160.9 million in 2029.

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.

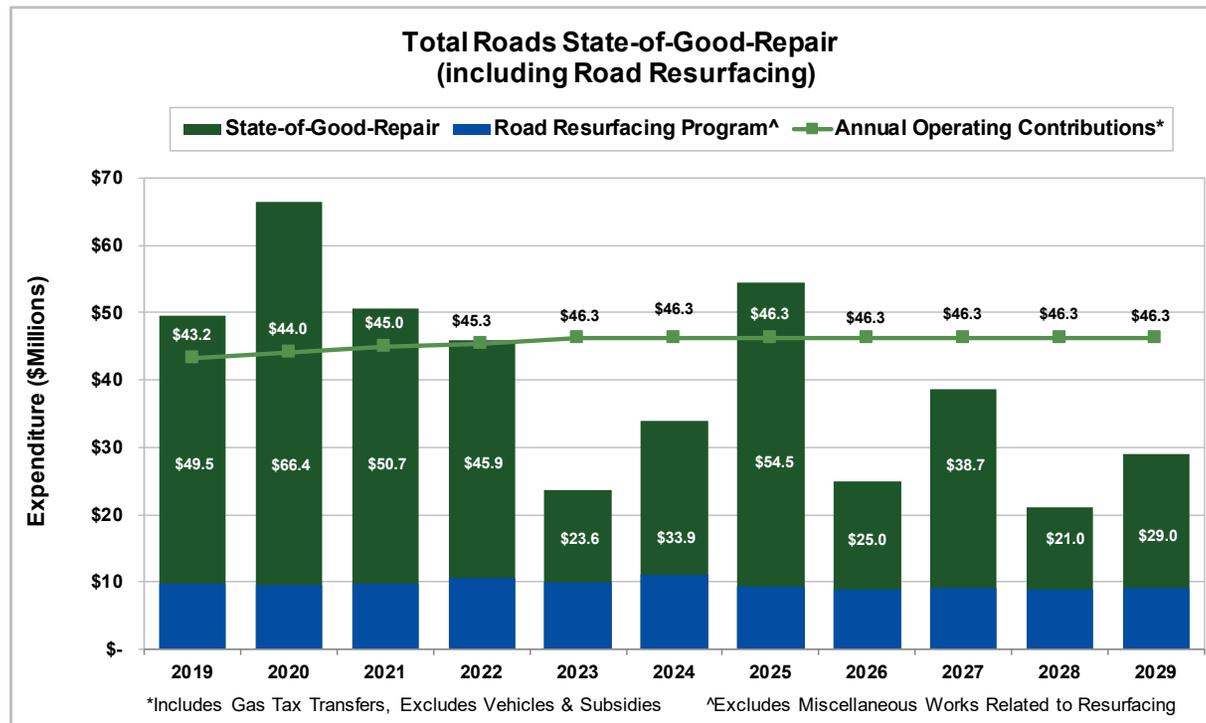
Supervisory Control and Data Acquisition (SCADA) is a critical component of the water treatment & distribution and wastewater collections & treatment which maintains high quality service levels and regulatory compliance through enterprise-wide monitoring and process control. In 2018, the Region completed a SCADA Systems Master Plan which provides a 10-year plan to maintain the reliability of the SCADA system and establish new initiatives to meet emerging needs to optimize the use of resources, both internal and external.

The 2020 budget includes the following strategic investment to support the SCADA system 24/7:

- **SCADA Specialist \$129,000** to support the implementation of the SCADA System Master Plan, to maximize the business value of the assets, provide reliable and remote operations, efficient operations and keep the SCADA system in a state-of-good-repair.

Roads State-of-Good-Repair Capital

The 2020 budget includes \$44.0 million in operating contributions to support the Roads State-of-Good-Repair Capital Program, including roads resurfacing. The \$44.0 million includes operating transfers to reserves (including Gas Tax) of \$35.4 million for roads capital projects and \$8.6 million for road resurfacing (excluding related miscellaneous works). The \$44.0 million of operating transfers is a \$0.8 million increase from the 2019 budget. As detailed in the Tax Overview section, the 2020 10-year Roads State-of-Good-Repair capital program totals \$433.5 million (\$388.7 million without subsidies).



To support the water, wastewater and roads capital program the following strategic investments are included in the 2020 budget:

- **Assistant Corporate Counsel \$174,000** to provide legal support to the Public Works department and support the increasing demands on Legal Services related to the Region's expanded Transportation and Water and Wastewater programs. The Assistant Corporate Counsel will also provide advice and representation on claim management for Construction Act requests for adjudication, construction lien matters, and court claims in respect of construction

projects. Consistent, in-house counsel that understands the Region's contract documents, processes and overall approach to capital projects will enable Legal Services to efficiently and effectively provide advice on legislative changes that affect Public Works program areas and minimize litigation and claim exposure.

- **Senior Realty Officer \$149,000** to ensure Realty Services is able to continue to provide timely and cost-effective acquisition services to address significant and imminent increases in property requirement needs to accommodate several, large capital infrastructure projects forecasted over the next 1 to 4 years, and beyond.

Corporate Facilities State-of-Good-Repair

The 2020 budget includes \$5.0 million to support the corporate facilities State-of-Good-Repair capital program, an increase of \$0.1 million from the 2019 budget. The BCAs completed in 2017 continue to inform the 2020 budget, as detailed in the Tax Overview section. The 2020 Corporate Facilities 10-year State-of-Good-Repair capital program totals \$73.5 million, with \$2.8 million in 2020.

Social Housing State-of-Good-Repair

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 service providers. 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), and 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) with no additional investment required prior to the next BCA study in 5 years' time. However, on an individual provider basis, there are 6 providers that could result in unfavourable reserve balances given the capital needs identified in the BCA's. Staff will undertake a detailed review of these 6 housing providers which will involve on-site visits of the properties by the Region's Energy, Fleet & Facilities staff and discussions with property managers regarding their capital spending needs to keep their priorities 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.

Water and Wastewater Maintenance

The 2020 Rate-Supported Operating Budget provides \$19.9 million for the ongoing repair and maintenance of the water and wastewater system, which is an increase of \$47,000 or 0.2% from the 2019 budget, and includes inflationary increases mitigated by increased program efficiencies and a reallocation of resources. Throughout 2019 and continuing in 2020, staff are implementing the Reliability Centred Maintenance (RCM) program in order to provide an optimum maintenance mix that drives towards zero unplanned operational interruptions, along with a focus on planning and scheduling to efficiently and effectively realize the maximum value of Halton Region's Water Treatment Assets. Savings and efficiencies have been identified through reducing reliance on external contractors and bringing more maintenance in-house. In-house maintenance staff are better able to assess the status of assets and deliver a high level of service because of their specialized familiarity with Halton equipment and operating conditions gained through experience and training. In order to maintain existing service levels for the growing water and wastewater system, the following strategic investments are proposed for 2020, which will be funded with equivalent reductions to purchased services, with no net rate impact:

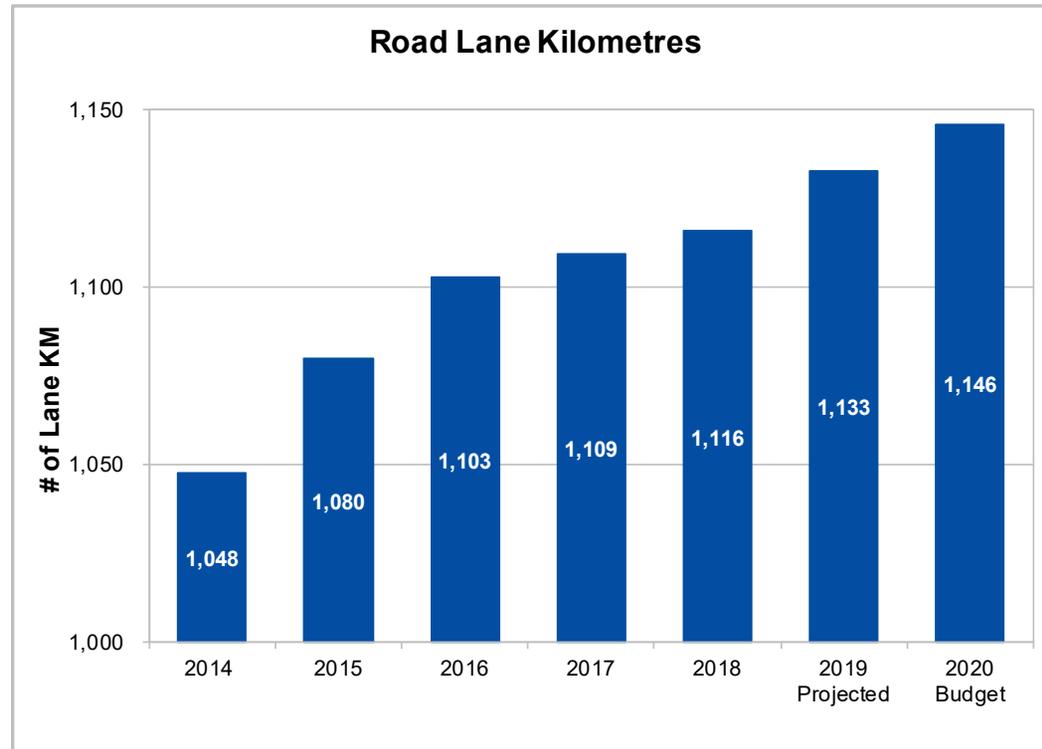
- **Maintenance Planner \$120,000** to support Water and Wastewater systems at appropriate levels of service ensuring that the program meets and exceeds the safety and reliability standards for all electrical, mechanical and instrumentation work at all Regional water distribution and wastewater collection stations. This investment will have an effective net zero impact on the maintenance program as costs will be offset by reductions in purchased services.
- **Operations Support Coordinator \$119,000** to support maintenance activities as preventive maintenance plans are increasing in complexity and volume, this position will ensure that levels of service are delivered and that asset maintenance needs are met, with an emphasis on continuously improving

maintenance systems, business processes, training, and performance management practices. It is expected that these efforts will cumulatively reduce lifecycle and program costs associated with treatment asset maintenance. This investment will have an effective net zero impact on the rate budget as costs will be offset by equivalent reductions in purchased services.

- **Reliability Engineer \$146,000** to deliver the strategic objective of maintaining regional infrastructure in a state-of-good-repair, ensuring that expected levels of service are delivered and asset maintenance needs are met, with an emphasis on continuously improving maintenance systems, business processes, training, and performance management practices. This investment will have an effective net zero impact on the rate budget as costs will be offset by equivalent reductions in purchased services.

Road Maintenance

The 2020 Road Operations budget includes a total of \$13.3 million, an increase of \$466,000 from the 2019 budget, and includes road maintenance contracts with the local municipalities and Regional contracts to address growth in the Regional road network and additional maintenance costs including winter control. A major driver of the increased road maintenance cost is the increase in lane kilometres to support growth in the Region. Between 2014 and 2019, the Region's transportation network system has been in a state of accelerated growth with an estimated increase of 85 lane kilometres. The following table shows the growth in the Regional road network over the past several years.



The Region contracts the repair and maintenance of Regional Roads to the local municipalities through the Regional Road Maintenance Agreement. As discussed in Report No. PW-29-19 (re: Regional Road Maintenance Agreements), between 2016 and 2017, the Region and local municipalities undertook a review of the administration of the agreement in order to identify opportunities to streamline and achieve efficiencies. The review resulted in recommended changes to significantly streamline billing and administration of the agreements and release capacity for more value added activities related to road maintenance. Following the successful completion of the trial period, the Region and the local municipalities have entered into new Regional Road Maintenance Agreements based on the efficiencies identified through the streamlining of contract administration, for a period of five years commencing January 1, 2020.

Advanced Traffic Management System

A critical tool in traffic engineering is the use of Intelligent Transportation Systems (ITS) or Advanced Traffic Management Systems (ATMS). An ATMS is a “state-of-the-art” traffic signal control system consisting of a very powerful central processing unit programmed with complex algorithms, working together with equipment in the field such as detection devices (loops, video cameras, radar, etc.), closed circuit television cameras, traffic signals, warning and travel time information signs/messaging boards, emergency and transit pre-emption devices, monitoring and data collection devices, etc. All of these intelligent devices work together to move traffic safely and efficiently in response to real-time traffic demands and allow staff to make informed decisions based on real-time data. The Region’s Road Operations program undertook a feasibility study and the findings were reported to Regional Council in 2018 (PW-10-18 re: Regional Advanced Traffic Management System (ATMS, Our File: PR-3205A)), which recommended the implementation of the ATMS. The 2020 budget includes \$8.5 million between 2020 and 2022 for this initiative. This implementation essentially sets the stage for establishing Regional Roads as smart corridors. Continued implementation of the ATMS will require the following strategic investment in 2020:

- **Traffic Operations Technologist \$113,000** to operate the Regional ATMS. The Region's ATMS will provide Regional staff with the ability to actively manage traffic by undertaking real-time traffic monitoring and traffic signal control Region-wide, all from one central location. It will also allow staff to implement strategies in real-time to reduce impacts on road users, minimize congestion, assist in the provision of emergency services, disseminate information to the public, improve traffic efficiency, reduce carbon emissions, save energy, and provide a safer, more efficient transportation network to the public.



Community Well Being

The Region supports the growth of healthy and safe communities, ensuring that all residents have easy access to the wide range of services that the Region provides is a high priority. It is essential that the Region’s programs continue to respond to the changing demographics and diversity of Halton residents and that the non-profit sector is engaged to expand services, particularly to Halton’s vulnerable population. 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 will be highlighted in the Community Well Being section:

- Ontario Seniors Dental Care Program
- Community Paramedic Program
- Comprehensive Housing Strategy
- Older Adult Needs
- Community Safety and Well-Being Plan and Halton Community Investment Fund
- Deliver Provincial Programs to Support Families and Individuals

Ontario Seniors Dental Care Program

As part of the provincial budget, the Ontario government announced the creation of the Ontario Seniors Dental Care Program (OSDCP) which, when fully implemented, will provide comprehensive dental care to eligible low income seniors. Halton Region received confirmation that a pro-rated amount of \$928,500 in funding to support the new OSDCP is available in 2019, with an annualized amount of \$1.2 million available in 2020. As reported in Report No. MO-33-19 (re: Ontario Seniors Dental Care Program: Update), in August 2019, Public Health submitted a capital funding request of \$1,284,729 to the Ministry of Health for one-time, 100% capital funding for the establishment of a dental clinic in Halton. Staff will work to establish a clinic in Halton as soon as possible to best meet the needs of low-income seniors in Halton. Clinic plans will be informed by local demographic and oral health data, the technical expertise of local dental health professionals, and by the Halton Older Adult Plan (2015-2018). In 2020, program needs will be further defined as planning and implementation progress. A strategic investment which includes the annualized Provincial funding for the OSDCP has been included in the 2020 budget for Council's consideration and is provided in more detail below, with no net Regional impact.

- **Ontario Seniors Dental Care Program \$1.2 million** for 3.0 FTEs and associated costs necessary to implement the new Ontario Seniors Dental Care Program (OSDCP), which will provide comprehensive dental care to eligible low-income seniors. This investment will utilize the 100% base funding available from the Ministry of Health, resulting in no net Regional impact, as reported to Council through Report No. MO-33-19.

Community Paramedic Program

As outlined in Report No. MO-19-19 (re: Paramedic Services Division Annual Update), over the past 10 years (2009 to 2018) call volumes have increased by 72%. In 2018, paramedic call volume increased by 3.3% compared to 2017, and is anticipated to increase by an additional 4.2% annually in 2019 and 2020. To help with rising call volumes, the Community Health Assessment Program (CHAP) is a health assessment and health promotion program for residents living in seniors' buildings which has been offered in Halton Hills, Milton and Oakville. The ultimate goal is to improve the health of participating seniors by improving their use of health-appropriate resources, and at the same time reducing their use of paramedic. The following strategic investment utilizes funding available from the Hamilton Niagara Haldimand Brant Local Health Integration Network (LHIN) to expand CHAP into Burlington:

- **Community Health Assessment Program (CHAP) Paramedic \$134,000** to expand CHAP to the City of Burlington with 1.0 FTE Paramedic to assume the lead role for the program. This investment will utilize funding available through the Hamilton Niagara Haldimand Brant LHIN, resulting in no net Regional impact. CHAP is a health assessment and health promotion program for residents living in seniors' buildings. It focuses on a cardiovascular disease, diabetes, and falls risk assessment, and empowers the residents to take action to address identified risk factors to these chronic diseases. CHAP has been shown to reduce paramedic calls and emergency department visits by taking a proactive approach to seniors' health care needs, as reported to Council through Report Nos. MO-01-19 (re: Community Paramedic Programs) and MO-24-19 (re: Community Paramedic Program Update).

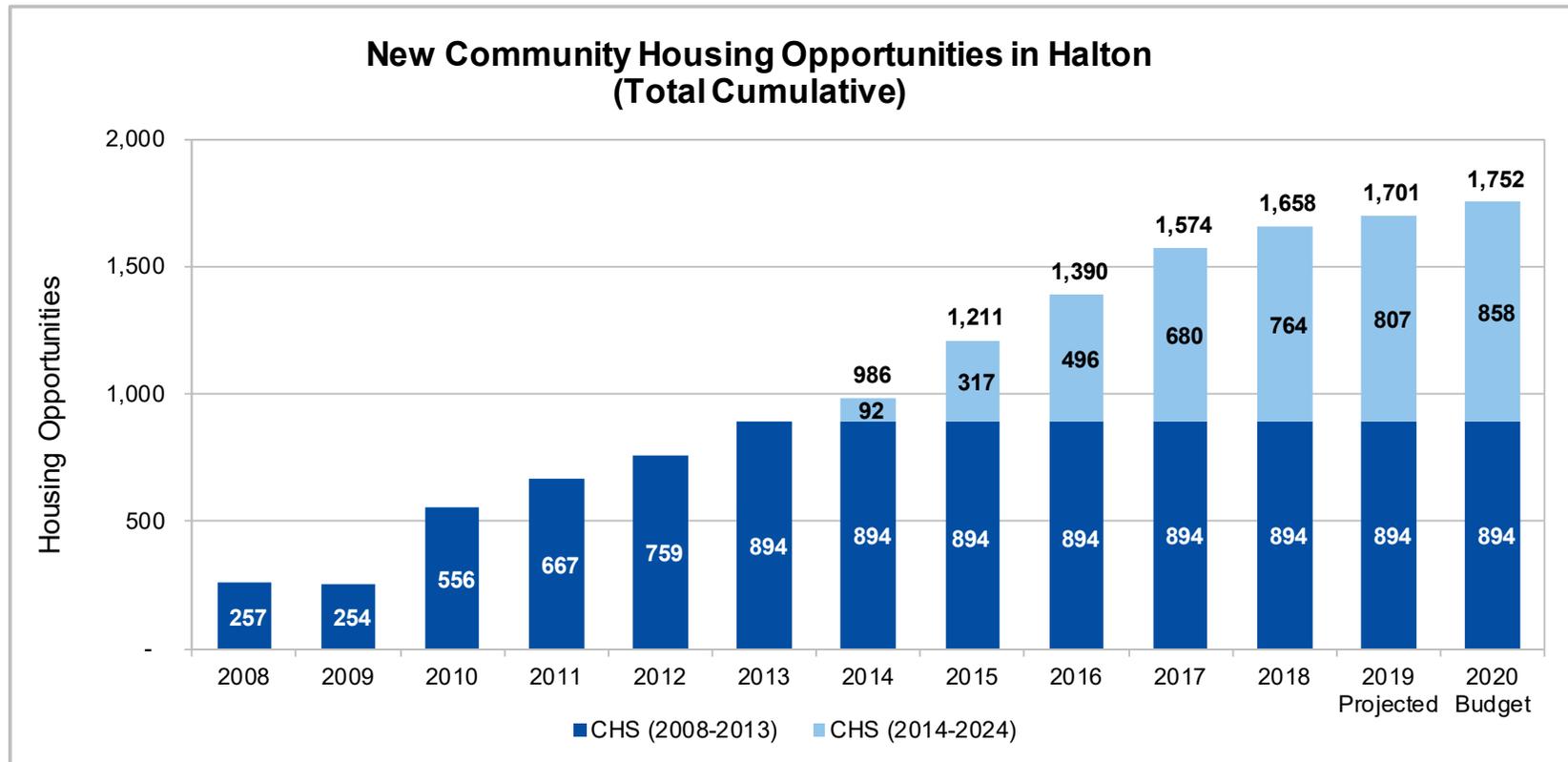
Comprehensive Housing Strategy (CHS)

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 the funding allocated from the Provincial and Federal governments. The Regional funding for new community housing opportunities (previously referred to as assisted housing) will continue at \$7.8 million annually, as set out in the CHS. Of this amount, \$6.9 million will be transferred to the Regional Housing New Units Reserve, and the remaining \$0.9 million will remain in the operating budget to support the Halton Rental Assistance Program (HRAP). As discussed in Report No. SS-19-19/ LPS86-19, the two operating envelopes for HRAP have merged, and will continue to provide total annual funding of \$2.7 million through the operating budget. This includes the original annual operating budget of \$1.8 million and additional funding previously reported through the CHS financing plan of \$0.9 million. Funding will continue at this level to deliver the target of 550 to 900 new community housing opportunities to 2024.

The following is the updated housing program plan that has been incorporated in the 2020 Budget and Forecast. Based on the funding contributions provided, the 2020 Budget and Business Plan provides the 10-year housing program as shown below, with further details provided in the Tax Overview section.

Halton Region 10-year Housing Program - New Units											
Program - Delivered by Halton (\$000's)	2020 Budget	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	2020-2029 Total
Expenditures:											
Rental Component (new units)	\$ 9,000	\$ 9,400	\$ 9,450	\$ 9,450	\$ 11,200	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 98,500
Rental Component (HFG)	45	45	45	45	45	45	45	45	45	45	450
Rental Assistance	1,534	1,534	1,534	1,421	1,300	1,300	1,300	1,300	1,300	1,300	13,821
Support Services	109	126	34	-	-	-	-	-	-	-	269
Homeownership/Renovation	408	947	270	-	-	-	-	-	-	-	1,624
Admin fees	209	226	134	100	100	100	100	100	100	100	1,269
Total	\$ 11,304	\$ 12,276	\$ 11,468	\$ 11,016	\$ 12,645	\$ 11,445	\$ 115,934				
Funding:											
Regional Reserve (New Housing Units)	\$ 7,100	\$ 7,000	\$ 6,550	\$ 6,050	\$ 7,300	\$ 6,100	\$ 6,100	\$ 6,100	\$ 6,100	\$ 6,100	\$ 64,500
Regional DC Reserve	2,300	2,800	3,300	3,800	4,300	4,300	4,300	4,300	4,300	4,300	38,000
Prov/Fed IAH-SIF	234	234	234	121	-	-	-	-	-	-	821
Prov/Fed OPHI	626	1,198	339	-	-	-	-	-	-	-	2,163
Prov/Fed HFG	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045	10,450
Total	\$ 11,304	\$ 12,276	\$ 11,468	\$ 11,016	\$ 12,645	\$ 11,445	\$ 115,934				
Delivered & Funded by Province											
Housing Allowance (IAH-E & OPHI)	\$ 1,280	\$ 1,313	\$ 350	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,942

Through the Region's significant investment and the provincial government's previous IAH-E (now OPHI), IAH-SIF and HFG programs, Halton has been very successful in the delivery of additional new housing opportunities through the Regional CHS since 2008, as shown in the following graph.



Between 2008 and 2019, Halton has created an additional 1,701 community housing opportunities. Halton Region’s CHS Update 2014-2024 committed to create up to 900 new housing opportunities. 807 new housing opportunities have been created between 2014 and the end of 2019, with an additional 51 budgeted in 2020. Halton is therefore expected to meet its target well ahead of the planned dates.

Older Adult Needs

Initiatives to respond to the needs of older adults include implementation of a Dementia Strategy, programs to support All-Inclusive Care for the elderly, implementation of the Ontario Seniors Dental Care Program and advocating to the Province for additional long-term care capacity and supportive services in Halton. The Region provides high quality care and accommodation to older adults who are no longer able to live on their own through 572 long-term care (LTC) beds at three long term care homes. The Region continues to see a significant increase in medical and behavioural complexities of residents in long-term care. This trend is evident in the Ministry of Long Term Care’s Case Mix Index (CMI) for the three Long Term Care Homes. Higher CMI rates should result in higher provincial subsidy but unfortunately provincial funding has not kept pace with resident care requirements, with subsidy received that is 93.2% of the calculated needs of residents.

Given these trends the 2020 budget includes the following strategic investments:

- **Clinical Practice Supervisor \$148,000** - Given the significantly increasing medical and behavioural complexities of residents in long-term care homes, the Clinical Practice Supervisor will be responsible for ensuring the Home's adherence to established clinical practice, supporting compliance with legislated and regulated standards, while developing new clinical best practices for resident care. This position will also provide additional support and expert clinical advice to registered nursing staff in the long-term care homes and will evaluate potential gaps in clinical knowledge and performance, develop remediation (education, policy development, coaching and mentoring), support Senior Nurse Managers, and advance overall nursing and personal care.
- **Registered Nurse (RN) \$123,000** - Registered Nurses play a critical role in providing timely clinical assessments, skilled nursing care, and anticipatory management of residents' changing conditions. Registered Nurses are responsible for developing resident care plans, implementing physician ordered treatment plans, managing changes of resident condition and implementing early interventions. These functions are essential in ensuring that residents receive timely and appropriate medical treatment, clinical interventions, proactive management of complex behaviours and ongoing care based on their needs and abilities. This investment, in conjunction with the internal realignment of registered nurse staff, will allow for an additional registered nurse at each of the Region's 3 LTC Homes and will significantly strengthen clinical practice and improve resident care. It will also play a critical role in providing timely clinical assessments, skilled nursing care and proactive management of residents' changing conditions.

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

Halton 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. The following strategic investments are included in the 2020 budget.

- **Halton Region Community Investment Fund (HRCIF) \$322,000** - In 2019, the HRCIF funded nearly 60 programs that support priority populations throughout Halton. This includes grants to enhance access to mental health and addiction services, and programs that support the well-being of children, youth and older adults. In 2020, an increase of \$322,000 to the HRCIF will further enhance Halton's capacity to respond to Community Safety and Well-Being (CSWB) priorities in collaboration with the Halton Regional Police Service and a wide range of community partners, and will increase the HRCIF from \$2.7 million to \$3.0 million.
- **Data and Decision Support Advisor \$146,000** - The Halton Community Safety and Well-Being (CSWB) Plan is derived from a model of evidence-based issue identification, prioritization and response. A Data Decision and Support Advisor is required to ensure that Halton is well-positioned to deliver on Halton's CSWB objectives and measure progress, as identified as a priority in the Strategic Business Plan 2019-2022. This position will also establish capacity within the Social and Community Services department to ensure strategic change and business transformation are supported by evidence-based practices and data.

Deliver Provincial Programs to Support Families and Individuals

Due to the increased complexity and barriers faced by Ontario Works recipients and associated workload, it has become challenging to maintain customer service at historical levels. The time from when an applicant initially contacts Halton Region to apply for assistance to when eligibility is determined has increased.

Accordingly, the following strategic investment has been included in the 2020 budget:

- **Integrated Case Managers \$198,000** – 2.0 FTE Integrated Case Managers are required to strengthen the Ontario Works program delivery by refining its intake service delivery model to reduce wait times for new applicants, and allow case management staff to meet provincially mandated service standards. The funding from the Province for the cost of administration is not sufficient to cover these costs and therefore staff continue to review this program to identify opportunities to streamline delivery while maintaining service levels.



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 the 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. On September 11, 2019, Regional Council raised a Notion of Motion that declared a climate emergency for the purposes of deepening the Region's commitment to protecting and improving resiliency of the economy, environment and community from climate change.

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

- Waterfront Master Plans
- Emerald Ash Borer
- Floodplain Mapping
- Alternate Energy Technologies
- Long-Term Water Meter Strategy
- Basement Flooding Mitigation Program
- Solid Waste Management Strategy and Master Plan

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. The Halton Region Waterfront Parks program was designed to recognize the significant environmental, economic, cultural, and recreational importance of the Lake Ontario (and the Burlington Bay) shoreline to the residents of Halton and the Province. The program will provide an opportunity to maximize public accessibility 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 for this project has been moved from Planning Services to Non-Program in order to better align with other corporate initiatives. The operating contribution is \$3.3 million in the 2020 budget, which is an increase of \$1.2 million from the 2019 budget. In addition, the Region continues with the construction of phase 2 of the Burloak Waterfront Master Plan as set out in Report No. LPS108-19 (Burloak Regional Waterfront Park 2019 Update) and this phase is expected to be completed in 2020. Phase 3 of this project which includes a permanent washroom facility and splash pad will be addressed in a future Budget and Business Plan after water and wastewater infrastructure studies surrounding Elizabeth Gardens pump station are complete.

Emerald Ash Borer

The 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. It is estimated that this program will continue to 2022 at a total estimated cost of \$1.5 million. Through Report No. FN-19-17 (re: Emerald Ash Borer Funding Request from Conservation Halton), Council approved Conservation Halton's (CH) Forestry Business Case which set out a 10-year EAB management program on CH 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 2020, it is expected that the Region will fund a total of \$1.1 million from the Tax Stabilization reserve for both CVC and CH EAB programs. The 2020 budget includes \$273,200 of additional operating transfers 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 Floodplain mapping was funded 50% from the municipal levy and 50% from the National Disaster Mitigation Program (NDMP). The NDMP is ending in March 2020 and CH has requested that the remaining \$3.2 million in costs for 2020-2026 be funded by Halton Region. The structure will be 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 will be funded from the Tax Stabilization Reserve with repayments back to the reserve over a five-year period. CH is requesting \$330,000 in the 2020 budget and the 2020 operating transfer will be \$70,000 to replenish the Tax Stabilization reserve.

Alternate Energy Technologies

The Region continues to investigate alternate energy technologies to reduce Regional energy costs and further reduce greenhouse gas emissions. Through the Strategic Business Plan 2019 – 2022, the Region intends to reduce the carbon footprint related to regional services and achieve a 5% reduction in greenhouse gas emissions, 5% reduction in hydro consumption per megalitre of water and wastewater treated as well as 10% reduction in the hydro consumption for street lights. The 2020 Budget and Business Plan includes studies to determine the feasibility of Energy Generation Facilities from Source Separated Organics and a Biogas Utilization Program intended to recover and maximize biogas as renewable energy and reduce reliance on the hydro grid, reduce energy costs and/or generate revenue. This study will identify viable projects that can be implemented with a 10-year payback period within the current market conditions. In addition, the forecast includes studies to determine the feasibility of Energy Recovery Facilities at the Georgetown wastewater treatment plant (WWTP) and Oakville Southwest WWTP intended to reduce costs and reliance on the hydro grid.

The Region is also continuing the conversion of approximately 5,000 existing High Pressure Sodium street lights to LED technology over 5 years (2016-2020) with an investment of \$400,000 required in 2020. Based on the current market trend, the potential energy savings resulting from this program have been estimated at approximately \$500,000 in 2019, which would grow to approximately \$600,000 by 2020 when the conversion has been completed. These savings have been incorporated in the Road Operations budget and forecast to offset the street light hydro cost.

Long-Term Water Meter Strategy

As reported to Council in Report No. PW-45-19/ FN-35-19 (re: Long Term Water Meter Strategy – Implementation Plan), staff have developed an implementation plan for the installation of a Region-Wide Advanced Meter Infrastructure System (AMI), which will begin in 2020 following procurement of a vendor. Benefits of AMI technology include revenue protection, improved operational efficiency, enhanced customer service, improved distribution system performance and environmental benefits, and a reduction in the number of meter reading issues and service calls to which meter technicians respond. The planned replacement program for small meters will continue to be deferred in 2020. Meters that have reached or are nearing end-of-life will be replaced in conjunction with the installation of the Region-Wide AMI system. The proactive maintenance program for large meters (40 mm and greater), which began in 2017, will continue, 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. The report identified that the preferred method and most cost effective approach to award is with upfront funding approval. As such, \$49.6 million has been included as part of the 2020 budget.

Basement Flooding Mitigation Program

The 2020 budget continues to include \$136,000 for the Region's ex-gratia grant program and for the Basement Flooding Prevention subsidy program. The ex-gratia grant provides financial assistance in the amount of \$1,000 (per household) to homeowners who require assistance with respect to a public sanitary sewer backup. The Basement Flooding Prevention subsidy program assists homeowners to reduce the potential for future flooding from a backup of the sanitary sewer. In addition, the Region-wide Basement Flooding Mitigation program is well on the way as set out in Report No. PW-40-17 (re: Region Wide Basement Flooding Mitigation Program Update). Through Report No. PW-22-15 (re: Region Wide Basement Flooding Mitigation Study: Final Report and Recommendations), Council approved a high-level strategy to reduce the potential for future basement flooding. This included the voluntary downspout and weeping tile disconnection program that encourages homeowners to complete private side disconnections to help prevent future flooding and the capital program to address system improvements related to wastewater flows.

This program is 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). The 2020 budget includes the ongoing annual grant funding of \$2.3 million and capital project funding of \$6.0 million.

Solid Waste Management Strategy and Master Plan

Through Report No. PW-22-17 (re: Plan to Develop a Solid Waste Management Strategy and Master Plan), Council endorsed the development of a new Solid Waste Management Strategy to consider a 30-year planning period for all aspects of the waste system managed by Halton Region. The strategy will provide a high level decision making document with recommendations to guide and enhance policy, program, infrastructure and service decisions for the duration of the planning period. The Strategy will be organized into three time frames, short (one to three years), medium (four to ten years) and long (11 to 30 years).

As reported to Council in Report No. PW-12-18 (re: Solid Waste Management Strategy Short Term Options), key initiatives will continue to be implemented in 2020, including enhanced promotion and education of waste diversion programs and services, development of a food waste minimization strategy, and optimization of the Halton Waste Management Site to improve the customer experience. These initiatives have been accommodated in the 2020 operating budget utilizing existing resources, with no net impact. In addition, the 2020 capital budget includes \$2.6 million for the optimization of the Halton Waste Management Site Customer Experience, which will minimize wait times and enhance service at the waste management site. A review of the Halton Waste Management Site's user fees will also be undertaken and a new, simplified fee structure will be proposed for Council's consideration in 2020. The 2020 budget includes the following strategic investments to implement the Solid Waste Management Strategy and Master Plan:

- **Landfill Coordinator \$90,000** to ensure the Region continues to support programs at appropriate levels of service and to assist with customer service in Waste Management Operations and at the Halton Waste Management Site (HWMS). The HWMS services more than 200,000 customers annually. A permanent and consistent solution is required to manage growing customer service expectations, provide Waste Management program support and consistent and reliable service. This investment has been partially offset with a reduction of \$54,000 in temporary employment agencies, reducing the net impact to \$36,000.
- **Waste Management Operator I \$85,000** for the operation of expanded container station services at the HWMS. This position is required to provide customer service, perform site maintenance functions, assist with scalehouse operations, and ensure compliance with site regulations and policies. This position will ultimately move customers through the HWMS in a more consistent, reliable, timely and efficient manner, while providing exceptional customer service.

2020 Budget Summary

The 2020 requested Gross Operating Budget is \$793.6 million for Regional Services and \$173.7 million for Police Services, resulting in \$967.2 million for combined services. The \$793.6 million gross Operating Budget for Regional Services includes financing of \$206.4 million for the Region's capital program. The increase in the gross Operating Budget for Regional Services is \$18.6 million, comprised of \$10.3 million for tax-supported services and \$8.2 million for rate-supported services.

2020 Gross Operating Budget of Regional Government Services					
\$000s	2020			2019	
	Tax Budget	Rate Budget	Requested Budget	Approved Budget*	Change
Regional Services	\$ 562,119	\$ 231,473	\$ 793,592	\$ 775,023	\$ 18,569
Police Services	173,654	n/a	173,654	166,757	6,897
Total	\$ 735,773	\$ 231,473	\$ 967,246	\$ 941,780	\$ 25,467

Schedule may not add due to rounding.

* Operating Budget for Regional Services restated as set out in FN-28-19

The 2020 requested Gross Capital Budget is \$610.7 million, consisting of \$602.0 million for Regional Services and \$8.6 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.

2020 Gross Capital Budget of Regional Government Services					
\$000s	2020			2019	
	Tax Budget	Rate Budget	Requested Budget	Approved Budget	Change
Regional Services	\$ 341,489	\$ 260,535	\$ 602,024	\$ 580,553	\$ 21,471
Police Services	8,627	n/a	8,627	27,243	(18,616)
Total	\$ 350,117	\$ 260,535	\$ 610,652	\$ 607,796	\$ 2,856

As shown in the table below, the Capital Budget for 2020 includes \$309.8 million for growth-related infrastructure and \$300.9 million for maintaining the State-of-Good-Repair capital program and is discussed in detail in the Capital Budget and Forecast section. Financing for the Capital Budget varies significantly each year depending on the nature of the 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	2019		2020	
	\$	%	\$	%
Development Related				
Development Charges - Residential	\$ 260,742	42.9%	\$ 210,763	34.5%
Development Charges - Non-Residential	611	0.1%	565	0.1%
Infrastructure Investment Revolving Fund*	40,470	6.7%	28,506	4.7%
Tax Capital Reserves (Operating Contributions)*	78,753	13.0%	69,955	11.5%
Debentures	8,747	1.4%	-	0.0%
Subtotal	\$ 389,323	64.1%	\$ 309,789	50.7%
State-of-Good-Repair				
Tax Capital Reserves (Operating Contributions)	\$ 98,037	16.1%	\$ 106,203	17.4%
Rate Capital Reserves (Operating Contributions)	111,071	18.3%	148,799	24.4%
External Recovery/Other	9,365	1.5%	45,860	7.5%
Subtotal	\$ 218,473	35.9%	\$ 300,862	49.3%
Total	\$ 607,796	100.0%	\$ 610,652	100.0%

* Interim Financing of Development related expenditures

Development Related

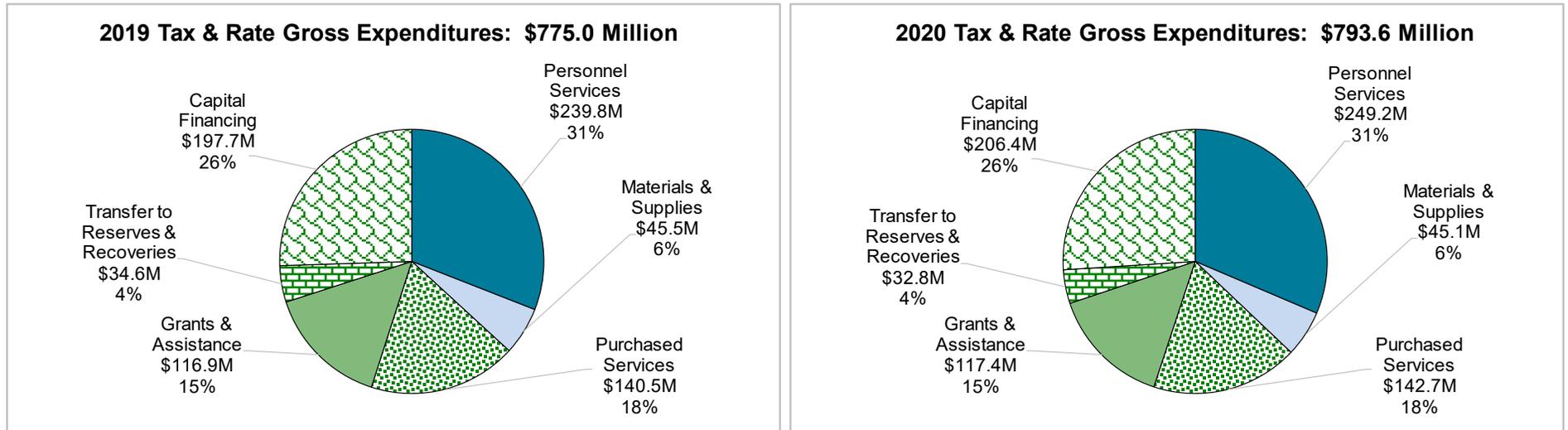
For the growth-related capital program, a key principle of the financing plan is that growth must pay for growth to the extent allowed in the DC legislation. The financing of the 2020 capital program reflects the principles discussed as part of Report No. FN-46-19/ PW-50-19/ LPS112-19 (Re: 2020 Allocation Program Options). Under the 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 Infrastructure Investment Revolving Fund, Tax Capital Reserve and debt. This interim financing is a planned investment for economic development in the Region and is recovered through the collection of non-residential DCs, including carrying costs.

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, gas tax revenue and interest earnings from the respective Tax and Rate-Supported operating budgets. The Gas Tax revenue of \$16.6 million in 2020 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 2020 Operating Budget for Regional tax and rate-supported services of \$793.6 million by cost category. This distribution of expenditures is consistent with the 2019 budget.



Personnel Services

The total budgeted compensation for Regional employees is \$249.2 million, accounting for 31% of the total gross operating expenditures (excluding Police Services). The breakdown of these costs is shown in the following table:

2020 Compensation Summary Regional Total (Excluding Police Services)								
	Salary		Fringe Benefits		Total	FTE	Hours	
2019 Approved Budget	\$	183,370,338	\$	56,442,260	\$	239,812,598	2,133.4	169,870.6
2020 Increase		5,412,347		1,599,030		7,011,377		
Subtotal		188,782,685	2.95%	58,041,290	2.83%	246,823,975	2,133.4	169,870.6
In Year Adjustments		84,130		58,570		142,700	0.3	417.6
2020 Base Budget		188,866,815	3.00%	58,099,860	2.94%	246,966,675	2,133.7	170,288.2
Strategic Investments		1,752,400		494,720		2,247,120	18.0	-
2020 Requested Budget	\$	190,619,215	3.95%	\$ 58,594,580	3.81%	\$ 249,213,795	3.92%	2,151.7
Total Change		7,248,877		2,152,320		9,401,197	18.3	417.6

As shown above, compensation costs are proposed to increase by \$9.4 million or 3.92%, which consists of a \$7.2 million or 3.95% increase in salaries and a \$2.2 million or 3.81% increase in fringe benefits. The 3.95% increase in salaries includes a 2.0% 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, an adjustment in the budgeted percentage of job rate (from 94.21% to 96.00%) to reflect the actual trend, and strategic investments in 18.0 full-time equivalent (FTE) of \$1.8 million.

The increase of \$2.2 million in fringe benefits primarily relates to the corresponding benefits associated with the salary increases outlined above, as most of the benefits relate to a percentage of salaries, and an increase of \$0.5 million related to strategic investments.

As noted above, the 2020 budget includes an additional 18.0 FTE staff positions requested as strategic investments. Of the 18.0 FTEs, 9.0 FTEs will either be fully or partially funded by subsidies or reallocated base budget provisions as follows:

- 3.0 FTEs will be funded by 100% provincial subsidy with no net Regional impact, in order to implement the Ontario Seniors Dental Care Program;
- 1.0 FTE will be 100% funded by the Hamilton Niagara Haldimand Brant Local Health Integration Network to expand the Community Health Assessment Program;
- 3.0 FTEs will be funded through reallocated base budget provisions with no net Regional impact, in order to support the Water and Wastewater maintenance program to deliver upon the strategic objective of maintaining regional infrastructure in a state of good repair;
- 1.0 FTE will support capital project acquisitions and will therefore be recovered from the capital budget
- 1.0 FTE will be partially funded through a base budget reduction in purchased services to support Waste Management operations and programs at appropriate levels of service, with a net impact of \$36,000.

The remaining 9.0 FTEs require an additional budget provision of \$1.1 million and will provide key roles in supporting resident care in the Region's 3 Long-Term Care homes, operating the expanded container station at the Halton Waste Management Site, operating the Regional Advanced Traffic Management System, supporting the Halton Community Safety and Well-Being (CSWB) Plan, expanding capacity to provide legal support to the Public Works Department resulting from the expanded Transportation, Water and Wastewater programs, providing increased capacity to support the Ontario Works program, and supporting the implementation of Halton's Supervisory Control and Data Acquisition (SCADA) System Master Plan.

As discussed in more detail in the Tax Overview section, whenever full-time staff, which provide direct client care in areas such as Paramedic Services and Services for Seniors (i.e. paramedics, personal support workers), are absent from work due to various reasons (i.e. vacation, illness, injury, training), there is a requirement to replace them 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 on a number of hours required in order to better reflect the nature of the resource needs, and the 2020 budget includes 170,288.2 hours. 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 2020 budget for materials & supplies is \$45.1 million, which is a \$0.5 million or 1.0% decrease from the 2019 budget, and is largely comprised of hydro, natural gas and other commodities, food and medical supplies, telephone, data line and cell phone expenditures, laboratory supplies and materials from stores.

Purchased Services

The 2020 budget for purchased services is \$142.7 million, which is a \$2.2 million or 1.6% increase from the 2019 budget, and includes contracts and services such as the 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 2020 budget for grants & assistance is \$117.4 million, and largely includes grants provided through Housing, Children's Services, Employment & Social Services, and the municipal levies provided to the Boards & Agencies. The 2020 budget is increasing by \$544,000 or 0.5% mainly due to increases in Ontario Works benefits in Employment & Social Services, an increase in the Halton Region Community Investment Fund (HRCIF) in Human Services Planning & Program Support, an increase of \$461,000 in municipal funding to the Boards & Agencies, and an increase in Economic Development for Starter Company, Summer Company and Small Business Enterprise Centre Core Initiative Programs. These increases are partially offset with a decrease of \$629,000 in Children's Services to align with available funding and a reallocation between general operating grants and fee subsidy expenditures, and a reduction in Housing to align with available funding.

Tax & Rate Grants & Assistance				
(\$000s)	2019	2020	Change	
Housing Services	\$ 37,922	\$ 37,763	\$ (159)	-0.4%
Children's Services	34,533	33,904	(629)	-1.8%
Employment & Social Services	22,647	23,129	482	2.1%
Boards & Agencies	11,911	12,372	461	3.9%
Non-Program	3,701	3,701	-	0.0%
Human Services Planning & Program Support	3,103	3,405	302	9.7%
Water & Wastewater Services	2,442	2,442	-	0.0%
Waste Management	261	266	5	2.0%
Planning Services	144	132	(12)	-8.1%
Corporate Administration	71	71	-	0.0%
Public Health	93	89	(4)	-4.6%
Economic Development	37	134	97	262.2%
Total Grants & Assistance	\$ 116,864	\$ 117,408	\$ 544	0.5%

Capital Financing

The 2020 budget also includes capital financing transfers of \$206.4 million, accounting for 26% of the total gross operating expenditures (excluding Police Services). The breakdown of these costs is shown in the following table:

Capital Financing (\$000s) excluding Police					
	2019		2020		Change
Transfer to Reserves					
Water & Wastewater*	\$	89,001	\$	96,226	\$ 7,225
Roads*		43,195		44,020	825
Waste Management		7,107		7,233	126
Sub-Total PW	\$	139,302	\$	147,478	\$ 8,176
Energy, Fleet & Facilities		4,875		5,018	143
Health		3,169		3,291	122
Social & Community Services		2,132		2,284	152
Information Technology		3,691		4,034	343
Vehicles		1,485		1,522	37
Planning Services		1,280		2,165	885
Waterfront Master Plan		2,099		3,287	1,188
Sub-Total Non-PW	\$	18,732	\$	21,601	\$ 2,869
Total Transfer to Reserves	\$	158,034	\$	169,079	\$ 11,045
Other		39,658		37,330	(2,327)
Total Capital Financing	\$	197,692	\$	206,410	\$ 8,718

* Excludes Vehicles, Information Technology related costs, and interest earnings

As outlined in the table above, there is \$169.1 million to support the State-of-Good-Repair capital program (excluding Police Services) and \$37.3 million in other transfers primarily related to net debt charges (\$14.6 million), operating contributions provided to the Regional Housing New Units Reserve (\$6.9 million) and other program related transfers (\$15.8 million). As the Region continues to transition to pay-as-you-go financing, the net debt charges have decreased from 2019 by \$1.1 million.

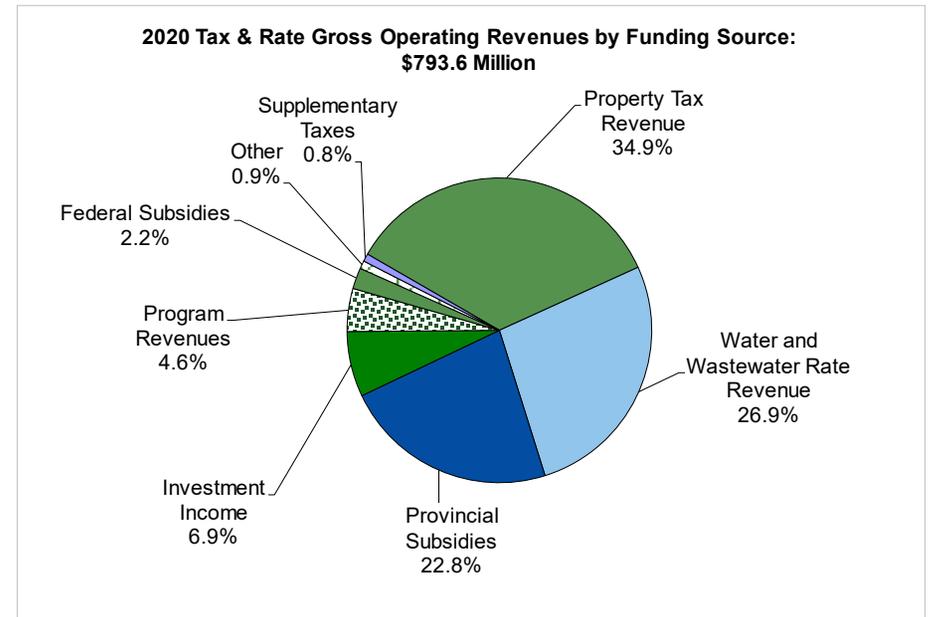
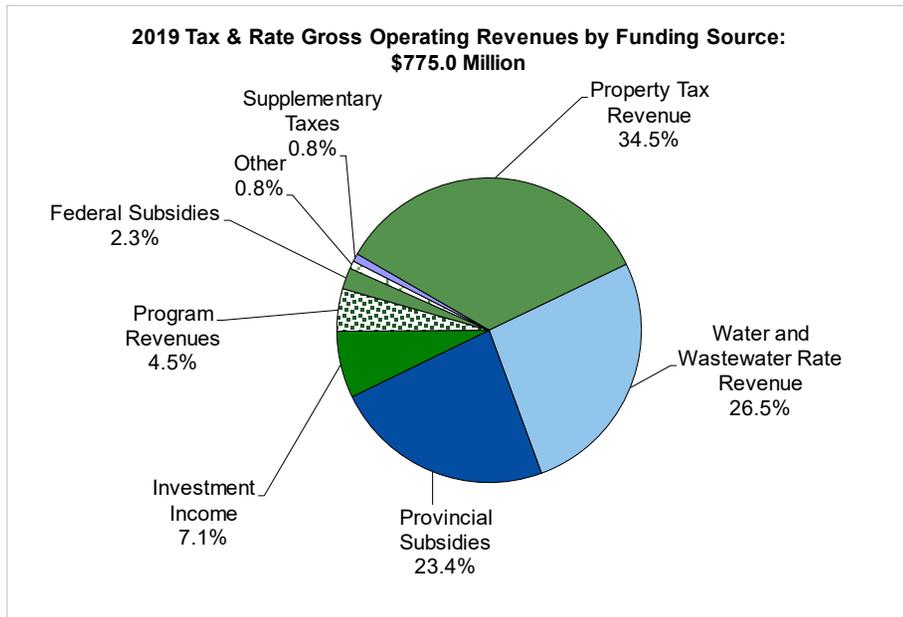
Gross Operating Budget – Regional Services Revenues

The \$793.6 million in 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	2019	2020	Change	
Property Tax Revenue	\$ 267,704	\$ 276,794	\$ 9,089	3.4%
Water and Wastewater Rate Revenue	205,631	213,789	8,158	4.0%
Provincial Subsidies	181,281	180,855	(427)	(0.2)%
Federal Subsidies	17,553	17,693	140	0.8%
Program Revenues	34,948	36,207	1,259	3.6%
Other	6,405	6,755	350	5.5%
Investment Income	55,000	55,000	-	0.0%
Supplementary Taxes	6,500	6,500	-	0.0%
Total Revenue	\$ 775,023	\$ 793,592	\$ 18,569	2.4%

Schedule may not add due to rounding.

Gross operating revenues are increasing by \$18.6 million in 2020, and the breakdown is in line with 2019.



- **Property Tax Revenue** fund approximately 34.9% of gross expenditures for Regional Services and are generated from 1.7% tax rate increase and 1.7% assessment growth.
- **Water and Wastewater Rate Revenue** fund 26.9% of the gross expenditures which are generated from a 3.3% rate increase and 1.5% customer growth.
- **Provincial Subsidies** fund 22.8% of gross expenditures and are primarily used to fund cost-shared Health and Social & Community Services programs. This is lower than last year which was 23.4% due to an overall decrease in provincial funding of \$427,000 as shown in the table below:

Change in Provincial Subsidies 2019 - 2020		
Program	Funding	2019-2020 Change
Children's Services	Expansion Plan	\$ (1,528)
	Fee Stabilization	(765)
	Community Based Early Years Capital	288
	Other	(13)
	Sub-total	(2,018)
Housing	Investment in Affordable Housing - Extension	(2,128)
	Canada-Ontario Community Housing Initiative	672
	Ontario Priorities Housing Initiative	626
	Other	(31)
	Sub-total	(861)
Public Health	Base Funding	7
Paramedic Services	Base Funding	393
	Expansion of Community Health Assessment Program	134
	Sub-total	526
Employment & Social Services	Ontario Works (OW) Benefits	549
	OW Cost of Administration	(105)
	Employing Youth Talent & Youth Job Link (Programs Ending)	(83)
	Sub-total	360
Services for Seniors	Case Mix Index	79
	Per diem funding at the Long-Term Care homes	308
	Structural Compliance funding ending	(164)
	Sub-total	223
Economic Development	Starter Company, Summer Company and Core program funding	99
Total Change in Provincial Subsidies (Excluding Ontario Seniors Dental Care Program)		\$ (1,665)
Public Health	Ontario Seniors Dental Care Program	1,238
Total Change in Provincial Subsidies		\$ (427)

Schedule may not add due to rounding

- **Federal Subsidies** are increasing by \$140,000 or 0.8% mainly due to increases in Housing Services for the Reaching Home program to support implementation of "Coordinated Access" in Halton Region of \$108,000 and \$31,000 in Employment and Social Services for the Halton Newcomer Strategy.
- **Program Revenues** are increasing by \$1.3 million or 3.6%, mainly due to increased revenues in Waste Management of \$751,000 resulting from increased blue box stewardship funding, and inflationary increases on user fees.

- **Other Revenue** is comprised of *Provincial Offences Act*, payment-in-lieu of taxes, railway right-of-way, and local improvement revenues, and is increasing by \$350,000 or 5.5% as a result of an increase of \$400,000 in payment-in-lieu of taxes revenue from \$2.8 million to \$3.2 million, partially offset with a reduction of \$50,000 in railway right-of-way tax revenues from \$1.25 million to \$1.2 million, to reflect the 7-year actual trends.
- **Investment Income** budget continues to include \$55.0 million of investment income as a source of revenue. 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 2019 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** budget has been maintained at the 2019 level for 2020, which is in line with the actual average revenues over the past 7 years (2012-2018). 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 revenue to determine whether any adjustment needs to be made in 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 2020 Tax-Supported Budget (excluding Police Services).

Net Operating Budget for Tax Supported Services (Excluding Police Services)								
Levy Requirement by Program								
\$000s	2019		2020			Change in Budget		
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Budget	2020 Requested to 2019 Budget		
Public Health Resources	\$ 2,467	\$ 2,402	\$ -	\$ 2,402	\$ (64)	-2.6%	\$ (64)	-2.6%
Health Environments & Communicable Disease	5,885	5,806	-	5,806	(79)	-1.3%	(79)	-1.3%
Healthy Families	4,707	4,684	-	4,684	(24)	-0.5%	(24)	-0.5%
Healthy Schools & Communities	3,819	3,629	-	3,629	(190)	-5.0%	(190)	-5.0%
Paramedic Services	21,356	22,359	-	22,359	1,003	4.7%	1,003	4.7%
Children's Services	10,330	10,735	-	10,735	405	3.9%	405	3.9%
Employment & Social Services	6,364	6,721	198	6,919	357	5.6%	555	8.7%
Housing Services	35,962	36,254	-	36,254	292	0.8%	292	0.8%
Human Services Planning & Program Support	7,271	7,469	468	7,937	198	2.7%	666	9.2%
Services for Seniors	18,271	19,547	271	19,818	1,276	7.0%	1,547	8.5%
Planning Services	10,774	12,009	-	12,009	1,235	11.5%	1,235	11.5%
Economic Development	3,850	4,033	-	4,033	183	4.8%	183	4.8%
Waste Management	43,003	44,146	122	44,268	1,143	2.7%	1,264	2.9%
Road Operations	55,049	56,796	171	56,967	1,747	3.2%	1,918	3.5%
Non-Program	26,512	26,428	-	26,428	(84)	-0.3%	(84)	-0.3%
Boards & Agencies	12,085	12,546	-	12,546	461	3.8%	461	3.8%
Net Regional Impact	267,704	275,564	1,230	276,794	7,860	2.9%	9,089	3.4%
Assessment Growth							(4,551)	1.7%
Regional Levy Requirement	\$ 267,704	\$ 275,564	\$ 1,230	\$ 276,794	\$ 7,860	2.9%	\$ 4,538	1.7%

The 2020 net expenditures requested budget for tax-supported services (excluding Police Services) are increasing from \$267.7 million to \$276.8 million, an increase of \$9.1 million or 3.4% before assessment growth. Of this increase, the base budget is increasing by \$7.9 million or 2.9% related to inflation and other cost increases. In addition to the base budget increase, the 2020 budget proposes a limited number of strategic investments of \$1.2 million or 0.5% net that align with the Council-approved priorities, address key service demands, growth, and administrative requirements. The net expenditures shown above incorporate the cost of Corporate Administration in order to reflect the full cost of service delivery. The Corporate Administration budget is detailed in the Tax Overview section. The combined base budget (\$7.9 million) and strategic investments (\$1.2 million) result in a \$9.1 million increase in net expenditures for 2020. The assessment growth (primarily related to new properties) in 2019 is estimated to be 1.7% or \$4.6 million. This results in a net tax increase of 1.7% for the 2020 budget.

The key changes from the 2019 budget to the 2020 budget for a net tax impact of \$4.5 million or 1.7% are:

- **Road Operations** of \$1.9 million in order to address rising state-of-good-repair needs based on the Public Works Asset Management Plan (PW-28-17), road resurfacing, roads maintenance activities, and an additional resource to operate the Regional Advanced Traffic Management System (ATMS)
- **Services for Seniors** of \$1.5 million driven by inflationary increases and additional resources to respond to the significantly increasing medical and behaviour complexities of residents in long-term care
- **Waste Management** of \$1.3 million in order to address organics and blue box market pressures, and provide additional resources for operation of the expanded Container Station services at the Halton Waste Management Site, to enhance the customer experience and optimize operations
- **Planning Services** of \$1.2 million to support Local Planning Appeal Tribunal (LPAT) hearings and other litigation expenditures and the Regional Official Plan implementation
- **Paramedic Services** of \$1.0 million to maintain service levels, with an additional Paramedic to expand the Community Health Assessment Program (CHAP) utilizing funding available through the Hamilton Niagara Haldimand Brant LHIN
- **Human Services Planning & Program Support** of \$666,000 primarily to provide additional funding for the HRCIF to support community well-being, and provide a permanent resource to support the Halton Community Safety and Well-Being Plan
- **Employment & Social Services** of \$555,000 which includes a strategic investment for 2.0 FTEs to strengthen the Ontario Works program delivery by refining its intake service delivery model to improve wait times for new applicants, and allow case management staff to meet provincially mandated service standards
- **Public Health**, which is comprised of Public Health Resources, Healthy Environments & Communicable Disease, Healthy Families, and Healthy Schools & Communities, is decreasing by \$357,000. In order to maintain the cost-share at the 2019 level with base funding being frozen for 2020, savings of \$187,000 were identified, without impacting service levels. In addition, a one-time transfer from the tax stabilization reserve will be used in 2020 to fund the Dental Care Counts program during the transition to the new OSDCP.
- **Children's Services** of \$405,000 to maintain service levels, which includes a decrease in provincial funding of \$2.0 million offset with equivalent expenditures
- **Non-Program** decrease of \$84,000 resulting mainly from the completion of the payback for the radio-trunking infrastructure and increased payment-in-lieu of taxes revenue, largely offset with an increase of \$1.2 million in transfers to reserves to support the Burlington Waterfront Master Plan implementation, which was moved from Planning Services to Non-Program to better align with other corporate initiatives.
- **Boards & Agencies** include the Conservation Authorities, Royal Botanical Gardens, and the North Halton Mental Health Clinic. Council set guidelines through Report No. FN-28-19 which have been achieved as follows:
 - Conservation Halton 1.5% increase in the municipal general levy request
 - Credit Valley Conservation 2.8% increase in the municipal general levy request

- Grand River Conservation Authority 2.5% increase in the municipal general levy request
- Royal Botanical Gardens has been provided a 2.0% increase as per the guideline
- North Halton Mental Health Clinic funding of \$1.2 million remains unchanged from the 2019 budget.

Rate-Supported Services

The 2020 net expenditures for Water and Wastewater services is increasing from \$205.6 million to \$213.8 million, an increase of \$8.2 million or 4.0% as shown in the below table. This includes the base budget increase of \$7.9 million or 3.8% and net strategic investments of \$245,000 that address operational and strategic priorities. The customer growth is estimated to be 1.5% or \$1.3 million, while consumption growth is 0.0%. This results in a net water and wastewater rate increase for the 2020 budget of \$6.8 million or 3.3%. 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	2019	2020			Change in Budget				
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Budget		2020 Requested to 2019 Budget		
Water Treatment	\$ 22,741	\$ 22,452	\$ 61	\$ 22,513	\$ (289)	-1.3%	\$ (228)	-1.0%	
Wastewater Treatment	38,957	39,780	60	39,840	823	2.1%	883	2.3%	
Water Distribution	26,933	27,476	62	27,538	542	2.0%	604	2.2%	
Wastewater Collection	19,939	20,785	62	20,847	846	4.2%	908	4.6%	
Infrastructure Management	97,060	103,051	-	103,051	5,991	6.2%	5,991	6.2%	
Net Program Impact	\$ 205,631	\$ 213,544	\$ 245	\$ 213,789	\$ 7,913	3.8%	\$ 8,158	4.0%	
Consumption Growth (0.0%)							-	0.0%	
Customer Growth (1.5%)							(1,319)	-0.6%	
Net Increase Requirement							\$ 6,839	3.3%	

Schedule may not add due to rounding.

As shown in the following table, gross Operating Expenditures are increasing by \$2.2 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.

\$000s	2019		2020		Change in Budget	
	Approved Budget	Requested Budget	Requested Budget	2020 Requested / 2019 Budget		
Gross Operating Expenditures	\$ 116,705	\$ 118,940	\$ 2,235	1.9%		
Capital Transfers	106,542	112,533	5,991	5.6%		
Gross Expenditures	\$ 223,247	\$ 231,473	\$ 8,226	3.7%		
Other Revenues	(17,616)	(17,684)	(68)	0.4%		
Net Program Impact	\$ 205,631	\$ 213,789	\$ 8,158	4.0%		
Consumption Growth*			-	0.0%		
Customer Growth*			(1,319)	-0.6%		
Rate Increase			\$ 6,839	3.3%		

* Includes 0.0% consumption growth and 1.5% customer growth

As shown in the table below, of the \$6.8 million net increase after customer growth (3.3%), \$5.0 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-28-17), and the remaining \$1.8 million (0.9%) is required to operate and maintain the water and wastewater systems.

\$000s	Change in Budget			
	Program Impact	Customer Growth*	Net Program Impact	Rate Impact
Gross Operating Expenditures	\$ 2,235			
Other Revenues	(68)			
Net Operating Expenditures	\$ 2,167	\$ (350)	\$ 1,817	0.9%
Capital Expenditures	5,991	(969)	5,022	2.4%
Net Program Impact	\$ 8,158	\$ (1,319)	\$ 6,839	3.3%

* Includes 0.0% consumption growth and 1.5% customer growth

The key change of the 2020 budget net rate impact is the \$6.0 million increase in capital 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 \$7.3 million based on the Public Works' Asset Management Plan, which is in line with the 2020 forecast included in the 2019 budget as discussed in more detail in the Water and Wastewater Overview section of this book. This is offset by a \$1.3 million reduction in debt charges due to retiring debt.

The 2020 Rate-Supported Budget savings and revenues of \$3.0 million were identified which were used to fund priority areas in the water and wastewater program:

- Reduction in debt charges of \$1.3 million resulting from the retirement of debt.
- Decrease of \$1.2 million in hydro costs due to the participation of 5 treatment plants and 2 pumping stations in the Industrial Conservation Initiative, which helps the Region manage its global adjustment costs by reducing demand during peak periods
- Decrease of \$115,000 in maintenance purchased services due to efficiencies identified through a review of the maintenance program and the implementation of a Reliability Centred Maintenance (RCM) program.
- Decrease of \$115,000 in dues, memberships, conferences and training expenditures to align with trends
- Decrease of \$111,000 resulting from the elimination of non-recurring computer hardware and software costs
- Decrease of \$50,000 resulting from a reduced need for equipment rentals
- Additional revenue of \$68,000 to reflect an inflationary increase on user fees.

2020 Budget Risks

The 2020 budget includes a number of potential risks which continue to be monitored by staff through the variance reporting to Council three times per year. 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 2020 budget and the sensitivity of these assumptions.

2020 Budget Risks and Sensitivities (excluding Police)				
Key Budget Components	Target Budget	Budget Assumptions	Sensitivities	
			\$ Impact	% Tax/Rate Impact
Tax				
Provincial Subsidies:				
Public Health (Base Funding)	\$22.9 million	0.0% Increase	A 1.0% change in Provincial subsidy = \$229,000	0.09%
Paramedic Services	\$20.1 million	2.7% Increase	A 1.0% change in Provincial subsidy = \$201,000	0.08%
Services for Seniors	\$36.9 million	0.6% Increase	A 1.0% change in Provincial subsidy = \$369,000	0.14%
Children's Services	\$61.3 million	3.2% Decrease	A 1.0% change in Provincial Subsidy = \$613,000	0.23%
Housing	\$13.6 million	5.2% Decrease	A 1.0% change in Provincial Subsidy = \$136,000	0.05%
Resource Recovery and Productivity Authority (Formerly Waste Diversion Ontario)	\$5.2 million	53.0% recovery of costs	A 1.0% change in recovery rate = \$92,000	0.03%
Investment Income	\$55.0 million	3.0% Rate of Return	A 0.1% change in rate of return = \$1.8 million in total investment income	0.68%
Supplementary Taxes	\$6.5 million	Based on 7 year average, unchanged from 2019	1.0% change in supplementary taxes = \$65,000	0.02%
Tax Write Offs	\$4.7 million	Based on 7 year average, unchanged from 2019	1.0% change in tax write offs = \$47,000	0.02%
Assessment Growth		1.7%	1.0% change in budget (excluding Police) = \$2.7 million	1.00%
Rate				
Consumption Growth	\$134.6 million	0.0% consumption growth	1.0% change in consumption growth = \$1.4 million	0.65%
Customer Growth	\$79.2 million	1.5% customer growth	1.0% change in customer growth = \$852,000	0.41%

2020 Operating Budget and Forecast

Looking forward to 2020 and beyond, global economic conditions continue to be very challenging and present risks to the 2020 Budget and Forecast. While the 2020 budget includes measures to mitigate the risks to the extent possible, the 2020 Budget and Forecast continues to have areas of risk exposure including:

Growth Assumptions

The current economic conditions continue to negatively impact growth in the Region particularly in commercial and industrial growth. Current assessment growth in the 2020 budget is estimated to be 1.7% with 1.7%-1.8% assessment growth included in the 2021-2029 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, on a one-time basis. Moderate growth will also impact supplementary taxes which are budgeted at \$6.5 million. Although water and wastewater customer growth is estimated to be 1.5%, the 2020 budget assumes no consumption growth to reflect the continued impact of water efficiency and conservation as detailed in the Water and Wastewater Overview section. Forecast growth assumptions have also been adjusted to reflect the current trend.

Provincial Subsidies

There are risks associated with this funding given the significant financial challenges facing the Province. As discussed earlier, the subsidy budgeted for many programs does not keep pace with the increase in costs and demands for services. There is continued pressure in the forecast period due to cost-share changes and reductions anticipated in provincial funding. For Public Health, the funding model is changing from the current 100% and 75% cost-share model to 70% in 2020, with further changes possible as the model is under review. For Paramedic Services, the latest funding formula provided an increase for program growth, but not inflation. For Children's Services, it has been communicated that there are changes to administrative funding and cost-share levels coming in the years 2021-2022, and there is ongoing risk surrounding the level of funding commitment and changes to funding formulas. Funding for the cost administration of the Ontario Works program has been frozen in 2019, 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 93.2% of the calculated care needs of residents in 2019. Using the latest information available, these funding assumptions have been reflected in the 2020 budget and forecast.

Demands for Services particularly in Social Services and Health

There has been an increase in Ontario Works caseload and demands for other Social Services and Health programs including employment assistance supports and grant funding to the community. These increased demands are reflected in the 2020 budget.

Performance of the Region's Investment Portfolio

The Region's investment portfolio is expected to generate \$55.0 million or 7.0% of total revenues in 2020. This is a key source of funding for the Region's state-of-good-repair capital program. Although, interest rates are rising in the short-term, long range forecasts continue to be at historical lows, which continue to make it challenging for the program to generate interest revenues to support to the \$55.0 million budget.

Growth-related Infrastructure

The 2020 10-year capital plan includes \$2.0 billion of growth-related infrastructure required to support future development. The Water, Wastewater and Transportation infrastructure supporting the 2020 Allocation Program will be financed in accordance with the development financing plan framework presented in FN-46-19/PW-50-19/LPS112-19 (Re: 2020 Allocation Program Options). The implementation of the 2020 Allocation Program will not proceed until a Financing Plan is approved by Council and the related financing is secured through Allocation Agreements.

Asset Management Plan

The 2020 10-year capital plan includes \$2.1 billion of state-of-good-repair infrastructure, as set out in the Region's Corporate Asset Management Plan (PW-24-15/ FN-39-15/ LPS109-15). In addition, the Region continues to invest in appropriate asset maintenance activities for both infrastructure and facility assets. The Region's Corporate Asset Management Plan supports decision-making for future investments regarding the construction, operation, maintenance, renewal, replacement, expansion and disposal of infrastructure assets while minimizing risk and cost to the Region and its residents. The Asset Management Plan is currently being refined as part of the Halton Region Asset Management Roadmap Implementation Plan and the focus in 2020 is to continue to work on the optimized decision-making process.

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 Halton budgets for reserve transfers to fund these future liabilities, separate reporting is not required. These liabilities are assessed periodically through an actuarial review and the Region adjusts the contribution to reserves accordingly. Halton 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.

Cost Increases

The forecast generally assumes a 2.0% rate of inflation. Economic conditions can have a significant effect on the future cost impacts. In addition, many programs rely on commodities and services where prices are market-driven and not tied to inflationary increases.

Regional programs have been very successful in containing their costs and generating savings through operational and process reviews. These initiatives will continue through 2020.

The 10-year forecast has been prepared to reflect updated assumptions for revenues and program costs. The 2020 forecast is largely consistent with the forecast prepared as part of the 2019 budget.

The 10-year Operating Forecast has been prepared to maintain the tax impact for Regional services close to inflation. The forecast reflects current services and service levels. Any change in service or service level will impact 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 impact the forecast. The 10-year Operating Forecast prepared for the 2020 budget was based on the following key assumptions:

- General inflation of 2.0%; 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 1.7-1.8% per year
- Provincial subsidies to follow current funding formulas
- Water customer growth of 1.2% to 1.5%
- Water consumption growth of -0.9% to 0% (with adjustments in the forecast for declining water consumption)

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										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
(\$000s)	Requested Budget	Forecast								
Region:										
Net Expenditures	\$ 276,794	\$ 288,129	\$ 300,735	\$ 314,040	\$ 326,122	\$ 338,810	\$ 352,035	\$ 365,751	\$ 380,115	\$ 395,169
Tax Impact (after assessment)	1.7%	2.4%	2.6%	2.6%	2.0%	2.2%	2.2%	2.2%	2.2%	2.2%
Halton Regional Police Service:										
Net Expenditures	\$ 161,975	\$ 168,490	\$ 174,422	\$ 180,559	\$ 188,741					
Police Net Expenditure Change	4.2%	4.0%	3.5%	3.5%	4.5%					
Region Including Police:										
Net Expenditures	\$ 438,768	\$ 456,619	\$ 475,157	\$ 494,597	\$ 514,863					
Tax Impact (after assessment)	2.0%	2.3%	2.3%	2.3%	2.3%					
Assessment Growth Assumption	1.7%	1.7%	1.7%	1.8%	1.8%	1.7%	1.7%	1.7%	1.7%	1.7%

Tax Budget Forecast as projected in the 2019 Budget										
Regional Tax Impact (after assessment)	2.3%	2.3%	2.3%	2.2%						

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 3.2% and 3.5%, with over half of the increase (1.6% to 2.4%) required to support the capital expenditure financing to maintain the State-of-Good-Repair capital program. These rate increases are lower than the rate increases projected in the 2019 forecast due to savings in operating expenditures mainly related to hydro due to the participation of 5 treatment plants and 2 pumping stations in the Industrial Conservation Initiative, which allows eligible facilities to manage their global adjustment costs by reducing demand during peak periods. Since becoming eligible to participate in July 2017, the Region has been able to defer planned hydro increases in the 2018 budget of \$876,000 and in the 2019 budget of \$350,000, and include a reduction of \$1.2 million in the 2020 budget. The projected hydro increases in the 2019 forecast have subsequently been reduced to 0.0-2.5% from 2.0-3.0% in the 2019 forecast to reflect these savings.

Also included in the forecast is the provision for the declining water consumption trends. The 2017 budget included a reduction in projected water consumption from 54.8 million m³ to 52.9 million m³ in order to reflect the actual average consumption experienced in recent years. Through water conservation efforts and growing

environmental awareness, the base, non-seasonal, usage per household continues to decline and is expected to continue to affect the consumption level in the forecast period, although the rate of this trend is projected to decelerate with efficient plumbing and appliances reaching maturity over time. Accordingly, the 2020 10-year rate forecast takes a conservative approach to the consumption projection based on the trends observed in the past four years. Over the past four years (2015-2018), the actual base consumption (with no seasonal usage) has been steadily decreasing, with a decrease from 226 m³ to 213 m³, or 6.0%, in the average annual household consumption. Accordingly, the 2020 10-year rate forecast takes a conservative approach to the consumption projection based on the trends observed in the past four years. The forecast maintains the current projected consumption (52.9 million m³) for the first half of the 10-year period and reflects a gradual annual decline during the second half reaching 50.5 million m³ (-4.5%) by 2029. Staff will continue to closely monitor the trend and determine whether any further adjustments needs to be made through future budgets and business plans.

Ten Year Operating Budget Forecast For Rate Supported Services										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	Requested Budget	Forecast								
Net Program Impact (\$000's)	\$ 213,789	\$ 222,640	\$ 231,836	\$ 241,400	\$ 251,172	\$ 259,831	\$ 268,663	\$ 277,843	\$ 287,210	\$ 296,746
Annual Water Consumption m ³ (000s)	52,913	52,913	52,913	52,913	52,913	52,421	51,934	51,452	50,974	50,500
Residential Bill (250 m ³ p.a.)	\$ 1,032	\$ 1,069	\$ 1,106	\$ 1,145	\$ 1,184	\$ 1,224	\$ 1,266	\$ 1,309	\$ 1,352	\$ 1,395
Annual % Rate Increase	3.3%	3.5%	3.5%	3.5%	3.4%	3.4%	3.4%	3.4%	3.3%	3.2%
Rate Impact:										
State-of-Good-Repair	2.4%	2.2%	2.3%	2.3%	2.2%	1.7%	1.7%	1.7%	1.6%	1.6%
Operating Expenses	0.9%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
Consumption Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%

Rate Budget Forecast as Projected in the 2019 Budget										
Net Program Impact (\$000's)	\$ 214,981	\$ 224,528	\$ 234,479	\$ 244,388	\$ 253,061	\$ 261,944	\$ 271,123	\$ 280,671	\$ 290,593	
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 (250 m ³ p.a.)	\$ 1,038	\$ 1,078	\$ 1,118	\$ 1,159	\$ 1,199	\$ 1,241	\$ 1,284	\$ 1,329	\$ 1,376	
Annual % Rate Increase	3.9%	3.8%	3.8%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	
Rate Impact:										
State-of-Good-Repair	2.5%	2.5%	2.5%	2.3%	1.7%	1.7%	1.7%	1.7%	1.7%	
Operating Expenses	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	
Consumption Change	0.0%	0.0%	0.0%	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%	

2020 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 2020 Capital Budget and Forecast, including the Police Services capital program.

2020 Capital Budget & Forecast											
Summary of Total Capital Budget & Financing (\$000s)											
	Gross Cost	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Program Expenditures											
Water	\$ 970,147	\$ 171,837	\$ 52,306	\$ 63,889	\$ 193,646	\$ 109,232	\$ 84,480	\$ 123,338	\$ 41,537	\$ 62,832	\$ 67,050
Wastewater	1,103,454	88,698	65,390	56,827	198,091	84,806	182,381	137,960	85,721	115,284	88,296
Transportation	1,590,458	305,516	150,950	132,449	94,246	133,140	221,532	121,386	205,181	119,778	106,280
Planning	161,689	20,620	12,820	29,719	11,720	14,460	12,720	21,470	13,720	13,220	11,220
Energy, Fleet and Facilities	73,513	2,763	8,228	3,697	33,219	3,262	3,707	4,043	4,193	6,725	3,676
Waste Management	46,645	3,668	889	3,868	13,870	1,334	15,223	1,390	606	4,887	910
Information Technology	49,874	4,585	5,759	4,257	4,970	5,340	5,131	4,432	4,877	5,129	5,393
Other Tax	52,018	4,337	3,413	10,835	5,933	6,340	4,343	4,286	4,692	4,176	3,663
Police	68,724	8,627	5,777	10,294	8,587	7,111	8,909	5,638	5,742	4,038	4,000
Total	\$ 4,116,522	\$ 610,652	\$ 305,533	\$ 315,835	\$ 564,282	\$ 365,025	\$ 538,426	\$ 423,943	\$ 366,270	\$ 336,069	\$ 290,488
Financing											
Tax Reserves	\$ 1,145,283	\$ 176,158	\$ 117,550	\$ 128,567	\$ 108,924	\$ 99,157	\$ 154,664	\$ 91,311	\$ 117,917	\$ 77,603	\$ 73,432
Rate Reserves	1,306,090	148,799	100,866	101,588	181,623	120,729	122,168	129,249	113,253	144,169	143,645
Dev't Charges - Resid.	1,408,470	210,763	81,182	76,434	214,631	129,449	222,605	168,174	129,865	106,133	69,234
Dev't Charges - Non-Res.	5,926	565	556	540	938	711	621	481	777	482	256
Infstrctr Invstmt Rvolv. Fnd	190,404	28,506	4,335	4,602	55,083	13,935	37,326	33,685	3,415	6,639	2,878
External Rcvry/Other	55,249	45,860	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043
Debentures	5,100	-	-	3,060	2,040	-	-	-	-	-	-
Total	\$ 4,116,522	\$ 610,652	\$ 305,533	\$ 315,835	\$ 564,282	\$ 365,025	\$ 538,426	\$ 423,943	\$ 366,270	\$ 336,069	\$ 290,488

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

The forecast is updated annually to reflect new information related to capital requirements, water/wastewater and transportation master plan updates, 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 and program objectives.

As shown above, the Region's 10-year capital program between 2020 and 2029 is projected at \$4.1 billion. The 10-year program includes \$2.1 billion (50.4%) in rate-supported projects and \$2.0 billion (49.6%) in tax-supported projects. Financing of the 2020 Capital Budget and Forecast is based on Council-approved financing plans.

2020 Capital Budget

The 2020 Capital Budget is \$610.7 million. Of this total, \$260.5 million (42.7%) is for rate-supported services (Water and Wastewater) and \$350.1 million (57.3%) is for tax-supported services which includes \$305.5 million for the Transportation program.

The 2020 Capital Budget is \$104.3 million higher than previously projected for 2020 in the 2019 budget. This increase is mainly driven by additions to the Transportation capital program (\$62.8 million), increase in the Water and Wastewater State-of-Good-Repair program (\$45.5 million), increase in the Water and Wastewater Development-related program (\$5.6 million), increase in the Burlington Beach land acquisition (\$4.2 million) offset by the deferral of the Burlington Beach construction works until 2022 (\$16.4 million).

The section below highlights the 2020 Capital Budget and changes from the 2020 forecast included in the 2019 Budget:

- **\$260.5 million 2020 Water and Wastewater capital program** consists of \$119.2 million for the Development-related program and \$141.4 million for the State-of-Good-Repair (Non-Development) program to address the upgrade/replacement needs.
 - **\$119.2 million Water and Wastewater Development-related program** in 2020 is \$5.6 million higher than the 2020 forecast included in the 2019 budget and includes the following:
 - \$22.5 million for 750mm WM on Trafalgar Road from 22nd Side Road to 10th Side Road (Zone G6L)
 - \$9.3 million for West River WWPS - Capacity Upgrade to 120L/s including 450mm inlet WWM to station
 - \$8.7 million for 750mm WWM on new road alignment from Louis St. Laurent to Britannia Road
 - \$7.0 million for 750mm WWM on 9th Line from Argyll Road to 10th Side Road - Georgetown South Connection
 - \$6.9 million for 600mm WWM on new North Oakville road from Burnhamthorpe Road to Dundas St
 - **\$141.4 million Water and Wastewater State-of-Good-Repair program** in 2020 is \$45.5 million higher than the 2020 forecast included in the 2019 budget and includes the following:
 - \$49.6 million for AMI development and implementation of a detailed AMI plan, deployment and meter replacement (PW-45-19/ FN-35-19)
 - \$52.8 million for water distribution and wastewater collection systems rehabilitation and replacements, including the \$6.0 million related to the Basement Flooding Mitigation program
 - \$29.4 million for plants/facilities infrastructure upgrades and replacements, including Burloak Water Purification Plant (WPP) replacement of membranes, Bailie Booster Station and yard piping renewal and Burlington Skyway Wastewater Treatment Plant (WWTP) dewatering system upgrade
 - \$2.0 million for Water System Optimization and Artificial Intelligence Software for Distribution System

- **\$305.5 million 2020 Transportation capital program** is \$62.8 million higher than the 2020 forecast included in the 2019 budget mainly due to the land increase related to Britannia Road (\$44.9 million) and William Halton Parkway (\$19.9 million).
 - \$77.2 million for Trafalgar Road - Widening 2 to 4 lanes from 10 Side Road to Hwy 7, widening from 4 to 6 lanes from Dundas Street to Hwy 407 and grade separation north of Maple Avenue and south of Hwy 7
 - \$55.8 million for Wycroft Road Extension including Bridge - Construction for road extension from 820m east of Burloak Drive to Bronte Road
 - \$44.9 million for Britannia Road - Widening 4 to 6 lanes from Regional Road 25 to Hwy 407
 - \$26.7 million for Ninth Line - Widening 2 to 4 lanes from Steeles Avenue to 10 Side Road and Burnhamthorpe Road to Hwy 407
 - \$26.2 million for Dundas Street - Widening 4 to 6 lanes from Tremaine Road to Appleby Line and North Hampton to Halton/Hamilton boundary including improvements at Brant Street
 - \$19.9 million for William Halton Parkway – New 4 lane road from 16 Mile Creek to Neyagawa Blvd.

- **\$20.6 million 2020 Planning capital program** is \$9.4 million lower than the 2020 forecast included in the 2019 budget primarily due to the deferral of expenditures related to Burlington Beach construction works (\$16.4 million) offset by the Burlington Beach Land Acquisition acceleration to 2020 (\$4.2 million) and increase in LPAT & Other Hearings (\$3.0 million).

- **\$2.8 million 2020 Energy, Fleet and Facilities capital program** is \$5.3 million lower than the 2020 forecast included in the 2019 budget due to the deferral of the Paramedic Services Headquarters and Public Works Operations Centre expansion and extended lifecycle replacement requirements at the Halton Regional Centre and other Regional facilities based on ongoing preventive facility maintenance activities. This program includes ongoing building rehabilitation and upgrade needs for all of the Regional facilities, including the Long-term Care facilities and Paramedic Services facilities based on building condition assessments.

- **\$3.7 million 2020 Waste Management capital program** is \$1.6 million higher than the 2020 forecast included in the 2019 budget mainly due to increased costs for the Halton Waste Management Site (HWMS) Optimization implementation as reported to Council in Report No. PW-12-18 (re: Solid Waste Management Strategy Short Term Options).

- **\$4.6 million 2020 IT capital program** is \$0.5 million lower than the 2020 forecast included in the 2019 budget due to deferrals of the Printer Replacement program, Paramedic Services projects, and Growth Licensing projects offset by an increase to the Microcomputer Replacement program. This program includes ongoing life cycle replacement of IT assets, including software licensing, software and hardware upgrades/replacements.

- **\$8.6 million 2020 Police capital program** is \$2.4 million higher than the 2020 forecast included in the 2019 budget due to an increase in technology, operating equipment, and facility needs offset by reductions in vehicle costs.

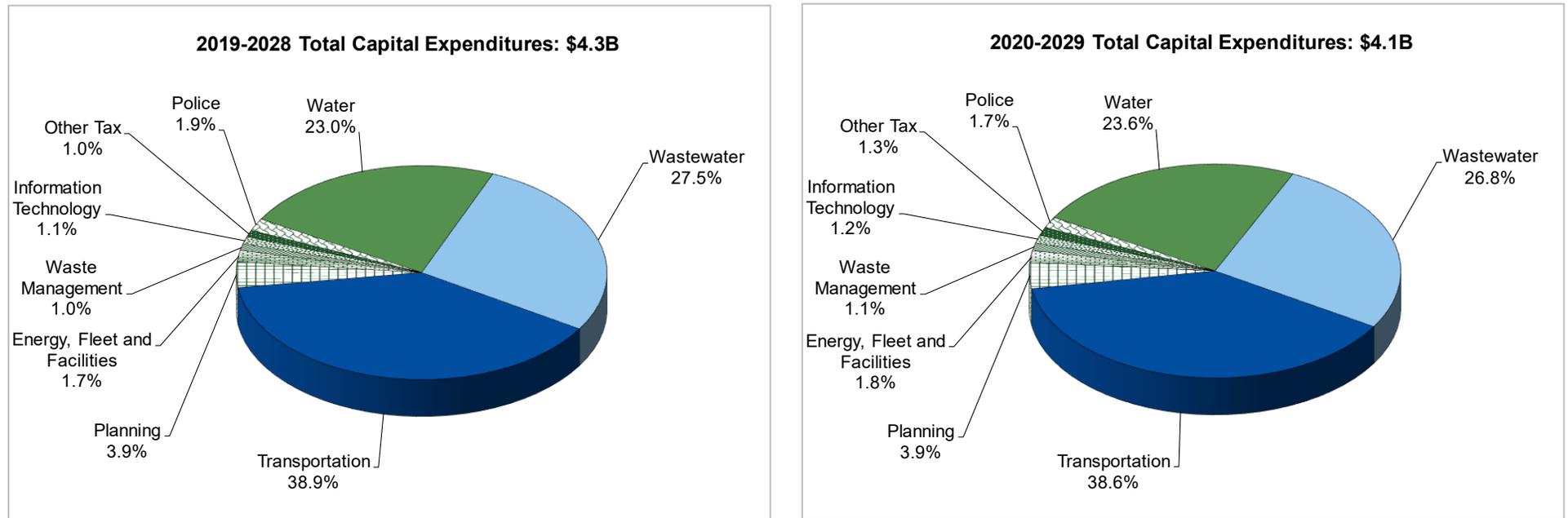
The financing of the capital program is outlined in detail within the Tax Overview and the Water and Wastewater Overview sections of this book. The following are the 10 highest dollar value projects included in the 2020 Capital Budget. These projects total \$342.4 million and account for 56.1% of the 2020 Capital Budget.

2020 Capital Budget & Forecast		
Top 10 Largest Capital Expenditures in 2020 (\$Millions)		
Program	Project Descriptions	Cost
Roads	Trafalgar Road - Widening and Grade Separation	\$ 77.2
Roads	Wyecroft Road Extension including Bridge (OAK)	55.8
Water	AMI Deployment & Meter Replacement (REG)	49.6
Roads	Britannia Road - Widening (MIL)	44.9
Roads	Ninth Line - Widening	26.7
Roads	Dundas Street - Widening (BUR)	26.2
Roads	750mm WM on Trafalgar Road from 22nd Side Rd to 10th Side Road (Zone G6L)	22.5
Water	William Halton Parkway - New Road (OAK)	19.9
Roads	Road Resurfacing & Related Works	10.4
Wastewater	West River WWPS - capacity upgrade to 120 L/s including 450 mm inlet WWM to station (OAK)	9.3
Total		\$ 342.4

Schedule may not add due to rounding.

10-Year Capital Budget & Forecast

The following charts illustrate the 2020 10-year expenditures compared to the 2019 forecast.



The 2020 10-year Capital Budget and Forecast (2020 to 2029) totals \$4.1 billion, which is \$181.8 million lower than the 2019 10-year program. The decrease is mainly due to a \$82.8 million decrease in Transportation, a \$149.7 million decrease in the Water and Wastewater development program, a \$4.3 million decrease in Planning, and an \$11.9 million decrease to Police which are offset by increases in the Water and Wastewater State-of-Good-Repair program (\$53.2 million), and Waste Management (\$3.6 million), as outlined below.

As illustrated, a significant portion (89.0%) of the 2020 10-year program continues to be committed to the Water, Wastewater and Transportation programs. The Water, Wastewater and Transportation 10-year capital program has been updated based on the Region's infrastructure staging plan review, the Public Works Asset Management Plan (PW-28-17) and cost updates.

- **\$2.1 billion 10-year Water and Wastewater capital program** consists of \$0.9 billion for the Development-related program and \$1.2 billion for the State-of-Good-Repair program (Non-Development).
- **\$0.9 billion 10-year Water and Wastewater Development program** is a \$149.7 million decrease from the 2019 program. Of the \$0.9 billion, \$0.1 billion relates to the State-of-Good-Repair (non-growth) program. The 10-year program includes:

- \$314.8 million to service Region-wide capacity-related infrastructure.
 - \$408.5 million to service Greenfield area related infrastructure.
 - \$67.5 million to service built boundary areas related infrastructure.
 - \$71.7 million for employment land servicing related infrastructure.
- **\$1.2 billion 10-year Water and Wastewater State-of-Good-Repair program** is a \$53.2 million increase from the 2019 program. The 2020 Plan has been prepared based on PW's Asset Management Plan (PW-28-17), 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 Public Works' Asset Management Strategy. The 2020 10-year Capital Budget includes:
- \$338.8 million for water distribution and wastewater collection systems rehabilitation and replacements, including the basement flooding mitigation program of \$35.8 million.
 - \$714.9 million for plants/facilities infrastructure upgrades, replacements, including \$34.8 million for plant maintenance.
 - \$68.7 million for new water meter installations and replacements.
 - \$40.8 million for SCADA Master Plan implementation and other SCADA related projects.
- **\$1.6 billion 10-year Transportation capital program** consists of \$1.2 billion for the Development-related program and \$433.5 million for the State-of-Good-Repair program (Non-development). The 10-year program in 2020 is \$82.8 million lower than the 2019 program and reflects the infrastructure staging plan, Public Works Asset Management Plan and cost updates based on EAs and design work.

The 10-year program provides significant road widening, new road, grade separation programs and road resurfacing which include the Active Transportation and LED streetlight conversion initiatives. The 10-year program includes:

- \$177.8 million for Regional Road 25
 - \$174.8 million for Trafalgar Road
 - \$144.4 million for Tremaine Road
 - \$123.5 million for Steeles Avenue
 - \$114.7 million for Upper Middle Road
 - \$104.5 million for Roads Resurfacing Program and Related Works
 - \$71.2 million for James Snow
 - \$68.4 million for Dundas Street
- **\$161.7 million 10-year Planning capital program** is \$4.3 million lower than the 2019 program mainly due to a decrease of \$8.5 million in the Burlington Beach Land Acquisition costs budgeted in 2019 offset by an increase of \$3.6 million LPAT & Other Hearing costs.
- **\$73.5 million 10-year Energy, Fleet and Facilities capital program** is \$0.8 million lower than the 2019 program primarily driven by extended lifecycle replacement requirements at the Halton Regional Centre and other Regional facilities based on ongoing preventive facility maintenance activities.
- **\$46.6 million 10-year Waste Management capital program** is \$3.6 million higher than the 2019 program mainly due to the additional of the HWMS Optimization Implementation costs and increased Equipment replacement costs.

- **\$49.9 million 10-year IT capital program** is \$2.6 million higher than the 2019 program mainly due to increased state-of- good-repair infrastructure costs based on lifecycle replacement. The IT program includes the ongoing maintenance of IT assets, including software licensing, software and hardware upgrades/replacements, as well as mobile strategy implementation and new software implementation including the Talent Management System, Emergency Mass Notification System, and WorkForce Management.
- **\$52.0 million 10-year other capital programs** provide Paramedic Services capital requirements to implement the Master Plan (MO-14-15) including vehicles and equipment (defibrillation and power stretchers) (\$29.6 million) and the Long-Term Care facilities equipment replacement program and Production Kitchen (\$8.8 million). These capital programs are \$8.2 million higher than the 2019 10-year program mainly due to additional funding required for the replacement of Paramedic Services vehicles and for the upgrade/replacement of the Production Kitchen facility at Allendale and the receiving kitchen at Post Inn Village.
- **\$68.7 million 10-year Police capital program** is \$11.9 million lower than the 2019 program due mainly to the 2019 approval of the 1 District – New Facility construction funding offset by increases in Technology to support State-of-Good-Repair equipment and software replacements and other new initiatives such as Next Generation 911 and e-Ticketing. The 2020 10-year program includes additional funding for the consolidated 1 District facility in 2022/23, technology upgrades, vehicle/equipment replacements and replacement provisions for the radio trunking infrastructure.

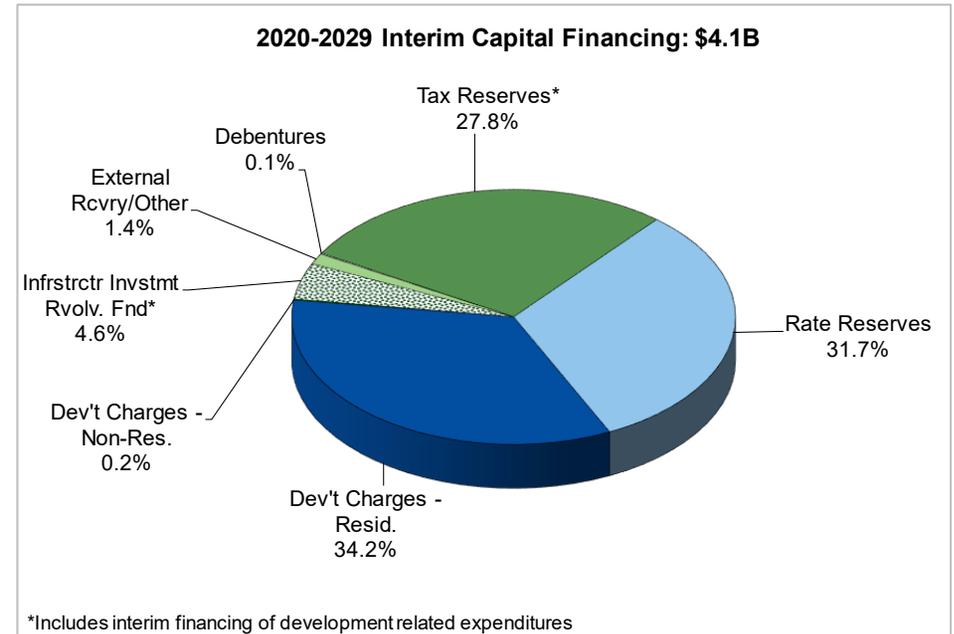
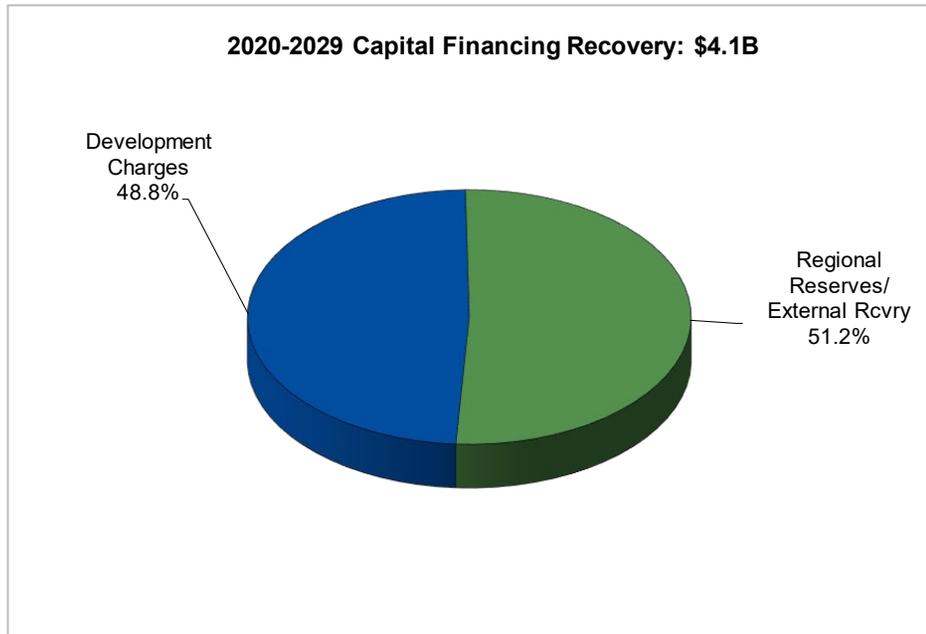
The following table shows the 20 largest dollar value projects in the 10-year Capital Budget and Forecast. These projects total \$1.8 billion and represent 44.2% of the total capital program.

2020 Capital Budget & Forecast				
Top 20 Largest Expenditures (2020 - 2029) (\$Millions)				
Program	Project Descriptions	2020	2021-2029	Total
Roads	Regional Road 25 - Widening and Reconstruction	\$ 2.6	\$ 175.2	\$ 177.8
Roads	Trafalgar Road - Widening and Grade Separation	77.2	97.6	174.8
Roads	Tremaine Road - Widening	1.4	143.0	144.4
Water	Burloak WPP Phase 2 Expansion from 55ML/d to 165ML/d (OAK)	-	142.6	142.6
Roads	Steeles Avenue - Widening	5.3	118.2	123.5
Roads	Upper Middle Road - Widening	-	114.7	114.7
Roads	Road Resurfacing & Related Works	10.4	94.1	104.5
Tax	Assisted Housing Development	9.0	89.5	98.5
Wastewater	Mid-Halton WWTP expansion from 125 ML/d to 175 ML/d (OAK)	-	97.8	97.8
Roads	James Snow Parkway - Widening, New Road	4.3	66.9	71.2
Wastewater	Upgrade Elizabeth Gardens, Install second forcemain, tunneling deep trunk (Phase 1) (BUR)	-	70.0	70.0
Roads	Dundas Street - Widening	26.2	42.1	68.4
Wastewater	Twinned 900 mm WWFM on Lower Base Line from Fourth Line to Regional Road 25 (MIL)	-	62.2	62.2
Roads	Appleby Line - Widening and Intersection Improvements	2.4	55.1	57.5
Roads	Ninth Line - Widening	26.7	29.8	56.5
Roads	Wyecroft Road Extension including Bridge (OAK)	55.8	-	55.8
Roads	Winston Churchill Boulevard - Bypass, Reconstruction, and Widening	8.1	46.4	54.5
Roads	5 1/2 Line - New Road and Interchange	-	48.5	48.5
Water	AMI Deployment & Meter Replacement (REG)	49.6	-	49.6
Roads	Britannia Road - Widening	44.9	-	44.9
Total		\$ 323.9	\$ 1,493.8	\$ 1,817.6

Schedule may not add due to rounding.

10-Year Capital Financing

A breakdown of the 2020 Capital Budget and Forecast financing is presented in the following graphs.



Included in the 10-year capital plan of \$4.1 billion is \$2.1 billion (51.2%) to address state-of-good-repair capital needs (upgrades/rehabilitation/replacements) and \$2.0 billion (48.8%) to address growth-related capital programs (capacity expansion). Accordingly, as shown above, the growth-related program (48.8%) will ultimately be funded from DCs, and the State-of-Good-Repair program will be funded from Regional reserves (51.2%).

As detailed later in the Long-term Financing section, Regional reserves (including transfers from the Operating Budget, investment earnings, and Gas Tax revenues) 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 2020 budget increased the total operating contributions (excluding investment earnings) from \$132.2 million to \$140.2 million (\$8.0 million increase) in support of the water/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.

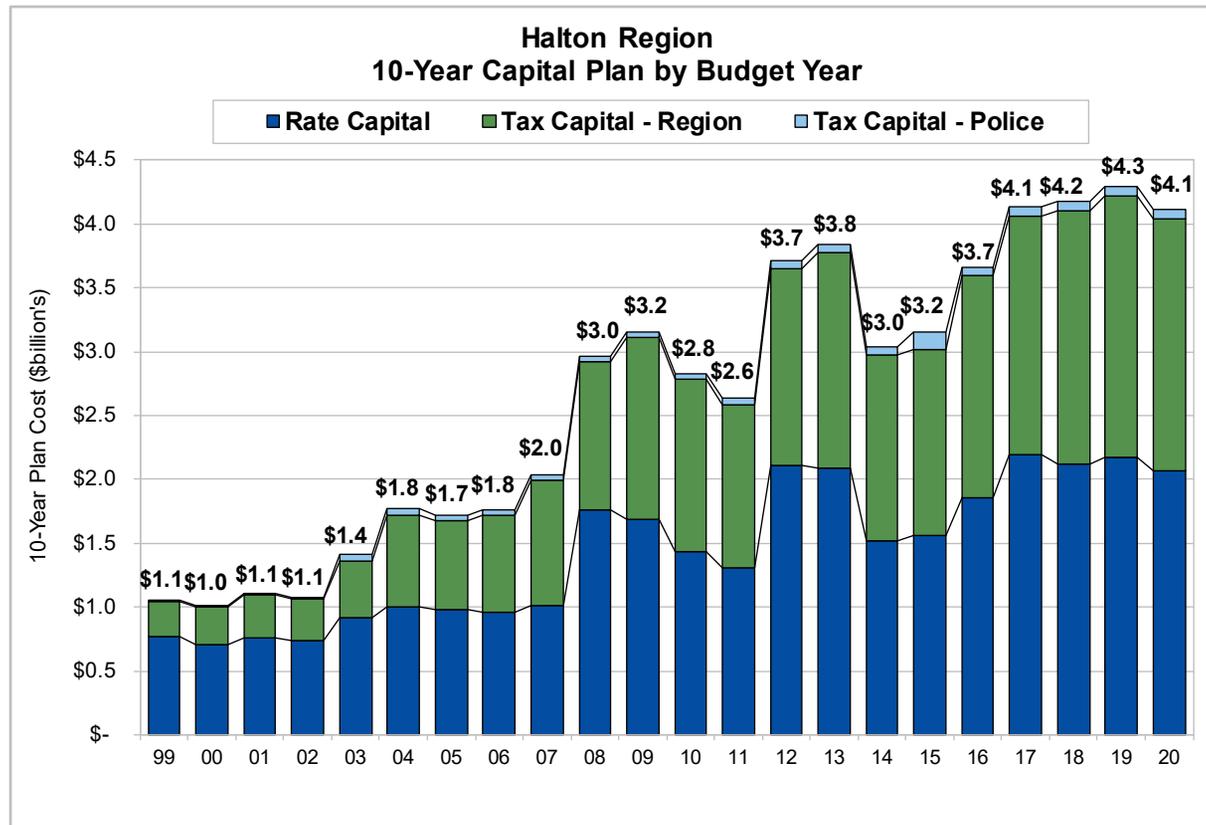
Development charges fund growth-related infrastructure. However, financing of growth infrastructure requires interim financing from the Region, as set out in the Development Financing Plan (FN-46-19/ PW-50-19/ LPS112-19). The Region's interim financing is required for the non-residential employment capital cost in order to ensure continued economic development through strategic investment in employment lands. Accordingly, as illustrated in the 2020-2029 Interim Capital Financing chart above, the Region will provide interim financing from the Infrastructure Investment Revolving Fund, Tax Reserves, and debt, which will be recovered from

future DCs including carrying cost. The financing of the 2020 Development-related Water, Wastewater and Transportation programs has been prepared based on the Development Financing Plan (FN-46-19/ PW-50-19/ LPS112-19).

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 and Forecast. The following graph shows the significantly growing capital requirements between 1999 and 2020.



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/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). The change in the 2020 10-year program is a result of updates based on the Region's infrastructure staging plan for the next Development Allocation Program, the Public Works Asset Management Plan (PW-28-17) and cost updates.

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

Financing of State-of-Good-Repair

The Region utilizes its reserves and debt in the financing of the State-of-Good-Repair capital program for existing infrastructure. The reserves (including operating contributions, Gas Tax 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 rate/tax payers is appropriately matched with the benefit of infrastructure. The 2020 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 a pay-as-you-go financing for the State-of-Good-Repair capital program. Although the 2020 budget employs limited use of debt over the forecast period, debt still remains as a viable funding option and will continue to be utilized where appropriate.

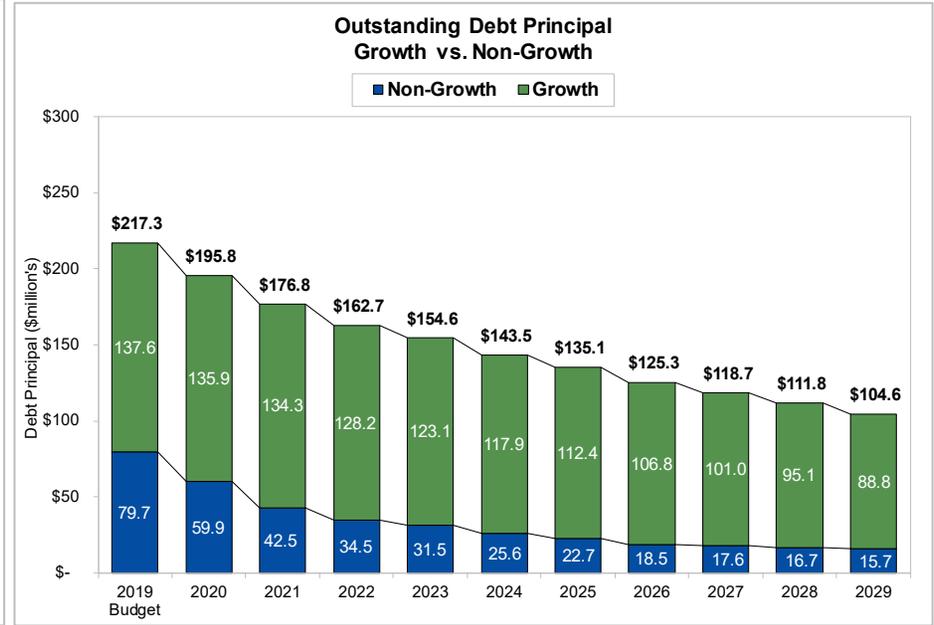
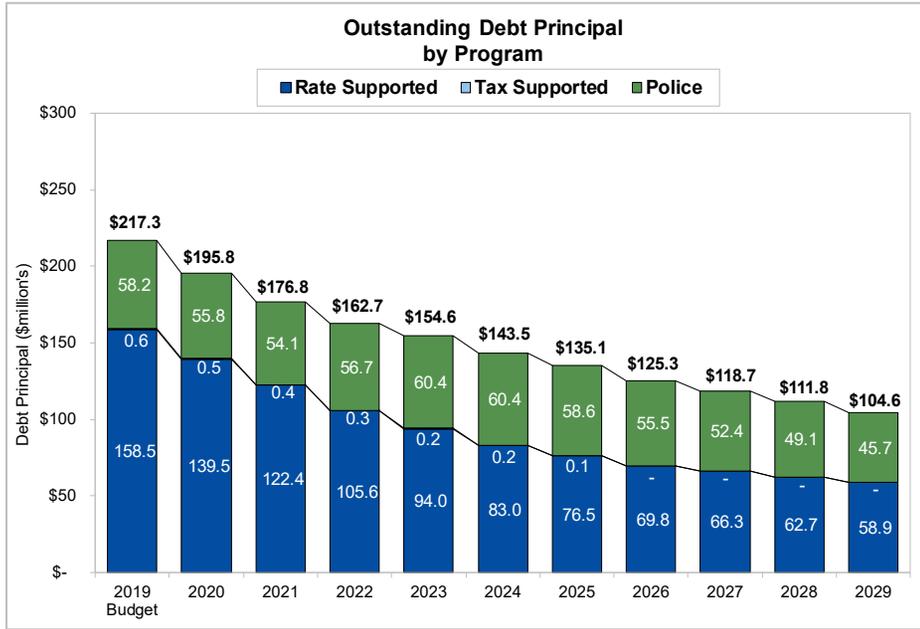
Financing of Growth

The Region relies on DCs to finance new/expansion infrastructure required for growth. DCs, combined with the Regional interim financing through the Infrastructure Investment Revolving Fund, Tax Capital Reserve and debt, are used for the financing of 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 2020 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).

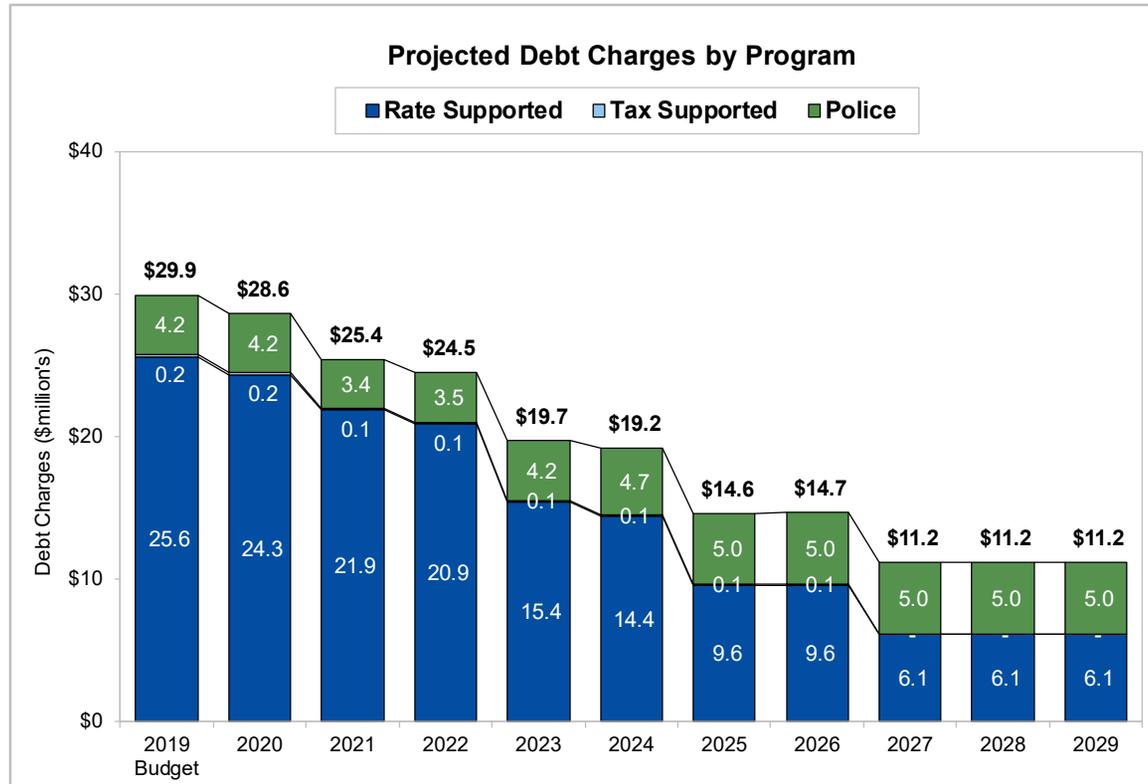
Debt Financing

When debt financing is required, the Regional practice has been to issue debt 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 2020 Budget and Forecast projects a total of \$5.1 million in debt financing over the next 10 years to accommodate the Police 1 District Facility needs in Georgetown/Milton.

The following charts illustrate the annual projected debt levels over the next 10 years. Debt levels have peaked at \$217.3 million in 2019, mainly driven by funding required for the Police Headquarter expansion in 2015. 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.



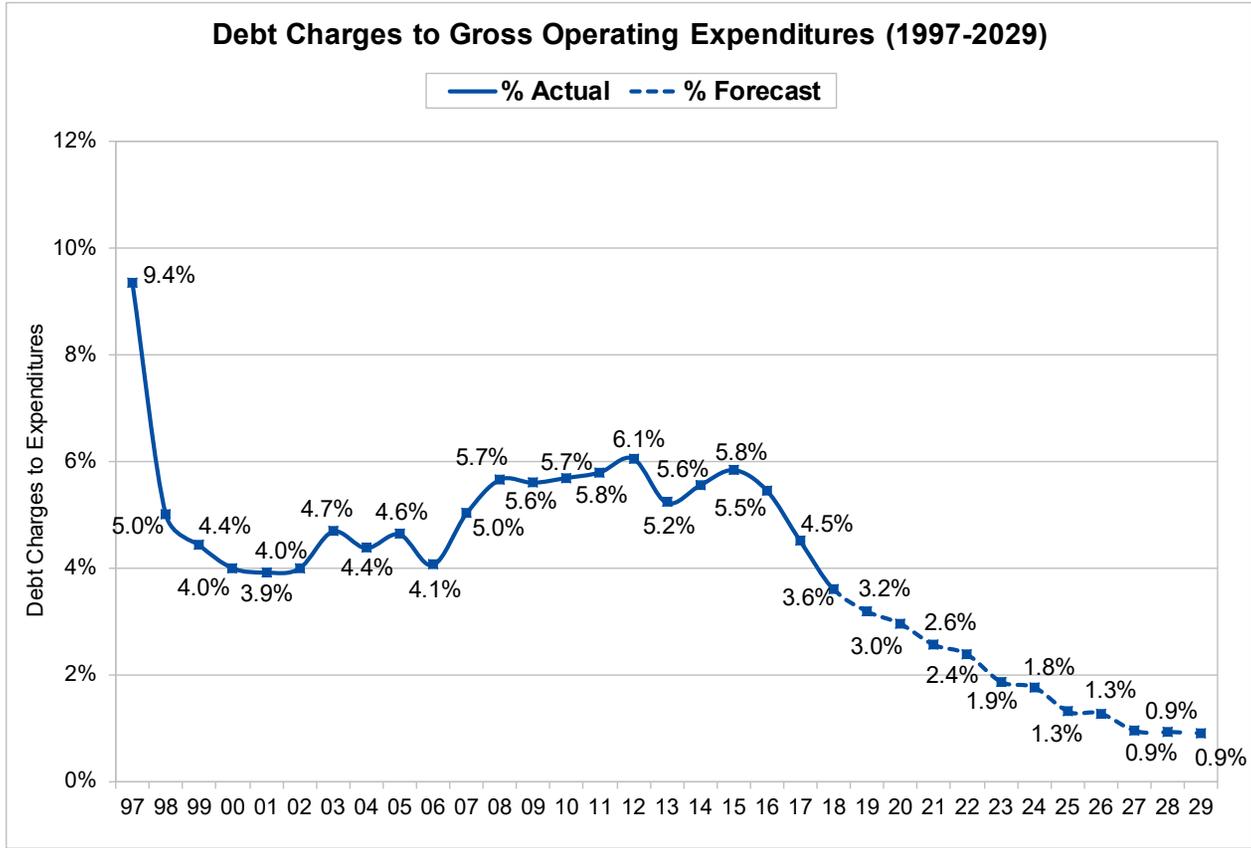
As illustrated in the chart below, total budgeted debt charges will be reduced in 2020, as compared to 2019, as a result of debt retirement.



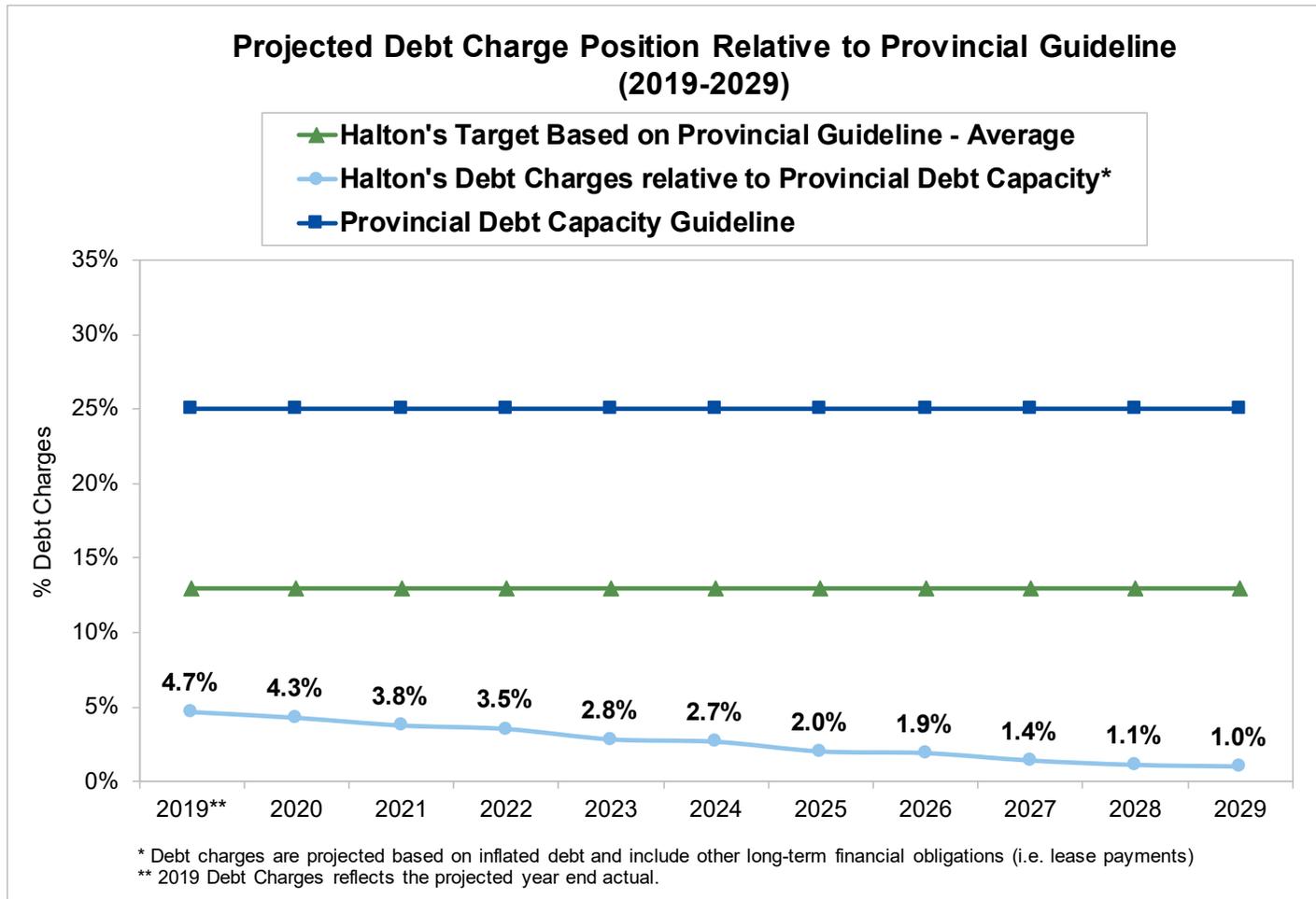
While debt charges will continue to have an impact on the rate-supported budgets, the debt charges are expected to decrease over the forecast period based on declining debt as noted above.

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 reduces the issuance of debt as discussed earlier.



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 13% 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, Gas Tax 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 taxes and user 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, 2019 is \$1,150.1 million, \$139.8 million of which are reserve funds (e.g., DC funds and self-insurance funds).

2020 Budget and Forecast Reserve Continuity (\$000s)									
	2018 Ending	2019 Projected Ending*	2020 Transfers						2020 Projected Ending
			Transfers From/(To) Operating	Transfers From/(To) Capital	Intra Reserve Transfers	Projected DC/Dvel. Cntrbtn	Projected Interest Allocation	Total	
Reserves									
Tax Stabilization	\$ 69,631	\$ 68,308	\$ 2,086	\$ (1,390)	\$ -	\$ -	\$ -	\$ 696	\$ 69,004
Rate Stabilization	32,196	33,546	-	-	-	-	-	-	33,546
Program Specific	60,578	57,305	7,571	(6,700)	-	-	-	871	58,176
Vehicle & Equipment	71,428	78,129	24,059	(19,834)	(138)	-	1,777	5,864	83,993
Tax Capital	375,829	410,002	51,942	(119,909)	19,458	-	21,336	(27,174)	382,828
Rate Capital	252,338	246,037	87,227	(137,153)	-	-	9,973	(39,954)	206,083
Infrstr Invst Rvlvg Fund	98,621	117,025	8,143	(48,623)	20,331	-	4,462	(15,687)	101,338
Sub-Total	960,621	1,010,352	181,028	(333,610)	39,651	-	37,547	(75,384)	934,968
Reserve Funds									
Corporate	201,083	197,099	17,135	(61,525)	-	-	3,888	(40,502)	156,597
Development Charges	(61,986)	(57,309)	(9,025)	(257,102)	(39,651)	354,501	1,508	50,232	(7,077)
Sub-Total	139,097	139,790	8,110	(318,627)	(39,651)	354,501	5,396	9,730	149,520
Gross	\$1,099,718	\$1,150,142	\$ 189,138	\$ (652,237)	\$ -	\$ 354,501	\$ 42,943	\$ (65,655)	\$1,084,488

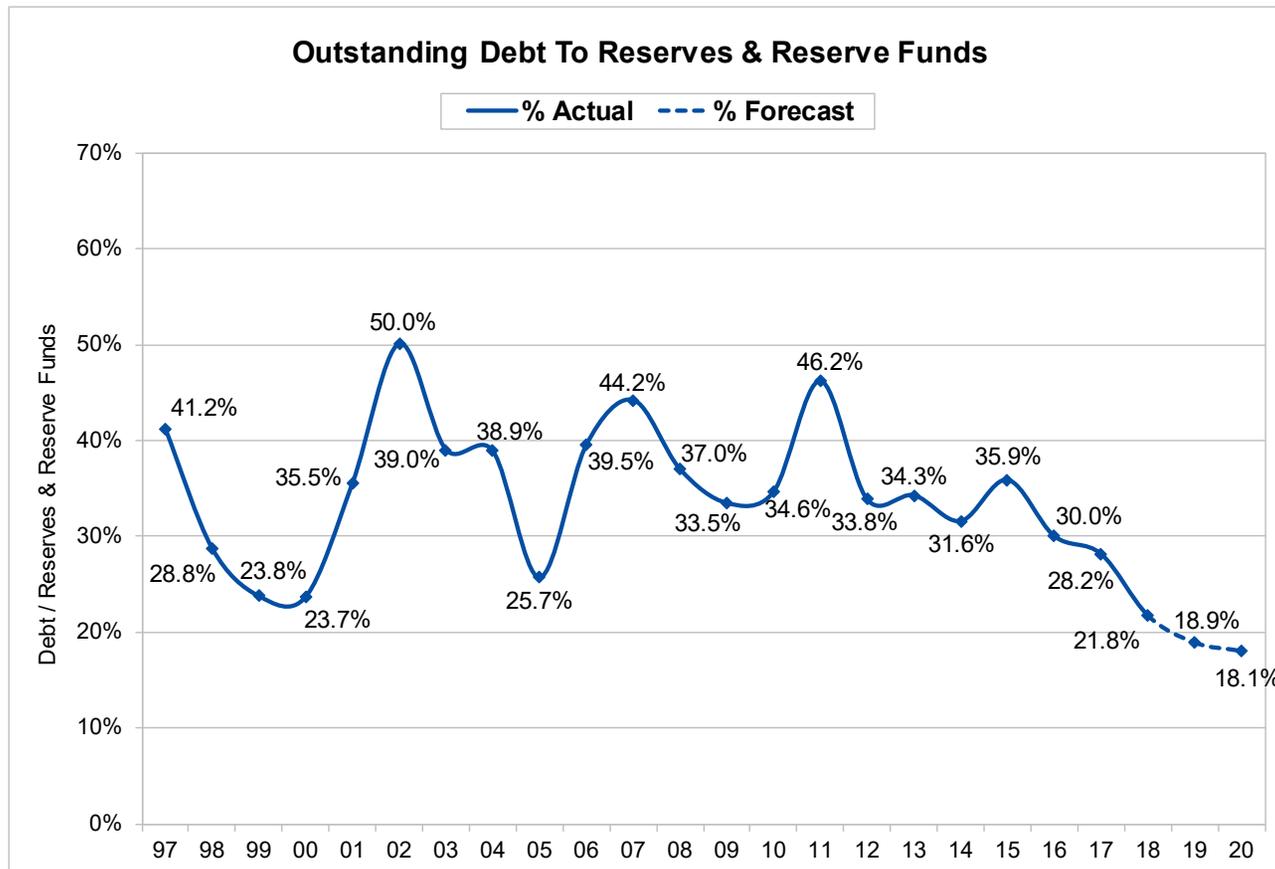
* Balances include the projected year-end surpluses. Schedule may not add due to rounding.

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 2020 the Tax Stabilization reserve balance is projected to be \$69.0 million, which is \$4.5 million below the target of \$73.5 million. The Rate Stabilization balance is projected to be \$33.5 million, which is \$1.2 million below the target of \$34.7 million. Any future operating surplus will be first applied to the stabilization reserves in order to meet the target levels.

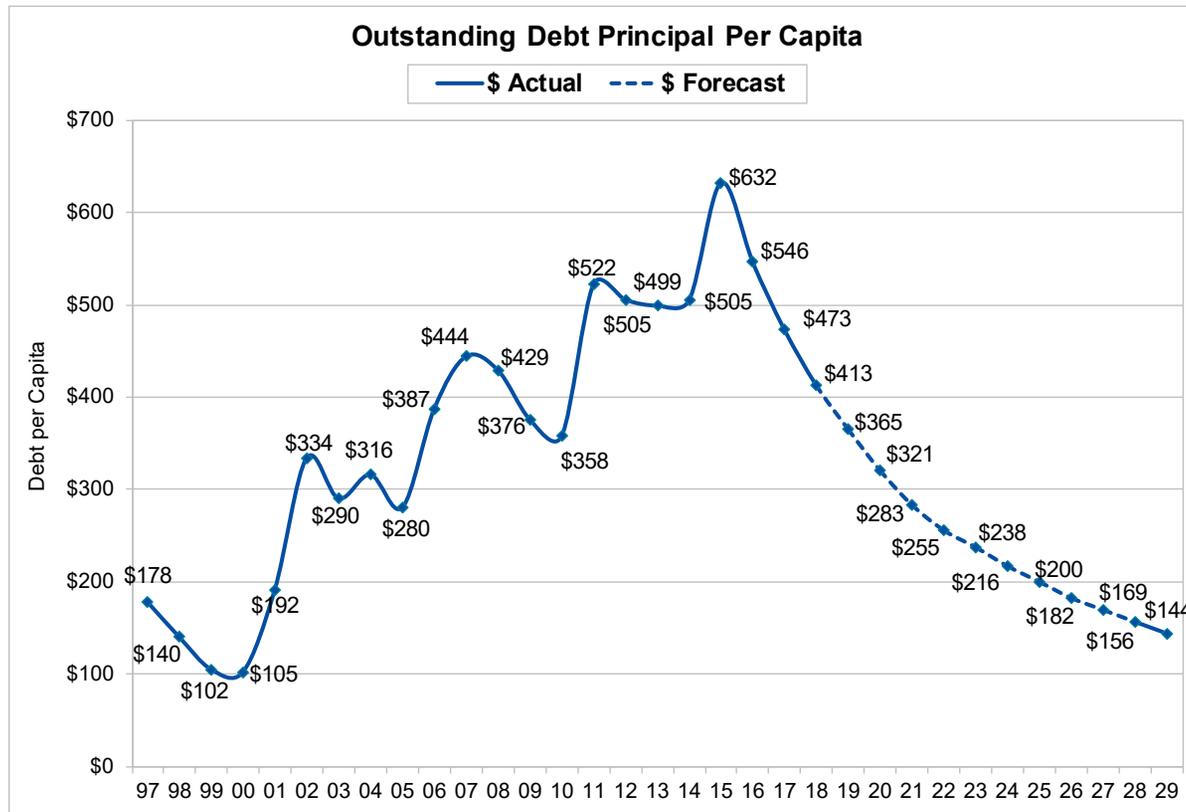
As shown in the schedule, the reserve position is projected to decrease by \$65.7 million to \$1,084.5 million (including the reserve funds) at the end of 2020. This reduction is mainly related to the funding required for water and wastewater state-of-good-repair financed from the Rate Capital. In addition, there is a reduction to the Regional Revolving Fund and Tax Capital Reserve, that supports the non-residential expenditures in the 2020 Allocation Program. The DC reserve funds are

projected to increase by \$50.2 million to negative \$7.1 million, which is primarily attributed to the collection of road DCs from the developers in the 2012 Allocation Program. In addition, the Tax Stabilization reserve is projected to decrease to support financing of EAB programs by CVC and CH and to issue debt to CH for watershed management and support services capital projects.

The following Outstanding Debt to Reserves and 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 23 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 in the amount of \$106.0 million (CS-33-11/ PW-53-11/ LPS58-11) to service strategic employment lands. The ratio is expected to decrease in 2020 (18.1%) from the 2019 level as a result of decreasing reserve balances.



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 2020 budget results in a property tax increase of 1.7% for Regional Services, an increase of 2.5% for Police Services (for a combined tax increase of 2.0%), and a 3.3% rate increase for water and wastewater, while maintaining service levels for all core Regional services and responding to demand for services as the community continues to grow.

Halton Region

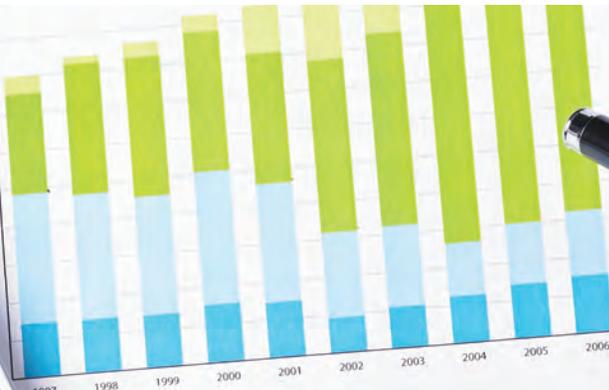
Budget and Business Plan 2020

Tax Overview



Expenditure 1998-2006 by heading

Agenda 2000 (2000-06)		EU-25		2006		
2003	2004	2005	2006	2005	2006	
million EUR	million EUR	million EUR	million EUR	million EUR	million EUR	
14.3	43 612.0	42.6%	48 346.8	45.4%	49 838.1	45.8%
7.1	34 496.7	32.7%	32 843.2	30.8%	32 577.3	30.0%
2.5%	2 742.9	2.7%	2 943.3	2.8%	3 206.1	2.9%
14.3%	16 070.1	15.7%	15 512.3	14.6%	14 825.1	13.6%
6.9%	7 160.8	7.0%	8 639.8	8.1%	8 826.4	8.1%
2.4%	2 775.0	2.7%	2 095.5	2.0%	3 091.1	2.8%
0.5%	517.7	0.5%	472.3	0.4%	475.4	0.4%
2.0%	2 824.8	2.8%	594.1	0.6%	162.2	0.1%
9.7%	4 135.1	4.0%	4 376.6	4.1%	4 953.0	4.6%
4.5%	4 532.6	4.4%	4 860.2	4.6%	5 048.7	4.6%
5.8%	5 847.7	5.7%	6 109.6	5.7%	6 585.0	6.1%
4.3%	4 391.9	4.3%	4 196.5	3.9%	3 308.6	3.0%
2.8%	2 916.1	2.8%	3 266.7	3.1%	3 596.6	3.3%
97.4%	103 999.6	97.6%	105 908.0	97.4%	109 908.0	97.4%
2.2%	2 916.1	2.2%	2 916.1	2.2%	2 916.1	2.2%
0.95%		0.95%		0.95%		0.95%
1.6%		1.6%		1.6%		1.6%



CONTRIBUTION BY MEMBER STATE AND TAX COLLECTED ON BEHALF OF THE EU, IN 2006

Member State	Contribution	% of Total
(1) UK correction	14 172.6	18.9%
(2) Other payments from/to Member States	21 058.0	25.9%
(3) Total national contributions	78.1	0.1%
(4) Total national contributions	-3.6	-0.0%
(5) Trade	53 874.4	71.1%
(6) Trade	57 515.1	70.8%
(7) Trade	13 583.6	16.7%
(8) Trade	810.1	1.0%
(9) Trade	1 213.7	1.5%
(10) Trade	069.1	0.1%
(11) Trade	16.1	0.0%
(12) Trade	13 607.7	16.1%
(13) Trade	0.3	-1.9%
(14) Trade	-1574.7	-2.0%
(15) Trade	75 293.0	93.5%
(16) Trade	1.02%	
(17) Trade	4 384.1	5.4%
(18) Trade	870.7	1.1%
(19) Trade	80 547.7	100%
(20) Trade	1.09%	
(21) Trade	7 388 285.4	
(22) Trade	8452	
(23) Trade	1.01%	
(24) Trade	7 719	

Tax Budget Overview

2020 Regional Property Tax Impact including Halton Regional Police Service (HRPS)

Property taxes fund Regional programs and services including social services, Regional road operations, housing services, waste management, public health programs, paramedic services and more. Property taxes also fund Police Services, and provide funding for Conservation Authorities, Royal Botanical Gardens, and the North Halton Mental Health Clinic.

The 2020 budget for Regional Tax-Supported services results in a **1.7% increase** in the Regional share of property taxes (excluding Police Services). This is consistent with Regional Council priorities of maintaining tax rate increases at or below the rate of inflation while delivering the high quality services required to Halton residents. The Regional 2020 Tax-Supported budget is increasing by 3.4%, and includes a 1.7% assessment growth assumption for a net tax rate increase of 1.7%. The 2020 combined impact of Regional Services and Police Services is a 2.0% 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												
(\$000's)	2019	2020			Change in Budget				2020			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base / 2019 Approved		2020 Requested / 2019 Approved		Assessment Growth (1.7%)	Tax Impact after Assessment		
Regional Services	\$ 267,704	\$ 275,564	\$ 1,230	\$ 276,794	\$ 7,860	2.9%	\$ 9,089	3.4%	\$ (4,551)	\$ 4,538	1.7%	
Police Services	155,383	159,790	2,184	161,975	4,407	2.8%	6,591	4.2%	(2,642)	3,950	2.5%	
Total	\$ 423,088	\$ 435,354	\$ 3,414	\$ 438,768	\$ 12,267	2.9%	\$ 15,681	3.7%	\$ (7,192)	\$ 8,488	2.0%	

The net tax levy for Regional Services is increasing from \$267.7 million in 2019 to \$276.8 million in 2020, an increase of \$9.1 million or 3.4%, with a net tax impact of 1.7% after assessment growth. Of this amount, the 2020 base budget is increasing by \$7.9 million or 2.9%, with the balance relating to strategic investments proposed in the 2020 budget.

The combined 2020 levy request totals \$438.8 million, consisting of \$276.8 million for Regional Services and \$162.0 million for Police Services, and represents an increase of 3.7%. After assessment growth of 1.7%, these increases result in a net tax impact of 2.0% for the Region and the Police.

The tax rate increase for the 2020 budget is consistent with Regional Council priorities of maintaining tax rate increases at or below the rate of inflation while delivering the high quality services to Halton residents.

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)**						
	2019		2020		Change	
	Actual		Budget		\$	%
Regional Services	\$	175	\$	178	\$	1.7%
Police Services*		101		104		2.5%
Total Regional Taxes	\$	276	\$	282	\$	2.0%

Schedule may not add due to rounding.

* Approved by Halton Police Board

** Based on projected 1.7% assessment growth

For illustrative purposes, the property tax impact per \$100,000 CVA is an increase of \$3 for Regional Services and the impact for Police Services is an additional \$3, resulting in a combined increase of \$6 per \$100,000 CVA. The Regional tax increase including Police Services for 2020 would be \$30 for a household with a CVA of \$500,000, which is the current median household CVA in Halton. 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 \$6.

2020 Budget Overview

As part of the annual budget development process, the Region ensures continued financial sustainability through effective financial planning and risk management, which result in maintaining a AAA credit rating and tax rate increases at or below the rate of inflation. For the 2020 budget, the Region (excluding Police Services) has been successful in delivering a property tax increase below the rate of inflation while maintaining or enhancing services. To achieve this objective, the 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 credit rating is maintained.
- Strategic investments in additional staff resources resulting from growth, program enhancements or additional federal/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. All revenues are reviewed annually through the budget process to ensure sustainability, in particular those that represent significant sources of funding or contain an increased risk or variability such as investment income, supplementary tax revenues, and provincial and federal subsidies. These revenues are discussed in more detail below.
- 10-year Operating and Capital budget forecasts are prepared.

- All growth-related capital costs that can be recovered under the *Development Charges Act, 1997* (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 taxpayers 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 2020 Tax Budget.

2020 Budget Process		
	Tax Increase	Assessment Growth
2020 Forecast	2.3%	1.5%
2020 Budget Direction	2.0%	1.7%
2020 Budget	1.7%	1.7%

The 10-Year Operating Budget Forecast in the 2019 Budget and Business Plan projected the tax increase for Regional programs in 2020 to be 2.3%. The 10-Year Operating Budget 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 2020 Budget Directions (FN-28-19), the tax forecast budget model assumptions reflect updated information, including adjusted program financing plans, assessment growth and Provincial funding announcements. The tax increase was set at a guideline of 2.0% which was in line with Council's priority of a tax rate increase at or below the rate of inflation.

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 resulted in a 1.7% tax increase in the 2020 budget.

Continuous Improvements

As discussed in Report No. CA-10-19 (re: Halton Region 2019-2022 Strategic Business Plan), the 2019-2022 Strategic Business Plan establishes an objective of annual tax rate increases not to exceed inflation. Management Committee plays an active role in reviewing the base budget and proposed strategic investments to ensure levels of services are maintained and to achieve Council priorities. Achieving this goal, with the level of uncertainty over future provincial funding, requires a commitment to continuous improvement including increased use of technology, streamlining of business processes, reallocation of resources to address priorities, implementing efficiencies, cost savings and additional revenue to offset reduced Provincial funding and other cost pressures in the Tax-Supported 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 2019 include:

- Public Health sexual health services review (complete)
- Immunization services review (complete)
- Process review of client service in the Ontario Works program
- Process review and technology implementation (YARDI) for the Halton Community Housing Corporation resulting in streamlined service delivery, improved data management, and improved client service
- Process review and technology implementation of an automated staff scheduling system in Long Term Care homes (complete) and Paramedic Services
- Comprehensive review of purchasing and accounts payable to streamline processes through increased automation and improved internal controls
- Process review for inventory management within the Regional stores
- Modernize Halton.ca to include a new user experience, refreshed content and enhanced service delivery that has resulted in improved service delivery and reduced demand on 311 (complete)
- Expansion of Paramedic Services Community Paramedic program to two buildings in Oakville (complete)
- Air Quality program review (complete)
- Continuing to augment the Asset Management Program to improve programming of the "state of good repair program"
- The Energy Resource Management study to identify sustainable and green initiatives to reduce operational carbon footprint
- Delivery of enhanced Council Document system to ensure reliable, secure and mobile access to Regional Council documents (complete)
- 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
- Review and update of the Energy Conservation and Demand Management Plan
- Conduct a Fleet Management Model Review
- Planning and delivery of the Halton Region Centre Redevelopment and Modernization Project
- Procurement preparation of an Advanced Traffic Management System to provide an efficient and safe region-wide transportation network for all road users
- Establishment of an Engineering Management Office to ensure consistent and efficient delivery of the capital program
- Implementation of light emitting diode (LED) streetlights resulting in savings, reduced maintenance and reduced carbon footprint
- Development of the enterprise risk management system to ensure risks are identified, assessed and mitigated
- Development and implementation of a Construction Ambassador Program to improve communications and customer service
- Revamp of the Building a Better Halton communication strategy for capital works (complete)
- Process review and business improvements in the administration of childcare fee subsidy
- Reorganization and refocussing of Social & Community Services Quality Service Integration team, now called Human Services Planning & Program Support (complete)
- Review of Early Learning and Childcare support services
- Implementation of the Memorandum of Understanding for an Integrated Halton Planning System that includes clear targets for advancing timely development reviews and clarifying roles and responsibilities for environmental planning review, among other improvements
- Key planning processes have been reviewed and refined to ensure timely approvals – this includes process supports being implemented, like a comprehensive development tracking system (DATS) as well as electronic application circulations
- The Small Business Centre providing key seminar content online in 2020 improving customer access and service delivery efficiency
- New electronic forms for applications to the Region's Tourism-Oriented Destination Signage (TODS) program, which directs resident and visitor traffic to qualified tourism-oriented operations in Halton; and applications for Exemptions under the *Retail Business Holidays Act* improving the customer experience of resident businesses

2020 Tax Operating Budget by Program

The following table summarizes the 2020 Tax Budget (excluding Police Services) by program. The 2020 requested budget is increasing from \$267.7 million to \$276.8 million, an increase of \$9.1 million or 3.4% before assessment growth. Of this increase, the base budget is increasing by \$7.9 million or 2.9%. This increase includes cost-saving measures and redeployment of staff resources to priority areas in 2020.

In addition to the base budget increase, the 2020 budget proposes a limited number of strategic investments of \$1.2 million. The assessment growth (primarily new properties) in 2020 is estimated to be 1.7% or \$4.6 million. This results in a net tax increase for the 2020 budget of 1.7%. Program budgets are discussed later in the Tax Overview.

Net Operating Budget for Tax Supported Services (Excluding Police Services)								
Levy Requirement by Program								
\$000s	2019	2020			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Budget		2020 Requested to 2019 Budget	
Public Health Resources	\$ 2,467	\$ 2,402	\$ -	\$ 2,402	\$ (64)	-2.6%	\$ (64)	-2.6%
Healthy Environments & Communicable Disease	5,885	5,806	-	5,806	(79)	-1.3%	(79)	-1.3%
Healthy Families	4,707	4,684	-	4,684	(24)	-0.5%	(24)	-0.5%
Healthy Schools & Communities	3,819	3,629	-	3,629	(190)	-5.0%	(190)	-5.0%
Paramedic Services	21,356	22,359	-	22,359	1,003	4.7%	1,003	4.7%
Children's Services	10,330	10,735	-	10,735	405	3.9%	405	3.9%
Employment & Social Services	6,364	6,721	198	6,919	357	5.6%	555	8.7%
Housing Services	35,962	36,254	-	36,254	292	0.8%	292	0.8%
Human Services Planning & Program Support	7,271	7,469	468	7,937	198	2.7%	666	9.2%
Services for Seniors	18,271	19,547	271	19,818	1,276	7.0%	1,547	8.5%
Planning Services	10,774	12,009	-	12,009	1,235	11.5%	1,235	11.5%
Economic Development	3,850	4,033	-	4,033	183	4.8%	183	4.8%
Waste Management	43,003	44,146	122	44,268	1,143	2.7%	1,264	2.9%
Road Operations	55,049	56,796	171	56,967	1,747	3.2%	1,918	3.5%
Non-Program	26,512	26,428	-	26,428	(84)	-0.3%	(84)	-0.3%
Boards & Agencies	12,085	12,546	-	12,546	461	3.8%	461	3.8%
Net Regional Impact	267,704	275,564	1,230	276,794	7,860	2.9%	9,089	3.4%
Assessment Growth							(4,551)	1.7%
Regional Levy Requirement	\$ 267,704	\$ 275,564	\$ 1,230	\$ 276,794	\$ 7,860	2.9%	\$ 4,538	1.7%

Schedule may not add due to rounding.

2020 Budget Highlights

The key changes from the 2019 budget to the 2020 budget for a net tax impact of \$4.5 million or 1.7% are:

- **Road Operations** of \$1.9 million in order to address rising state-of-good-repair needs based on the Public Works Asset Management Plan (PW-28-17), road resurfacing, roads maintenance activities, and an additional resource to operate the Regional Advanced Traffic Management System (ATMS)
- **Services for Seniors** of \$1.5 million driven by inflationary increases and additional resources to respond to the significantly increasing medical and behaviour complexities of residents in long-term care
- **Waste Management** of \$1.3 million in order to address organics and blue box market pressures, and provide additional resources for operation of the expanded Container Station services at the Halton Waste Management Site, to enhance the customer experience and optimize operations
- **Planning Services** of \$1.2 million to support Local Planning Appeal Tribunal (LPAT) hearings and other litigation expenditures and the Regional Official Plan implementation
- **Paramedic Services** of \$1.0 million to maintain service levels, with an additional Paramedic to expand the Community Health Assessment Program (CHAP) utilizing funding available through the Hamilton Niagara Haldimand Brant Local Health Integration Network (LHIN)
- **Human Services Planning & Program Support** of \$666,000 primarily to provide additional funding of \$322,000 for the Halton Region Community Investment Fund (HRCIF) to support community well-being, and provide a permanent resource to support the Halton Community Safety and Well-Being (CSWB) Plan
- **Employment & Social Services** of \$555,000 which includes a strategic investment for 2.0 FTEs to strengthen the Ontario Works (OW) program delivery by refining its intake service delivery model to reduce wait times for new applicants, and allow case management staff to meet provincially mandated service standards
- **Public Health**, which is comprised of Public Health Resources, Healthy Environments & Communicable Disease, Healthy Families, and Healthy Schools & Communities, is decreasing by \$357,000. In order to maintain the cost-share at the 2019 level with base funding being frozen for 2020, savings of \$187,000 were identified, without impacting service levels. In addition, a one-time transfer from the tax stabilization reserve will be used in 2020 to fund the Dental Care Counts program during the transition to the new Ontario Seniors Dental Care Program (OSDCP)
- **Children's Services** of \$405,000 to maintain service levels, which includes a decrease in provincial funding of \$2.0 million offset with equivalent expenditures
- **Non-Program** decrease of \$84,000 resulting mainly from the completion of the payback for the radio-trunking infrastructure and increased payment-in-lieu of taxes revenue, largely offset with an increase of \$1.2 million in transfers to reserves to support the Burlington Waterfront Master Plan implementation, which was moved from Planning Services to Non-Program to better align with other corporate initiatives.
- **Boards & Agencies** include the Conservation Authorities, Royal Botanical Gardens, and the North Halton Mental Health Clinic. Council set guidelines through Report No. FN-28-19 which have been achieved as follows:
 - Conservation Halton 1.5% increase in the municipal general levy request
 - Credit Valley Conservation 2.8% increase in the municipal general levy request
 - Grand River Conservation Authority 2.5% increase in the municipal general levy request
 - Royal Botanical Gardens has been provided a 2.0% increase as per the guideline
 - North Halton Mental Health Clinic funding of \$1.2 million remains unchanged from the 2019 budget.

Included in the net operating expenditures shown above (except for Boards and Agencies) is the cost of Corporate Administration in order to present the full cost of program delivery. The following table summarizes the 2020 Corporate Administration cost by Division that has been allocated to the service delivery program areas.

Of the \$77.5 million, \$55.6 million has been incorporated in the Tax-Supported Budget and \$21.9 million in the Rate-Supported Budget. The 2020 Corporate Administration budget is increasing by \$3.6 million or 4.8% which includes 2.0 FTE strategic investments: 1.0 FTE Assistant Corporate Counsel (\$174,000) and 1.0 FTE Senior Realty Officer (\$149,000) which will be recovered from capital projects and the Roads, Water and Wastewater budgets, and increases in insurance premiums, capital financing costs for technology projects and inflation. The 2020 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	2019	2020			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Budget		2020 Requested to 2019 Budget	
Budgets & Tax Policy	\$ 2,648	\$ 2,764	\$ -	\$ 2,764	\$ 115	4.3%	\$ 115	4.3%
Capital & Development Financing	2,143	2,278	-	2,278	136	6.3%	136	6.3%
Financial Services & Payroll	4,158	4,425	-	4,425	267	6.4%	267	6.4%
Purchasing Services & Stores	2,761	2,953	-	2,953	193	7.0%	193	7.0%
Business Transformation	2,505	2,688	-	2,688	183	7.3%	183	7.3%
Communications & Customer Service	6,175	6,439	-	6,439	265	4.3%	265	4.3%
Energy, Fleet & Facilities	20,566	20,947	-	20,947	381	1.9%	381	1.9%
Information Technology	15,241	16,134	-	16,134	893	5.9%	893	5.9%
Legal Services	7,109	7,564	324	7,887	455	6.4%	778	10.9%
Business Planning & Corporate Initiatives	1,516	1,567	-	1,567	50	3.3%	50	3.3%
Human Resources	5,422	5,601	-	5,601	179	3.3%	179	3.3%
Internal Audit	687	712	-	712	24	3.6%	24	3.6%
Strategic Policy & Government Relations	1,183	1,229	-	1,229	46	3.9%	46	3.9%
Office of the Chair	282	286	-	286	4	1.3%	4	1.3%
Regional Council	1,550	1,605	-	1,605	55	3.6%	55	3.6%
Total	\$ 73,946	\$ 77,192	\$ 324	\$ 77,515	\$ 3,246	4.4%	\$ 3,569	4.8%

Schedule may not add due to rounding.

The key changes in the Corporate Administration 2020 budget from the 2019 budget include:

- \$2.4 million increase in compensation which includes a 2.0% increase in the non-union pay band based on a pay-for-performance merit system, an adjustment in the budgeted percentage of job rate (from 94.21% to 96.00%) to reflect the actual trend, and anticipated increases in union agreements, a benefit premium increase of 2.75% for extended health care and dental costs, and strategic investments for 2.0 FTEs; an Assistant Corporate Counsel and a Senior Realty Officer, which will be recovered from capital projects and the Roads, Water and Wastewater budgets
- \$746,000 increase in purchased services, primarily due to insurance premiums for the addition of cyber insurance to the Region's policy as well as an increase in paid claim losses based on actual trends, and for IT for equipment and software maintenance and computing services mainly based on actual trends
- \$443,000 increase in capital expenditures, primarily to support corporate and program specific Technology capital requirements for hardware, software, and licensing costs
- \$81,000 increase in materials & supplies, with an increase of \$120,000 to provide additional technology to support increased mobility, connectivity and efficiency for the Strategic Transformation Group to better support the Region's 2019-2022 Strategic Business Plan offset with a reduction of \$42,000 to remove one-time technology costs for new Regional Councillors

2020 Tax Operating Budget by Cost Category

The following table summarizes the 2020 budget by expenditure and revenue categories. The following table shows that total gross expenditures have increased by \$10.3 million (1.9%) to \$562.1 million. Subsidies and other program revenue are increasing by \$1.3 million (0.4%) to \$285.3 million, resulting in a net expenditures increase of \$9.1 million (3.4%) to \$276.8 million.

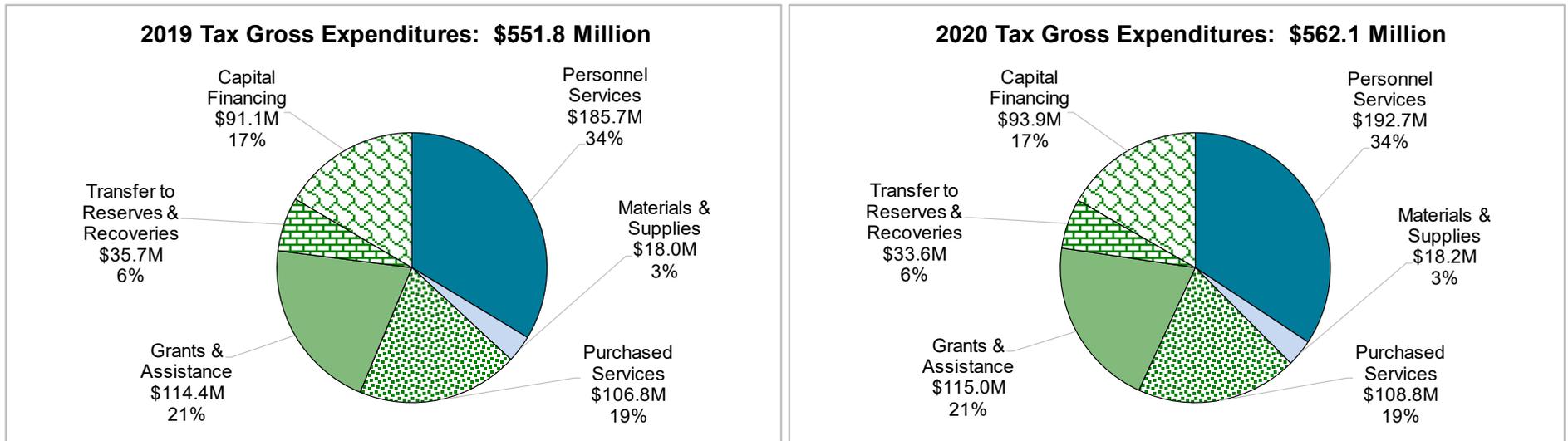
Total Tax Operating Budget Comparison by Category (excluding Police Services)									
\$000s	2019	2020			Change		Change		
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Budget		2020 Requested to 2019 Budget		
Personnel Services	\$ 185,682	\$ 190,994	\$ 1,743	\$ 192,738	\$ 5,312	2.9%	\$ 7,056	3.8%	
Materials & Supplies	17,997	18,045	117	18,162	48	0.3%	165	0.9%	
Purchased Services	106,803	108,200	617	108,816	1,397	1.3%	2,013	1.9%	
Financial & Rent Expenses	9,539	9,351	68	9,419	(189)	-2.0%	(121)	-1.3%	
Grants & Assistance	114,422	114,644	322	114,966	222	0.2%	544	0.5%	
Total Direct Costs	434,444	441,234	2,867	444,101	6,790	1.6%	9,657	2.2%	
Allocated Recoveries	(7,018)	(7,477)	(266)	(7,743)	(459)	6.5%	(725)	10.3%	
Corporate Support Recoveries	(15,307)	(16,400)	-	(16,400)	(1,093)	7.1%	(1,093)	7.1%	
Transfers to Reserves - Operating	54,138	53,312	-	53,312	(825)	-1.5%	(825)	-1.5%	
Transfers from Reserves - Operating	(5,631)	(5,028)	-	(5,028)	603	-10.7%	603	-10.7%	
Gross Operating Expenditures	460,626	465,641	2,602	468,243	5,015	1.1%	7,617	1.7%	
Transfers to Reserves - Capital	91,186	93,922	-	93,922	2,736	3.0%	2,736	3.0%	
Transfers from Reserves - Capital	(199)	(208)	-	(208)	(9)	4.5%	(9)	4.5%	
Debt Charges	163	163	-	163	(0)	-0.1%	(0)	-0.1%	
Capital Expenditures	91,150	93,876	-	93,876	2,727	3.0%	2,727	3.0%	
Total Gross Expenditures	551,775	559,517	2,602	562,119	7,742	1.4%	10,344	1.9%	
Subsidies	(189,352)	(187,693)	(1,372)	(189,065)	1,659	-0.9%	287	-0.2%	
Other Revenue	(94,719)	(96,260)	-	(96,260)	(1,542)	1.6%	(1,542)	1.6%	
Total Revenue	(284,071)	(283,953)	(1,372)	(285,325)	118	0.0%	(1,254)	0.4%	
Net Program Expenditures	\$ 267,704	\$ 275,564	\$ 1,230	\$ 276,794	\$ 7,860	2.9%	\$ 9,089	3.4%	
Assessment Growth									1.7%
Tax Impact									1.7%

Schedule may not add due to rounding.

The key changes in the costs and revenues are discussed below.

Gross Expenditures

The following chart shows the breakdown of the total gross expenditures in the 2020 Operating Budget for Regional tax-supported services of \$562.1 million by cost category.



Total gross expenditures are increasing by \$10.3 million (1.9%) in the 2020 Tax-Supported Budget, attributable to the following key changes:

Personnel Services - \$7.1 million increase

Personnel costs account for 34.3% of total gross expenditures for tax-supported services (excluding Police Services). As shown in the following table, compensation costs are proposed to increase by 3.80% or \$7.1 million in 2020 as a result of:

- 2.86% or \$5.3 million for base budget compensation increases, comprised of the following:
 - 2.13% or \$4.0 million increase to salary/wage budget based on a 2.0% increase in the non-union pay band based on a pay-for-performance merit system, an adjustment in the budgeted percentage of job rate (from 94.21% to 96.00%) to reflect the actual trend, and anticipated increases in union agreements.
 - 0.64% or \$1.2 million increase to benefit costs which includes a premium increase of 2.75% for extended health care and 2.75% for dental costs where personnel rates are further adjusted to represent the group's utilization experience.

- 0.94% or \$1.7 million increase for an additional 14.0 FTEs as strategic investments in the 2020 budget. This includes \$679,000 for 5.0 FTEs which are fully offset by additional subsidy or capital recoveries with no net Regional impact and \$90,000 for 1.0 FTE that is partially funded by reallocations of the budget.

**2020 Compensation Summary
(Excluding Police Services)**

	2018	2019	2020			Change
	Compensation Budget	Compensation Adjusted	Compensation Inc/(Dec)	Strategic Investments	Compensation Budget	
Public Health Resources	\$ 3,307,460	\$ 3,449,570	\$ (38,380)	\$ -	\$ 3,411,190	-1.11%
Healthy Environments & Communicable Disease	7,499,760	10,258,610	(20,420)	-	10,238,190	-0.20%
Healthy Families	9,754,190	7,549,910	55,250	-	7,605,160	0.73%
Healthy Schools & Communities	7,528,390	6,336,720	65,440	411,080	6,813,240	7.52%
Paramedic Services	27,182,470	28,907,790	681,940	124,270	29,714,000	2.79%
Children's Services	11,043,450	11,456,040	533,570	-	11,989,610	4.66%
Employment & Social Services	5,590,160	5,543,080	129,610	198,120	5,870,810	5.91%
Housing Services	3,091,220	3,206,120	98,050	-	3,304,170	3.06%
Halton Community Housing Corporation	2,755,300	2,633,810	89,260	-	2,723,070	3.39%
Human Services planning & Program Support	2,566,260	3,020,290	91,760	143,320	3,255,370	7.78%
Services for Seniors	44,002,080	45,658,910	900,320	263,230	46,822,460	2.55%
Planning Services	5,658,970	6,219,830	291,440	-	6,511,270	4.69%
Economic Development	2,073,910	2,136,100	100,880	-	2,236,980	4.72%
Waste Management	3,862,850	4,096,370	183,800	175,640	4,455,810	8.77%
Road Operations	1,552,890	1,675,460	75,730	109,940	1,861,130	11.08%
Corporate Administration	38,624,880	42,001,428	2,014,437	317,740	44,333,605	5.55%
Office of the Chair & Regional Council	1,374,710	1,531,910	59,700	-	1,591,610	3.90%
Total	\$ 177,468,950	\$ 185,681,948	\$ 5,312,387	\$ 1,743,340	\$ 192,737,675	3.80%
Compensation Increase			2.86%	0.94%	3.80%	

Staff Complement and Relief Hours

As shown in the following table, the additional staff complement proposed in the 2020 Tax-Supported Budget (excluding Police Services) includes an increase of 14.0 FTEs for strategic investments.

2020 Complement Summary (Excluding Police Services)						
	2018	2019		2020		
	Budgeted Staff Complement	Budgeted Staff Complement	Total In-Year Adjustments	Strategic Investments	Budgeted Staff Complement	Change %
FTE:						
Public Health Resources	25.0	25.0	-	-	25.0	0.00%
Healthy Environments & Communicable Disease	67.4	89.2	-	-	89.2	0.00%
Healthy Families	92.1	70.1	-	-	70.1	0.00%
Healthy Schools & Communities	74.3	61.2	-	3.0	64.2	4.90%
Paramedic Services	195.5	200.5	-	1.0	201.5	0.50%
Children's Services	107.6	106.0	-	-	106.0	0.00%
Employment & Social Services	57.6	55.0	-	2.0	57.0	3.64%
Housing Services	30.0	30.0	-	-	30.0	0.00%
Halton Community Housing Corporation	29.0	27.0	-	-	29.0	0.00%
Human Services Planning & Program Support	24.0	27.0	-	1.0	28.0	3.70%
Services for Seniors	499.2	499.6	0.8	2.0	502.4	0.56%
Planning Services	48.0	50.0	-	-	50.0	0.00%
Economic Development	18.0	18.0	-	-	18.0	0.00%
Waste Management	38.6	38.6	-	2.0	40.6	5.18%
Road Operations	15.0	15.0	-	1.0	16.0	6.67%
Corporate Administration	345.8	354.2	(0.5)	2.0	353.7	0.42%
Office of the Chair & Regional Council	1.0	1.0	-	-	1.0	0.00%
Relief Hours:						
Healthy Schools & Communities	-	1,350.2	-	-	1,350.2	0.00%
Paramedic Services	76,720.0	84,988.2	-	-	84,988.2	0.00%
Children's Services	1,827.0	1,827.0	-	-	1,827.0	0.00%
Services for Seniors	68,733.0	81,705.2	417.6	-	82,122.76	0.51%
Total:						
FTE	1,668.1	1,667.4	0.3	14.0	1,681.7	0.86%
Relief Hours	147,280.0	169,870.6	417.6	-	170,288.2	0.25%

In-Year Adjustments

Services for Seniors: Additional funding received for two 0.5 FTE (SS-06-19)
 Services for Seniors: FTE converted to 417.6 Relief Hours
 Human Resources: FTE reduction due to reorganization to increase efficiencies

	FTE	Relief Hours
	1.0	
	(0.2)	417.6
	(0.5)	

As outlined in the 2018 budget, casual relief resources employed in the Region are represented by a number of relief hours required rather than as FTE, in order to better reflect the nature of the resource needs. In areas where staff provide direct client care (i.e. paramedics and personal support workers in long-term care), whenever staff is absent from work for various reasons (i.e. 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 in order to allocate the resources based on the number of hours required to provide the appropriate coverage.

As noted above, the 2020 budget includes an additional 14.0 FTE requested as strategic investments. Of the 14.0 FTEs, 6.0 FTEs will either be fully or partially funded by subsidies or reallocated base budget provisions as follows:

- 3.0 FTEs will be funded by 100% provincial subsidy with no net Regional impact, in order to implement the OSDCP;
- 1.0 FTE will be 100% funded by the Hamilton Niagara Haldimand Brant LHIN to expand the CHAP;
- 1.0 FTE will support capital project acquisitions and will therefore be recovered from the capital budget;
- 1.0 FTE will be partially funded through a base budget reduction in purchased services to support Waste Management operations and programs at appropriate levels of service, with a net impact of \$36,000.

The remaining 8.0 FTEs require an additional budget provision of \$974,000 and will provide key roles in supporting resident care in the Region's 3 Long-Term Care homes, operation of the expanded Container Station at the Halton Waste Management Site, operation of the Regional ATMS, support the Halton CSWB Plan, expand capacity to provide legal support to the Public Works Department resulting from the expanded Transportation, Water and Wastewater programs, and provide increased capacity to support the OW program. The details on the strategic investments are provided below and detailed business cases are available in the Strategic Investments section of the budget book.

Materials and Supplies - \$165,000 increase

- \$120,000 increase to provide additional technology to support increased mobility, connectivity and efficiency for the Strategic Transformation Group to better support the Region's 2019-2022 Strategic Business Plan
- \$93,000 increase in Public Health as a result of the OSDCP implementation, fully offset with provincial subsidy (strategic investment)
- \$82,000 increase in Services for Seniors for medical supplies
- \$76,000 increase in fuel costs based on actual trends
- \$54,000 increase in Waste Management mainly due to increased demand for blue boxes and green carts
- \$39,000 increase in Paramedics for medical supplies based on actual trends
- \$21,000 increase in telephone answering services for Access Halton based on actual trends
- (\$42,000) decrease to remove one-time technology costs for new Regional Councillors, offset with reduced transfer from operating reserve
- (\$46,000) decrease in Children's Services for the elimination of one-time technology costs
- (\$57,000) decrease in Paramedics due to the removal of one-time costs for uniforms and technology for the 2019 strategic investments, and to reflect trends
- (\$98,000) decrease in Public Health to reflect spending trends
- (\$123,000) decrease in hydro costs, which includes savings of \$50,000 in roads hydro resulting from the continued LED streetlight conversion program

Purchased Services - \$2.0 million increase

- \$1.4 million or 4.6% increase in waste management contracts which includes inflation and tonnage growth, with an additional increase to address blue box and organics market pressures
- \$666,000 increase in Public Health for professional services, janitorial services, dues, services of dentist and surgeons as a result of the new OSDCP implementation, fully offset with provincial subsidy (strategic investment)

- \$466,000 increase in road maintenance contracts with the Local Municipalities and Regional contracts for inflation and growth of the Regional road network
- \$288,000 increase for Municipal Property Assessment Corporation (MPAC) fees based on reassessment and cost increases
- \$251,000 increase for insurance premiums for the addition of cyber insurance to the Region's policy as well as an increase in paid claim losses based on actual trends
- \$188,000 increase in IT for equipment and software maintenance and computing services mainly based on actual trends
- \$116,000 increase in Housing related to Homelessness Prevention for temporary support, offset with a reduction in grants & assistance
- \$40,000 increase for the Province to administer Housing Allowances for shared delivery to support 290 Halton clients
- (\$77,000) decrease in Planning to reflect actual trends and the elimination of non-recurring items
- (\$96,000) decrease in Public Health purchased services to reflect spending trends
- (\$1.6 million) reduction in Children's Services to align expenditures with provincial funding, offset partially with an increase due to the reallocation of unallocated general operating grants to fee subsidy

Financial and Rent Expenses - \$121,000 decrease

- (\$200,000) decrease in property rental relating to Corporate leased premises based on actual trends
- \$68,000 increase in property rental relating to the new OSDCP, fully offset with provincial subsidy (strategic investment)

Grants and Assistance - \$544,000 increase

- \$482,000 increase in Employment & Social Services mainly for increased OW benefit expense based on a 2% caseload increase, fully offset by provincial subsidy
- \$461,000 additional funding for the Conservation Authorities and Royal Botanical Gardens
- \$322,000 increase for the HRCIF enhancement (strategic investment)
- \$97,000 increase in Economic Development for anticipated grants to be issued for the Starter Company, Summer Company and Core programs, fully offset by provincial subsidy
- (\$159,000) decrease in Housing mainly due to the reallocation of costs in Homelessness Prevention to temporary support
- (\$629,000) decrease in Children's Services resulting from Fee Stabilization funding ending as of March 31, 2019 (\$765,000), a reallocation of unallocated general operating grants to fee subsidy (\$306,000), partially offset with an increase of \$288,000 for capital investment grants to community providers based on the third year of provincial funding and an inflationary increase for Special Needs and Capacity Building grants

Allocated Recoveries - \$725,000 increase

- (\$334,000) increase in recoveries from the Rate-Supported Budget, including an increase of \$116,000 for 1.0 FTE Assistant Corporate Counsel FTE requested as a strategic investment which will support and be recovered from the Public Works rate and tax supported budgets
- (\$247,000) increase in recoveries from capital projects, including an increase of \$149,000 for 1.0 FTE Senior Realty Officer FTE requested as a strategic investment to support property acquisitions for capital projects
- (\$142,000) increase in recoveries from the Police Services for services provided by the Region mainly related to increased insurance costs for the new HRPS headquarters

Corporate Support Recoveries - \$1.1 million increase

- Increased recoveries from rate-supported programs for expanding needs, including additional resources acquired through the 2019 strategic investments

Transfers to Reserves - Operating - \$825,000 decrease

- (\$750,000) decrease in Housing for Investment in Affordable Housing-Extension (IAH-E) program ending March 2020, offset in subsidies
- (\$50,000) decrease in Waste Management for completion of reserve repayment for the blue wheeled cart program
- (\$14,000) decrease in Roads for TODS (Tourism designated signs), offset in other revenues

Transfers from Reserves - Operating - \$603,000 decrease

- \$900,000 decrease to the Comprehensive Housing Strategy (CHS) Housing New Units contribution redeployed to support Halton Rental Assistance Program (HRAP) through the CHS update (SS-19-19/LPS86-19), offset in capital expenditures
- \$42,000 decrease to remove one-time funding of technology costs for new Regional Councillors
- (\$12,000) increase in Internal Audit to fund the Quality Assurance Review that takes place every 5 years
- (\$57,000) increase to fund computer hardware and mobile equipment replacements from the technology replacement reserve
- (\$252,000) increase to provide one-time funding for the Dental Care Counts program (DCC) during the transition to the new OSDCP

Capital Expenditures - \$2.7 million increase

- \$1.2 million planned increase for the Burlington Beach Master Plan
- \$885,000 increase in Planning Services mainly to support the Regional Official Plan Implementation (\$380,000) and LPAT Hearings (\$500,000)
- \$825,000 increase to support the Roads State-of-Good-Repair capital program including Regional Funding (\$250,000) and increased Roads Resurfacing program (\$575,000)
- \$300,000 increase to support corporate and program specific Technology capital requirements
- \$272,000 increase to support the Emerald Ash Borer programs for Credit Valley Conservation (FN-26-15) and Conservation Halton (FN-19-17)
- \$143,000 increase to support the on-going Regional facilities state-of-good-repair capital program, purchase of new and replacement vehicles and equipment, and leasehold improvements for Employment Halton services (LPS76-16)
- \$128,000 increase to Services for Seniors to support the Production Kitchen payback at Allendale and the receiving kitchen at Post Inn Village
- \$70,000 increase to support floodplain mapping for Conservation Halton (FN-41-19)
- (\$900,000) decrease to the CHS Housing New Units contribution redeployed to support Halton Rental Assistance Program (HRAP) through the CHS update (SS-19-19/LPS86-19)

Gross Revenues

The \$562.1 million total gross expenditures in the Tax Budget are funded from various sources as shown in the table below. In the 2020 Tax-Supported Budget, 49% of the total gross expenditures are funded from property taxes. The other 51% of the funding comes from provincial and federal subsidies, investment income, user fees, and supplementary taxes.

Tax Gross Operating Revenues by Funding Source			
\$000s	2020		2019
	\$	% of Total	% of Total
Property Tax Revenue	\$ 276,794	49%	49%
Provincial Subsidies	180,855	32%	33%
Investment Income	51,383	9%	9%
Program & Other Revenue	38,377	7%	7%
Federal Subsidies	8,211	1%	1%
Supplementary Taxes	6,500	1%	1%
Total Revenue	\$ 562,119	100%	100%

Schedule may not add due to rounding

The year-over-year change in each revenue source is shown in the following table.

Tax Gross Operating Revenues by Funding Source				
\$000s	2019	2020	Change in Budget	
Property Tax Revenue	\$ 267,704	\$ 276,794	\$ 9,089	3.4%
Provincial Subsidies	181,281	180,855	(427)	(0.2)%
Investment Income	51,383	51,383	-	0.0%
Program & Other Revenue	36,836	38,377	1,541	4.2%
Federal Subsidies	8,071	8,211	140	1.7%
Supplementary Taxes	6,500	6,500	-	0.0%
Total Revenue	\$ 551,775	\$ 562,119	\$ 10,344	1.9%

Schedule may not add due to rounding

Overall, for the 2020 budget, revenues are expected to increase by \$10.3 million or 1.9%. This includes an \$9.1 million increase in property taxes (including a property tax increase of 1.7% and assessment growth of 1.7%), and, as discussed below, a \$427,000 decrease in provincial subsidies, no change in investment income, an additional \$1.5 million in program fees and other revenues, a \$140,000 increase in federal subsidies, and no change in supplementary taxes.

Provincial Subsidies \$427,000 decrease – In total, \$180.9 million of provincial subsidies are included in the 2020 Tax-Supported Budget and are primarily used to fund cost-shared Health and Social Services programs. In 2020 provincial subsidies fund 32% of gross expenditures, which is lower than last year which was 33% due to an overall decrease of \$427,000 as shown in the table below:

Change in Provincial Subsidies 2019 - 2020		
Program	Funding	2019-2020 Change
Children's Services	Expansion Plan	\$ (1,528)
	Fee Stabilization	(765)
	Community Based Early Years Capital	288
	Other	(13)
	Sub-total	(2,018)
Housing	Investment in Affordable Housing - Extension	(2,128)
	Canada-Ontario Community Housing Initiative	672
	Ontario Priorities Housing Initiative	626
	Other	(31)
	Sub-total	(861)
Public Health	Base Funding	7
Paramedic Services	Base Funding	393
	Expansion of Community Health Assessment Program	134
	Sub-total	526
Employment & Social Services	Ontario Works (OW) Benefits	549
	OW Cost of Administration	(105)
	Employing Youth Talent & Youth Job Link (Programs Ending)	(83)
	Sub-total	360
Services for Seniors	Case Mix Index	79
	Per diem funding at the Long-Term Care homes	308
	Structural Compliance funding ending	(164)
	Sub-total	223
Economic Development	Starter Company, Summer Company and Core program funding	99
Total Change in Provincial Subsidies (Excluding Ontario Seniors Dental Care Program)		\$ (1,665)
Public Health	Ontario Seniors Dental Care Program	1,238
Total Change in Provincial Subsidies		\$ (427)

Schedule may not add due to rounding

The 2020 budget was prepared with a conservative approach as previously highlighted, as a result of the Provincial uncertainty. As noted in Report No. FN-28-19, the funding announcement changes delivered in the 2019 Provincial Budget on April 11, 2019 presented significant challenges in preparing the 2020 Tax-Supported Budget in the areas of public health, paramedic services, and social and community services. Since then there have been a number of subsequent Provincial announcements which were provided to Council through Report No. CA-08-19 (re: 2019 Provincial Budget Update), the Memorandums "Update on Report No. CA-

08-19 – 2019 Provincial Budget Update”, “Update on Report No. CA-08-19 – 2019 Provincial Budget Update Part II”, “Update on Report No. CA-08-19 – 2019 Provincial Budget Update Part III”, and Report No. FN-28-19. At the time of preparing the 2020 budget, there are certain 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. This includes the Children’s Services funding model, OW cost of administration funding, service delivery of Employment Ontario programs, and the structure of Public Health and Paramedic Services in the Province.

As shown in the table below, the 2020 Provincial subsidy budget is decreasing by \$1.7 million, not including the new funding for the Ontario Seniors Dental Care Program (OSDCP). While funding is decreasing, the demand for services and inflationary cost pressures continue to increase. In the various program areas, savings and efficiencies were identified to mitigate subsidy funding reductions or shortfalls in the 2020 budget, while ensuring that service levels continue to be maintained.

Provincial Subsidies By Program				
\$000s	2019	2020	Change in Budget	
Children's Services	\$ 63,280	\$ 61,262	\$ (2,018)	-3.2%
Housing Services	13,731	12,870	(861)	-6.3%
Public Health - Base Funding	22,837	22,845	7	0.0%
Paramedic Services	19,525	20,051	526	2.7%
Services for Seniors	36,704	36,927	223	0.6%
Employment & Social Services	24,976	25,337	360	1.4%
Road Operations	100	100	-	0.0%
Economic Development	127	226	99	78.2%
Total	\$ 181,281	\$ 179,617	\$ (1,665)	-0.9%

New Provincial Subsidy				
\$000s	2019	2020	Change in Budget	
Public Health - Ontario Seniors Dental Care Program	\$ -	\$ 1,238	\$ 1,238	100.0%

Provincial Subsidy Funding Reductions

The 2020 budget reflects funding reductions in Children’s Services and Housing Services as follows:

Children’s Services: Beginning January 1, 2020, municipalities will be asked to begin cost-sharing Expansion Plan operating funding that is currently 100% funded, at a rate of 80/20 provincial/municipal. The 2020 budget was prepared reflective of this cost-share funding model change, which is a \$1.5 million funding reduction in 2020. In addition, there is a decrease of \$0.8 million due to Fee Stabilization funding ending as of March 31, 2019 and there is an increase of \$0.3 million for Community-Based Early Years and Child-Care Capital funding. As reported through Report No. FN-29-19 (re: Operating Budget Variance Report for the period ending April 30, 2019), the 2019 funding allocation from the Ministry of Education was \$2.1 million higher than what was anticipated in the 2019 Children’s Services budget. Approximately \$0.4 million of the \$2.1 million was enveloped program funding that could only be utilized for specific programs (i.e. Licensed Home Child



Care), and it was anticipated that the remaining \$1.7 million would be used to manage pressures related to the child care fee subsidy program. Throughout 2019, fee subsidy pressures were managed within the approved 2019 budget level, and it is anticipated that the additional \$1.7 million will be utilized to provide funding for one-time quality investments in repairs and maintenance to licensed child care operators, as part of Community Support. Despite the subsidy reduction of \$1.5 million in Expansion Plan funding, the 2020 Budget includes an increase of 43 subsidized childcare spaces from the 2019 projected number of spaces. However, funding for quality investments in repairs and maintenance to licensed child care operators provided as part of Community Support will be reduced from the 2019 level. As shown in the table below, the budget for Fee Subsidy is increasing by \$366,000 in 2020 to a total budget of \$22.9 million, and will provide 2,744 subsidized child care spaces. The Special Needs budget is increasing by \$272,000 to a total budget of \$10.9 million, and will support 1,282 children with special needs in licensed child care. The budget for Community Support is decreasing by \$2.3 million and will utilize available funding to provide general operating grants to service providers, wage enhancement grants, Community-Based Early Years and Child-Care Capital funding, EarlyON Child and Family Centres, Licensed Home Child Care (LHCC), Our Kids Network, and other community supports.

Children's Services (\$000's)					
Program:	2019 Approved Budget	2019 In-Year Changes	2019 Amended Budget	2020 Budget	Change 2020 Budget - 2019 Amended Budget
Expenditures:					
Administration	\$ 7,356	\$ (812)	\$ 6,544	\$ 6,566	\$ 23
Regional Child Care Centres (RCCC)	2,850	16	2,867	2,950	83
Fee Subsidy	21,851	646	22,497	22,863	366
Special Needs	10,611	32	10,643	10,916	272
Community Support	29,763	2,258	32,021	29,676	(2,345)
Total	\$ 72,432	\$ 2,140	\$ 74,572	\$ 72,971	\$ (1,601)
Funding:					
Ministry of Education (EDU):					
Child Care Expansion Plan (FN-28-19)	\$ 7,141	\$ 499	\$ 7,640	\$ 6,112	\$ (1,528)
Early Learning and Child Care Bi-Lateral Agreement	2,696	(0)	2,696	2,696	-
EarlyON Child and Family Centres (SS-21-17/SS-05-19)	4,149	-	4,149	4,149	-
Wage Enhancement Grant (WEG)	12,485	(184)	12,301	12,301	-
Fee Stabilization (FN-28-19)	765	-	765	-	(765)
Community-Based Early Years and Child Care Capital Program	806	-	806	1,094	288
Licensed Home Child Care	352	200	552	552	-
Base Program	31,738	1,690	33,428	33,428	-
Sub-Total	\$ 60,132	\$ 2,205	\$ 62,337	\$ 60,332	\$ (2,005)
Ministry of Children, Community, and Social Services	944	-	944	931	(13)
Other Revenues (RCCC fees)	962	-	962	974	12
Net Regional Contribution	10,395	(65)	10,330	10,735	405
Total	\$ 72,432	\$ 2,140	\$ 74,572	\$ 72,971	\$ (1,601)

On October 25, 2019, the Region received the 2020 funding allocation for Children's Services from the Ministry of Education which is \$2.7 million less than what is included in the 2020 budget. The unanticipated decrease in the 2020 funding allocation is due to a reduction in utilization funding (a component of the base program funding), which is a set amount of provincial funding provided on a proportionate basis to municipalities that invest above the minimum-legislated amount. The 2020 utilization funding is based on 2018 actual year-end results. In 2018, the Region continued to invest above the minimum-legislated amount, however there was a decrease in the Regional investment in comparison to prior years. As reported in Report No. SS-17-18 (re: Children's Services Funding and Program Update – Part III) additional provincial Expansion Plan funding was received in 2017 and 2018 to support new child care fee subsidies, which reduced the contribution required by the Region to meet the needs of the community. This decreased Regional investment in 2018 impacted the 2020 base funding model calculation. It is anticipated that this decrease in utilization funding is one-time in nature, and as such, the 2020 budget has not been adjusted for the funding decrease of \$2.7 million. Staff will look for savings and efficiencies to help mitigate this shortfall in 2020 and report back to Council through the 2020 operating variance reports. Advocacy efforts to the Ministry of Education regarding the Region's 2020 funding allocation will continue.

Housing Services: Two new housing funding allocations were announced in the 2019 Provincial budget including the Canada-Ontario Community Housing Initiative (COCHI), which can be used to repair, regenerate and expand community housing providers whose original program agreements are expiring, and the Ontario Priorities Housing Initiative (OPHI) which is a successor program to the current Investment in Affordable Housing-Extension (IAH-E) which ends in March 2020. As reported through Report No. SS-19-19/LPS-86-19 (re: Comprehensive Housing Strategy 2014-2024 – Five Year Review), the initial funding allocation for the first three years of OPHI is significantly lower than funding received under the previous federal / provincial cost-shared (IAH-E) program. The 2020 budget includes the new allocations for COCHI and OPHI funding totaling \$1.3 million, offset with the decrease of \$2.1 million resulting from the IAH-E program ending, creating a funding reduction of \$0.8 million in 2020. Reduced funding, and the necessity to support both growth and existing units, will have implications on the Region's ability to create new housing opportunities at previous rates. The 2020 budget continues to include \$6.4 million in Community Homelessness Prevention Initiative (CHPI) funding, with the expectation that the enhancement that was anticipated to begin in the 2019/2020 fiscal year will begin in the 2020/2021 fiscal year, as communicated by the Ministry of Municipal Affairs and Housing. In addition, the 2020 budget includes provincial funding for Home for Good (HFG) of \$1.045 million (an increase of \$45,000 from 2019) and Investment in Affordable Housing - Social Infrastructure Fund (IAH-SIF) of \$234,000 mainly for rent supplements under the Comprehensive Housing Strategy (CHS) program. Housing Services also receives funding for rent supplements and housing allowances under the Strong Communities Rent Supplement (SCRS) program, and Anti-Human Trafficking (AHT). The budget continues to include Federal Block funding for the Housing Providers operating grant of \$1.7 million, and funding for mortgage grants for Bonnie Place and St. Andrew of \$461,000.

Provincial Subsidy Funding Shortfalls

The following program areas have an increase in Provincial subsidy in the 2020 budget however these increases do not keep pace to match increases in costs and growth, creating funding shortfalls in the program areas of Public Health, Paramedic Services, Services for Seniors and Employment & Social Services as follows:

Public Health: The Province confirmed that effective January 1, 2020, the Provincial cost-share for Public Health will change from the current 100% and 75% model, to 70%. Given that the Region already contributes more than 30%, it is anticipated that the Provincial subsidy will be frozen in 2020. It was identified in Report No. FN-28-19 that this Provincial direction would be challenging and require the identification of opportunities for savings. The 2020 budget was developed with this in mind, and savings were identified without impacting service levels. As shown in the table below, Public Health's 2020 base budget is funded based on 58% funding from the Province, and 42% from the Region. Despite the funding for Public Health being frozen in 2020, the 2020 cost-share has been maintained at the 2019 level as a result of program expenditure reductions with no service level impact.

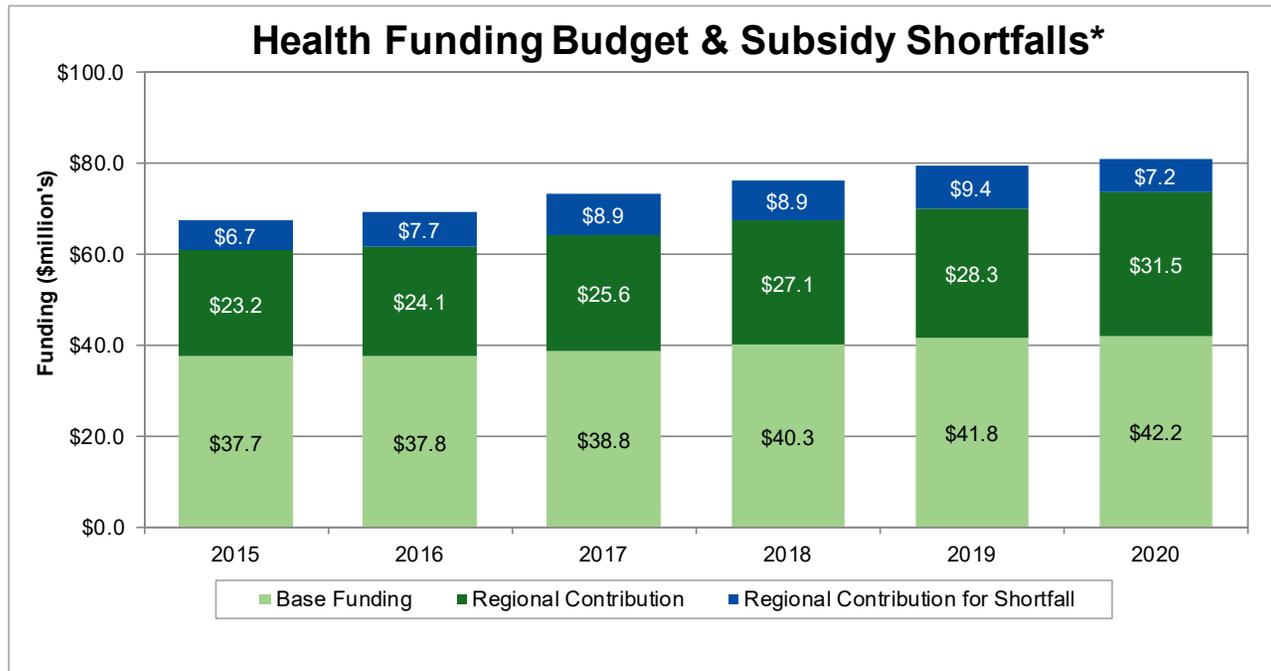
As a result of the 70% cost-share model in 2020, which reduces the provincial funding share, the anticipated shortfall is decreasing by \$2.6 million, not because Provincial funding is increasing, but because of the Provincial cost-share being reduced. Had the funding formula not changed, the shortfall for Public Health would have continued at the 2019 level.

Public Health									
	Expenditure Budget			Provincial Subsidy Budget			Anticipated Shortfall		
(\$000s)	2019	2020	Change	2019	2020	Change	2019	2020	Change
Public Health	\$ 39,200	\$ 39,124	\$ (76)	\$ 22,837 58%	\$ 22,845 58%	\$ 7 0%	\$ 8,200	\$ 5,626	\$ (2,574)

Paramedic Services: The Ministry of Health communicated that municipalities can expect continued growth in 2020 funding. Based on this announcement, the 2020 budget has been prepared with an increase of \$393,000 or 2.1% in base funding to support program growth. Base funding is intended to support a cost-share of 50/50, however the 2020 Budget is funded based on a cost-share of 46% funding from the Province, and 54% from the Region. The Region's portion has increased due to inflationary increases required to maintain service levels, without equivalent increases in funding, resulting in a shortfall of \$1.5 million, which is an increase of \$305,000 in 2020.

Paramedic Services									
	Expenditure Budget			Provincial Subsidy Budget			Anticipated Shortfall		
(\$000s)	2019	2020	Change	2019	2020	Change	2019	2020	Change
Paramedic Services - Base Funding	\$ 40,259	\$ 41,655	\$ 1,396	\$ 18,903 47%	\$ 19,295 46%	\$ 393 2%	\$ 1,227	\$ 1,532	\$ 305

The following bar graph demonstrates the Provincial funding shortfalls financed by the increase in Regional contributions for the Health program over the past few years. The funding shortfall continued to increase from 2014 to 2019. The reduction in shortfall from \$9.4 million in 2019 to \$7.2 million in 2020 is due to the change in the cost-share model for Public Health from the current 100% and 75% model to 70%.



*Excluding Ontario Seniors Dental Care Funding

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 2019/2020 re-indexing of eligible CMI funding by the MLTC results in subsidy received that is 93.2% of the calculated care needs of residents. While the calculated CMI, which measures the care requirements of residents, 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 \$1.7 million in the 2020 budget. This shortfall results in increased Regional investment required to maintain service levels.

Long-Term Care Homes - Case Mix Index						
Case Mix Index	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020
Allendale	102.98%	103.76%	104.97%	110.13%	117.78%	120.27%
Post Inn Village	100.63%	105.71%	105.95%	106.34%	112.82%	115.66%
Creekway Village	107.85%	115.45%	114.72%	116.56%	120.52%	120.51%
MLTC Re-Indexing Factor	98.5%	97.3%	96.4%	95.6%	94.6%	93.2%
Change in Re-Indexing Factor		-1.3%	-0.9%	-0.8%	-1.1%	-1.4%

An increase of \$223,000, or 0.6%, in funding is anticipated in 2020 for Services for Seniors, which is considerably lower than in previous years and does not keep pace with resident care requirements. The increase in subsidy results from a slight rise in Case Mix Index (CMI) and per diem funding adjustments, offset with a reduction due to the elimination of the Structural Compliance Premium funding as of March 31, 2020. Services for Seniors also receives funding from the Local Health Integration Network (LHIN) for Supportive Housing and Adult Day Programs, which had been held at the 2018 level.

Employment & Social Services: Provincial funding is provided for OW Benefits, OW cost of administration, and Employment Ontario 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. The 2020 budget for provincial subsidies is increasing by \$360,000, which includes an increase for OW benefits of \$549,000, partially offset with decreases due to the OW cost of administration subsidy being held at the 2018 level with no inflationary cost increases of \$105,000, and the elimination of the Employing Youth Talent and Youth Job Link programs of \$83,000. Freezing the OW cost of administration per case subsidy funding at the 2018 level increases the Regional contribution required to administer the OW program.

New Provincial Subsidy Funding

As part of the Provincial budget, the Ontario government announced the creation of the Ontario Seniors Dental Care Program (OSDCP) which, when fully implemented, will provide comprehensive dental care to eligible low income seniors.

Public Health – Ontario Seniors Dental Care Program: Halton Region received confirmation that a pro-rated amount of \$928,500 in funding to support the new OSDCP is available in 2019, with an annualized amount of \$1.2 million available in 2020. As reported in Report No. MO-33-19 (re: Ontario Seniors Dental Care Program: Update), in August 2019, Public Health submitted a capital funding request in the amount of \$1,284,729 to the Ministry of Health for one-time, 100% capital funding for the establishment of a dental clinic in Halton. Staff are working to establish a clinic in Halton as soon as possible to best meet the needs of low-income seniors in Halton. Clinic plans will be informed by local demographic and oral health data, the technical expertise of local dental health professionals, and by the Halton Older Adult Plan (2015-2018). In 2020, program needs will be further defined as planning and implementation progress.

Investment Income

The 2020 budget continues to include \$55.0 million of investment income as a source of revenue, which represents a significant source of funding for Halton's state-of-good-repair and operating budget. Of this revenue, \$43.0 million will be used to finance the Region's State-of-Good-Repair capital programs and \$12.0 million will support the tax (\$8.4 million) and rate (\$3.6 million) supported operating programs, unchanged from the 2019 budget. As discussed in Report No. FN-39-19 (re: Investment Performance to August 31, 2019), achieving the target investment earnings from interest revenues alone remains challenging due to continued low investment yields in the market. The target budget has been achieved through capital gains generated as a result of the Region's active investment

portfolio management. 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.

Program Fees and Other Revenue - \$1.5 million increase

The program-specific fees and charges are anticipated to be \$38.4 million in 2020, a \$1.5 million 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 \$14.3 million.

Tax Program Fees & Other Revenues				
\$000s	2019	2020	Change in Budget	
Healthy Environments & Communicable Disease	\$ 121	\$ 130	\$ 9	7.2%
Healthy Schools & Communities	3	3	-	0.0%
Paramedic Services	13	17	4	29.2%
Children's Services	962	974	12	1.3%
Employment & Social Services	837	852	15	1.7%
Housing Services	2,002	2,135	133	6.7%
Services for Seniors	14,118	14,287	169	1.2%
Planning Services	1,029	1,110	80	7.8%
Economic Development	37	26	(11)	-29.4%
Waste Management	7,228	7,979	751	10.4%
Road Operations	271	278	6	2.3%
Non-Program	6,455	6,800	346	5.4%
Finance	742	750	7	1.0%
Legal Services	235	224	(12)	-4.9%
Strategic Transformation Group	2,781	2,813	31	1.1%
Total	\$ 36,836	\$ 38,377	\$ 1,542	4.2%

Schedule may not add due to rounding

The \$1.5 million increase in program fees and other revenues is driven by:

- \$751,000 increase in Waste Management for Resource Productivity & Recovery Authority (formerly WDO) blue box stewardship funding and an increase in revenue at the Halton Waste Management Site due to an increase in the tip fee
- \$346,000 increase in Non Program mainly driven by higher payment-in-lieu of taxes revenue
- \$169,000 increase in Services for Seniors primarily for basic and preferred accommodation revenue
- \$133,000 increase in Housing Services for HCHC administration fees
- \$80,000 increase in Planning Services for anticipated increases in application requests

The user fees and charges schedules associated with these programs are attached to Report No. FN-45-19 (re: 2020 Budget and Business Plan and Disposition of the 2019 Surplus).

Federal Subsidies - \$140,000 increase

The 2020 Tax-Supported Budget includes \$8.2 million of federal subsidies.

Federal Subsidies by Program				
\$000s	2019	2020	Change in Budget	
Healthy Families	\$ 90	\$ 90	\$ -	0.0%
Employment & Social Services	168	199	31	18.7%
Housing Services	652	760	108	16.6%
Economic Development	6	6	-	0.0%
Non-Program (Gas Tax)	7,155	7,155	-	0.0%
Total	\$ 8,071	\$ 8,211	\$ 140	1.7%

Schedule may not add due to rounding

The key drivers for the \$140,000 increase in federal subsidies are:

- \$108,000 increase in Housing Services for the Reaching Home program to support implementation of “Coordinated Access” in Halton Region
- \$31,000 increase in Employment & Social Services for Halton Newcomer Strategy (HNS)

The Region is expected to receive a total of \$16.6 million in Gas Tax funding in 2020, 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 \$7.1 million will be applied to the Transportation capital (\$6.1 million) and road resurfacing programs (\$1.0 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 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. Between 2000 and 2008 when growth was higher, the Region began to increase the budget for supplementary tax revenue to \$8.6 million. However, through the 2014 and 2015 budget process, the supplementary tax budget was reduced to \$8.1 million and to \$7.6 million, respectively, as the amount of supplementary taxes received by the Region has been declining since 2011. The 2019 budget for supplementary tax revenue was \$6.5 million and will be held at this amount for 2020. Staff will continue to monitor supplementary taxes to determine whether any further adjustments need to be made in future budgets.

2020 Tax Strategic Investments

The 2020 Budget and Business Plan includes proposed strategic investments for several new initiatives as set out below. Additional information related to these initiatives is in the Strategic Investments section of this document.

2020 Tax Supported Strategic Investments									
Dept	Division	Title	FTE	Personnel Costs	Gross Impact	Savings	Recoveries	Subsidies / Revenue	Tax Impact
HLT	Healthy Schools & Communities	Ontario Seniors Dental Care Program (OSDCP)	3.0	\$ 411,100	\$ 1,238,000	\$ -	\$ -	\$ (1,238,000)	\$ -
HLT	Paramedic Services	Community Health Assessment Program (CHAP)	1.0	124,300	133,900	-	-	(133,900)	-
SCS	Employment & Social Services	Integrated Case Managers	2.0	198,100	198,100	-	-	-	198,100
SCS	Human Services Planning & Program Support	Data and Decision Support Advisor	1.0	143,300	145,800	-	-	-	145,800
SCS	Human Services Planning & Program Support	Halton Region Community Investment Fund (HRCIF)	-	-	322,300	-	-	-	322,300
SCS	Services for Seniors	Clinical Practice Supervisor	1.0	143,300	148,400	-	-	-	148,400
SCS	Services for Seniors	Registered Nurse	1.0	119,900	122,700	-	-	-	122,700
PW	Road Operations	Traffic Operations Technologist	1.0	109,900	112,700	-	-	-	112,700
PW	Waste Management	Landfill Coordinator	1.0	90,400	90,400	(54,000)	-	-	36,400
PW	Waste Management	Waste Management Operator I	1.0	85,200	85,200	-	-	-	85,200
LPS	Legal Services	Assistant Corporate Counsel	1.0	174,400	174,400	-	(116,300)	-	58,100
LPS	Legal Services	Senior Realty Officer	1.0	143,300	149,300	-	(149,300)	-	-
Tax Total			14.0	\$ 1,743,200	\$ 2,921,200	\$ (54,000)	\$ (265,600)	\$ (1,371,900)	\$ 1,229,700

- Ontario Seniors Dental Care Program - \$1.2 million** for 3.0 FTEs and associated costs necessary to implement the new OSDCP which will provide comprehensive dental care to eligible low-income seniors. This investment will utilize the 100% base funding available from the Ministry of Health, resulting in no net Regional impact, as reported to Council through Report No. MO-33-19.
- Community Health Assessment Program (CHAP) - \$134,000** to expand the CHAP program to the City of Burlington with 1.0 Paramedic to assume the lead role for the program. This investment will utilize funding available through the Hamilton Niagara Haldimand Brant LHIN, resulting in no net Regional impact. CHAP is a health assessment and health promotion program for residents living in seniors' buildings. It focuses on a cardiovascular disease, diabetes, and falls risk assessment, and empowers the residents to take action to address identified risk factors to these chronic diseases. CHAP has been shown to reduce paramedic calls and emergency department visits by taking a proactive approach to senior's health care needs, as reported to Council through Report Nos. MO-01-19 (re: Community Paramedic Programs) and MO-24-19 (re: Community Paramedic Program Update).

- **Integrated Case Managers - \$198,000** Given the significantly increasing number of recipients applying for and receiving OW assistance and associated low-income programs, it has become challenging to maintain the Region's historically excellent level of customer service. 2.0 FTE Integrated Case Managers are required to strengthen the OW program delivery by refining its intake service delivery model to reduce wait times for new applicants, and allow case management staff to meet provincially mandated service standards. The funding from the Province for the cost of administration is not sufficient to cover these costs and therefore staff continue to review this program to identify opportunities to streamline delivery while maintaining service levels.
- **Data Decision and Support Advisor - \$146,000** The Halton CSWB Plan is derived from a model of evidence-based issue identification, prioritization and response. A Data Decision and Support Advisor is required to ensure that Halton is well-positioned to deliver on Halton's CSWB objectives and measure progress, as identified as a priority in the Strategic Business Plan 2019-2022. This position will also establish capacity within the Social and Community Services department to ensure strategic change and business transformation are supported by evidence-based practices and data.
- **Halton Region Community Investment Fund (HRCIF) - \$322,000** The HRCIF provides funding to non-profit human service programs which support the health, safety and well-being of Halton residents. In 2019, the HRCIF funded nearly 60 programs that included grants to enhance access to mental health and addiction services; support the well-being of children, youth and older adults; and, strengthen food security among residents with low income. In 2020, an increase of \$322,000 to the HRCIF will further enhance Halton's capacity to respond to CSWB priorities in collaboration with the Halton Regional Police Service and a wide range of community partners.
- **Clinical Practice Supervisor - \$148,000** Given the significantly increasing medical and behavioural complexities of residents in long-term care, the Clinical Practice Supervisor will be responsible for ensuring the Home's adherence to established clinical practice, supporting compliance with legislated and regulated standards, and developing new clinical best practices for resident care. This position will also provide additional support and expert clinical advice to registered nursing staff in the Long-Term Care homes and will evaluate potential gaps in clinical knowledge and performance, develop remediation (education, policy development, coaching and mentoring), support Senior Nurse Managers, and advance overall nursing and personal care.
- **Registered Nurse (RN) - \$123,000** Registered Nurses play a critical role in providing timely clinical assessments, skilled nursing care, and anticipatory management of residents' changing conditions. Registered Nurses are responsible for developing resident care plans, implementing physician ordered treatment plans, managing changes of resident condition and implementing early interventions. These functions are essential in ensuring that residents receive timely and appropriate medical treatment, clinical interventions, proactive management of complex behaviours and ongoing care based on their needs and abilities. This investment, in conjunction with the internal realignment of registered staff, will allow for 1 new registered nurse at each of the Region's 3 LTC homes and will significantly strengthen clinical practice and improve resident care. It will also play a critical role in providing timely clinical assessments, skilled nursing care and proactive management of residents' changing conditions.
- **Traffic Operations Technologist - \$113,000** to operate the Regional Advanced Traffic Management System (ATMS). The Region's ATMS will provide Regional staff with the ability to actively manage traffic by undertaking real-time traffic monitoring and traffic signal control Region-wide, all from one central location. It will also allow staff to implement strategies in real-time to reduce impacts on road users, minimize congestion, assist in the provision of emergency services, disseminate information to the public, improve traffic efficiency, reduce carbon emissions, save energy, and provide a safer, more efficient transportation network to the public.
- **Landfill Coordinator - \$90,000** to ensure the Region continues to support programs at appropriate levels of service and to assist with customer service in Waste Management Operations and at the Halton Waste Management Site (HWMS). The HWMS services more than 200,000 customers annually. A permanent and consistent solution is required to manage growing customer service expectations, provide Waste Management program support and

consistent and reliable service. This investment has been partially offset with a reduction of \$54,000 in temporary employment agencies, reducing the net impact to \$36,000.

- **Waste Management Operator I \$85,000** for the operation of expanded container station services at the HWMS. This position is required to provide customer service, perform site maintenance functions, assist with scalehouse operations, and ensure compliance with site regulations and policies. This position will ultimately move customers through the HWMS in a more consistent, reliable, timely and efficient manner, while providing exceptional customer service.
- **Assistant Corporate Counsel \$174,000** to provide legal support to the Public Works department and support the increasing demands on Legal Services related to the Region's expanded Transportation and Water and Wastewater programs. The Assistant Corporate Counsel will also provide advice and representation on claim management for Construction Act requests relating to adjudication, construction lien matters, and court claims in respect of construction projects. Consistent, in-house counsel that understands the Region's contract documents, processes and overall approach to capital projects will enable Legal Services to efficiently and effectively provide advice on legislative changes that affect Public Works program areas and minimize litigation and claim exposure. This investment will be fully recovered from the Public Works operating budget.
- **Senior Realty Officer \$149,000** to ensure Realty Services is able to continue to provide timely and cost-effective acquisition services to address significant and imminent increases in property requirement needs to accommodate several, large capital infrastructure projects forecasted over the next 1 to 4 years, and beyond. This investment will be fully recovered from the capital budget.

10-Year Tax Operating Budget Forecast

The 2020 10-Year Operating Forecast for tax-supported services has been prepared to reflect updated assumptions for revenues and program costs. The forecast is largely consistent with that prepared as part of the 2019 budget, and was prepared based on the following key assumptions:

- General inflation of 2.0% 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 1.7-1.8% per year
- Provincial subsidies to follow current funding formulas

Provincial Subsidies

There are risks associated with this funding given the significant financial challenges facing the Province. As discussed earlier, the subsidy budgeted for many programs does not keep pace with the increase in costs and demands for services. There is significant pressure in the forecast period due to cost-share changes and reductions anticipated in provincial funding. For Public Health, the funding model is changing from the current 75 and 100% cost-share model to 70% in 2020, with further changes possible as the model is under review. For Paramedic Services, the latest funding formula provided an increase for program growth, but not inflation. For Children's Services, it has been communicated that there are changes to administrative funding and cost-share levels coming in the years 2021-2022, and there is ongoing risk surrounding the level of funding commitment and changes to funding formulas. Funding for the cost administration of the OW program has been frozen in 2019, 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 93.2% of the calculated care needs of residents in 2019. Using the latest information available, the current funding assumptions have been reflected in the 2020 budget and forecast.

The 10-year Operating Forecast has been prepared to maintain the tax impact close to inflation for Regional services. The forecast reflects current services and current service levels. Any change in service or service levels will impact the forecast. In addition, if general inflation rates rise, the tax impact will also increase. The forecast includes financing plans to address currently identified capital requirements, however any new capital requirements can impact the forecast. The 2020 budget continues to update and implement a number of 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);
- Paramedic Services Master Plan (MO-14-15);
- Regional Accommodation Plan (LPS112-15, LPS17-18, LSP47-19);
- Museum Master Plan (LSP62-14);
- Solid Waste Management Strategy (PW-22-17, PW-12-18);
- Comprehensive Housing Strategy (SS-21-13, SS-19-19/LPS86-19);
- Halton's Early Learning and Child Care Plan 2016-2020 (SS-02-17);
- Regional Advanced Traffic Management System (ATMS) (PW-10-18).

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 increases as per the Police Services budget forecast are 3.5-4.5% for the years 2021 – 2024 before assessment growth.

Ten Year Operating Budget Forecast For Tax Supported Services										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
(\$000s)	Requested Budget	Forecast								
Public Health Resources	\$ 2,402	\$ 2,527	\$ 2,662	\$ 2,798	\$ 2,926	\$ 3,047	\$ 3,165	\$ 3,279	\$ 3,397	\$ 3,520
Healthy Environments & Communicable Disease	5,806	6,124	6,469	6,779	7,083	7,370	7,613	7,866	8,131	8,407
Healthy Families	4,684	4,907	5,171	5,413	5,639	5,845	6,033	6,230	6,435	6,643
Healthy Schools & Communities	3,629	3,825	4,029	4,233	4,425	4,596	4,750	4,910	5,077	5,253
Paramedic Services	22,359	23,925	25,645	27,653	29,335	31,091	32,970	34,961	37,053	39,296
Human Services Planning & Program Support	7,937	8,096	8,257	8,424	8,599	8,777	8,964	9,159	9,364	9,576
Children's Services	10,735	11,504	12,239	12,815	13,405	14,036	14,692	15,424	16,179	17,010
Employment & Social Services	6,919	7,229	7,541	7,835	8,172	8,517	8,879	9,254	9,649	10,056
Housing Services	36,254	36,970	37,752	38,506	39,312	40,142	41,011	41,903	42,805	43,712
Services for Seniors	19,818	21,557	23,227	24,884	26,633	28,461	30,375	32,366	34,453	36,618
Planning Services	12,009	12,479	12,835	13,262	13,704	14,154	14,623	15,108	15,615	16,137
Economic Development	4,033	4,210	4,445	4,685	4,931	5,180	5,436	5,698	5,968	6,244
Waste Operations	44,268	45,660	47,082	48,553	50,012	51,601	53,301	55,081	56,990	58,951
Roads Management	56,967	58,874	60,843	62,849	64,908	67,117	69,481	71,911	74,408	77,019
Non-Program & Fiscal Transactions	26,428	27,252	29,067	31,401	32,520	33,784	35,053	36,126	37,395	38,998
Boards & Agencies	12,546	12,989	13,469	13,950	14,518	15,092	15,688	16,474	17,196	17,729
Region:										
Net Expenditures	\$ 276,794	\$ 288,129	\$ 300,735	\$ 314,040	\$ 326,122	\$ 338,810	\$ 352,035	\$ 365,751	\$ 380,115	\$ 395,169
Regional Net Expenditure Change	3.4%	4.1%	4.4%	4.4%	3.8%	3.9%	3.9%	3.9%	3.9%	4.0%
Tax Impact (after assessment)	1.7%	2.4%	2.6%	2.6%	2.0%	2.2%	2.2%	2.2%	2.2%	2.2%
Halton Regional Police Service:										
Net Expenditures	\$ 161,975	\$ 168,490	\$ 174,422	\$ 180,559	\$ 188,741					
Police Net Expenditure Change	4.2%	4.0%	3.5%	3.5%	4.5%					
Region Including Police:										
Net Expenditures	\$ 438,768	\$ 456,619	\$ 475,157	\$ 494,597	\$ 514,863					
Regional Net Expenditure Change (Includes Police)	3.7%	4.1%	4.1%	4.1%	4.1%					
Tax Impact (after assessment)	2.0%	2.3%	2.3%	2.3%	2.3%					
Assessment Growth Assumption	1.7%	1.7%	1.7%	1.8%	1.8%	1.7%	1.7%	1.7%	1.7%	1.7%
Tax Budget Forecast as projected in the 2019 Budget										
Regional Tax Impact (after assessment)	2.3%	2.3%	2.3%	2.2%						

Tax Capital Budget & Forecast Overview

The table below provides a summary of the 2020 10-year tax capital program, including the Police capital program. The 10-year total is \$2.0 billion, with \$350.1 million allocated for 2020. Of the 2020 provision of \$350.1 million, \$341.5 million relates to the Regional program and \$8.6 million to the Police program. 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).

2020 Capital Budget & Forecast											
Summary of Tax Capital Budget & Financing (\$000s)											
	Gross Cost	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Program Expenditures											
Transportation	\$ 1,590,458	\$ 305,516	\$ 150,950	\$ 132,449	\$ 94,246	\$ 133,140	\$ 221,532	\$ 121,386	\$ 205,181	\$ 119,778	\$ 106,280
Planning	161,689	20,620	12,820	29,719	11,720	14,460	12,720	21,470	13,720	13,220	11,220
Waste Management	46,645	3,668	889	3,868	13,870	1,334	15,223	1,390	606	4,887	910
Energy, Fleet and Facilities	73,513	2,763	8,228	3,697	33,219	3,262	3,707	4,043	4,193	6,725	3,676
Information Technology	49,874	4,585	5,759	4,257	4,970	5,340	5,131	4,432	4,877	5,129	5,393
Paramedic Services	29,600	368	2,103	1,779	4,877	5,269	2,812	2,942	3,670	3,171	2,609
Economic Development	8,185	185	-	8,000	-	-	-	-	-	-	-
Services for Seniors	8,770	2,920	650	650	650	650	650	650	650	650	650
Capital & Dev't Financing	4,678	814	610	305	305	305	814	610	305	305	305
Public Health	255	-	-	51	51	51	17	34	17	-	34
Children's Services	500	50	50	50	50	50	50	50	50	50	50
Communications & Customer Service	30	-	-	-	-	15	-	-	-	-	15
Police	68,724	8,627	5,777	10,294	8,587	7,111	8,909	5,638	5,742	4,038	4,000
Total	\$ 2,042,921	\$ 350,117	\$ 187,837	\$ 195,119	\$ 172,545	\$ 170,987	\$ 271,565	\$ 162,645	\$ 239,012	\$ 157,953	\$ 135,142
Financing											
Tax Reserves	\$ 1,145,283	\$ 176,158	\$ 117,550	\$ 128,567	\$ 108,924	\$ 99,157	\$ 154,664	\$ 91,311	\$ 117,917	\$ 77,603	\$ 73,432
Rate Reserves	12,393	434	945	424	7,915	455	437	482	494	445	361
Dev't Charges - Resid.	828,830	128,085	68,728	62,470	52,671	70,606	115,787	70,314	119,767	79,366	61,036
Dev't Charges - Non Res.	5,926	565	556	540	938	711	621	481	777	482	256
External Rcvry/Other	45,389	44,874	57	57	57	57	57	57	57	57	57
Debentures	5,100	-	-	3,060	2,040	-	-	-	-	-	-
Total	\$ 2,042,921	\$ 350,117	\$ 187,837	\$ 195,119	\$ 172,545	\$ 170,987	\$ 271,565	\$ 162,645	\$ 239,012	\$ 157,953	\$ 135,142

Includes financing cost. Schedule may not add due to rounding. Does not include impacts from Strategic Investment.

2020 Tax Capital Budget

The 2020 Tax Capital Budget of \$350.1 million has increased \$53.2 million (17.9%) from the 2019 forecast, and the key drivers are:

- \$62.8 million increase in the Transportation program mainly due to the land increase related to Britannia Road (\$44.9 million) and William Halton Parkway (\$19.9 million)
- \$9.4 million decrease in the Planning Program mainly due to the deferral of the Burlington Beach capital works to 2022 offset by an acceleration of the Burlington Beach land acquisition and increase to LPAT and Other Hearings

The section below highlights the 2020 Tax Capital Budget and changes from the 2020 forecast included in the 2019 Budget:

- **\$305.5 million 2020 Transportation capital program** is \$62.8 million higher than the 2020 forecast included in the 2019 budget mainly due to the land increase related to Britannia Road (\$44.9 million) and William Halton Parkway (\$19.9 million).
 - \$77.2 million for Trafalgar Road - Widening 2 to 4 lanes from 10 Side Road to Hwy 7, widening from 4 to 6 lanes from Dundas Street to Hwy 407 and grade separation north of Maple Avenue and south of Hwy 7
 - \$55.8 million for Wyecroft Road Extension including Bridge - Construction for road extension from 820m east of Burloak Drive to Bronte Road
 - \$44.9 million for Britannia Road - Land for widening 4 to 6 lanes from Regional Road 25 to Hwy 407
 - \$26.7 million for Ninth Line - Widening 2 to 4 lanes from Steeles Avenue to 10 Side Road and Burnhamthorpe Road to Hwy 407
 - \$26.2 million for Dundas Street - Widening 4 to 6 lanes from Tremaine Road to Appleby Line and North Hampton to Halton/Hamilton boundary including improvements at Brant Street
 - \$19.9 million for William Halton Parkway – New 4 lane road from 16 Mile Creek to Neyagawa Blvd.
- **\$2.8 million 2020 Energy, Fleet and Facilities capital program** is \$5.3 million lower than the 2020 forecast included in the 2019 budget due to extended lifecycle replacement requirements at the Halton Regional Centre and other Regional facilities based on ongoing preventive facility maintenance activities. This program includes ongoing building rehabilitation and upgrade needs for all of the Regional facilities, including the LTC facilities and Paramedic Services facilities based on BCAs.
- **\$3.7 million 2020 Waste Management capital program** is \$1.6 million higher than the 2020 forecast included in the 2019 budget mainly due to increased costs for the Halton Waste Management Site (HWMS) Optimization implementation as reported to Council in Report No. PW-12-18 (re: Solid Waste Management Strategy Short Term Options).
- **\$20.6 million 2020 Planning capital program** is \$9.4 million lower than the 2020 forecast included in the 2019 budget primarily due to the deferral of expenditures related to Burlington Beach construction works (\$16.4 million) offset by the Burlington Beach Land Acquisition acceleration to 2020 (\$4.2 million) and increase in LPAT & Other Hearings (\$3.0 million).
- **\$4.6 million 2020 IT capital program** is \$0.5 million lower than the 2020 forecast included in the 2019 budget due to deferrals of the Printer Replacement program, Paramedic Services projects, and Growth Licensing projects offset by an increase to the Microcomputer Replacement program. This program includes ongoing life cycle replacement of IT assets, including software licensing, software and hardware upgrades/replacements.

- **\$0.4 million 2020 Paramedic Services capital program** is \$1.0 million lower than the 2020 forecast included in the 2019 budget mainly due to the MO-36-19 accelerated procurement of Paramedic 2020 ambulance replacement vehicles prior to December 31, 2019. The manufacturer Ford announced manufacturing of 2019 model vehicles will be extended into 2020 as the company will be retrofitting the E350 and E450 chassis as they launch production of new 2021 models in late fall of 2020.
- **\$8.6 million 2020 Police capital program** is \$2.4 million higher than the 2020 forecast included in the 2019 budget due to an increase in technology, operating equipment, and facility needs offset by reductions in vehicle costs.

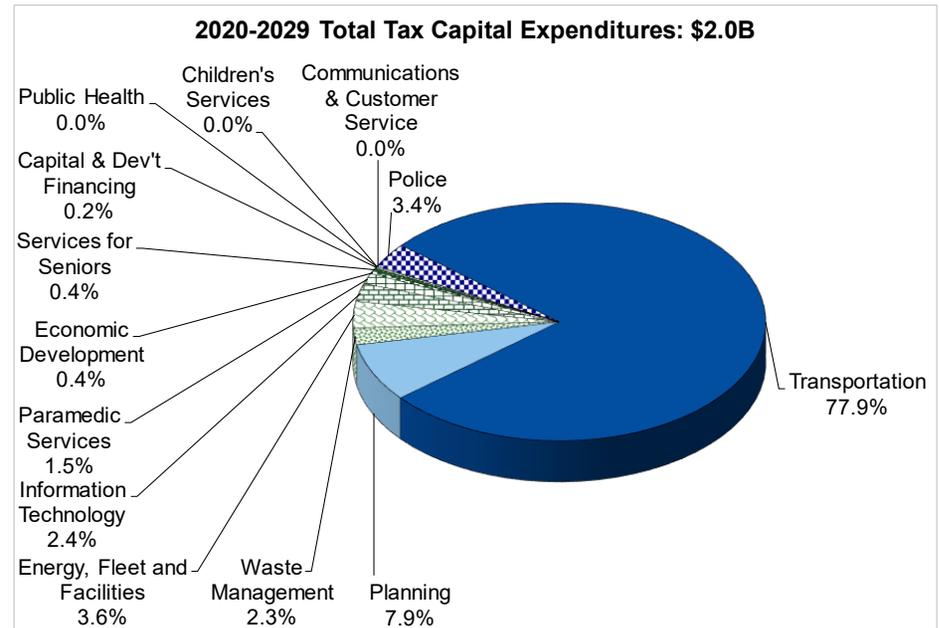
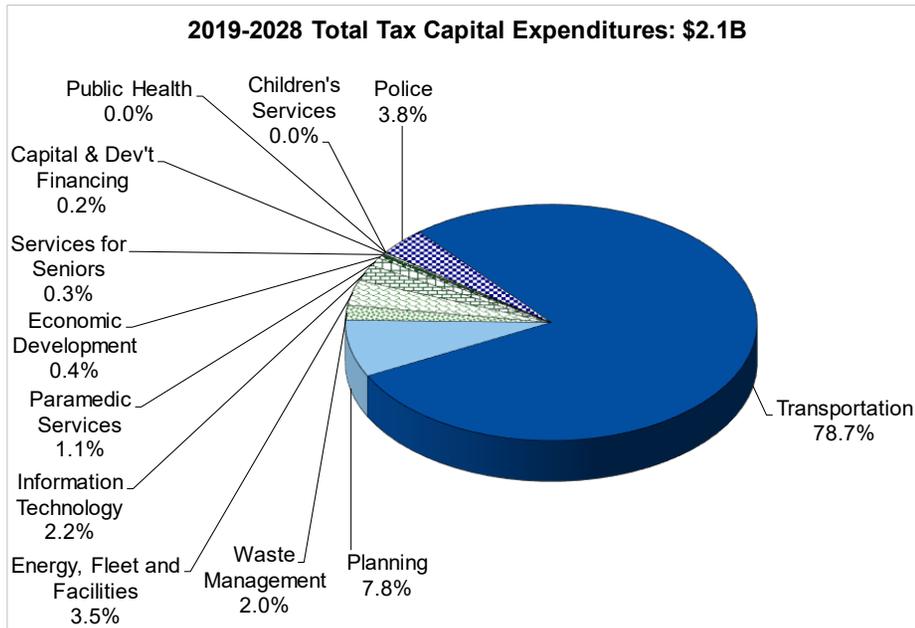
The following table summarizes the 10 largest tax capital projects budgeted for 2020. These projects account for 81.1% (\$284.1 million) of the \$350.1 million total cost in 2020.

2020 Capital Budget & Forecast		
Top 10 Largest Tax Capital Expenditures in 2020 (\$Millions)		
Program	Project Descriptions	Cost
Roads	Trafalgar Road - Widening and Grade Separation	\$ 77.2
Roads	Wyecroft Road Extension including Bridge (OAK)	55.8
Roads	Britannia Road - Widening (MIL)	44.9
Roads	Ninth Line - Widening	26.7
Roads	Dundas Street - Widening	26.2
Roads	William Halton Parkway - New Road (OAK)	19.9
Roads	Road Resurfacing & Related Works	10.4
Tax	Assisted Housing Development	9.0
Roads	Winston Churchill Boulevard - Bypass, Reconstruction, and Widening	8.1
Tax	Burlington Beach Land Acquisition	5.9
Total		\$ 284.1

Schedule may not add due to rounding.

10-Year Tax Capital Budget & Forecast

The following charts provide a breakdown of the 2020 Tax Capital Budget and forecast compared to the 2019 Budget and Forecast.



The 2020 10-year tax capital program (2020 to 2029) totals \$2.0 billion. This is \$85.3 million (4.0%) lower than the 2019 program, due mainly to a \$82.8 million decrease in Transportation. Details of the 2020 Capital Budget and the 10-year Forecast (2020-2029) are contained in the Capital Budget section of this document.

As illustrated above, a significant portion of the 2020 10-year program continues to be committed to the Transportation programs. As noted earlier, the 2020 Development Financing Plan (FN-46-19/PW-50-19/LPS112-19 (Re: 2020 Allocation Program Options)) includes residential growth until 2022. As discussed in the 2020 Development Financing Plan, the growth-related infrastructure of the Transportation Program will not proceed without Regional Council approval and executed Allocation Agreements.

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

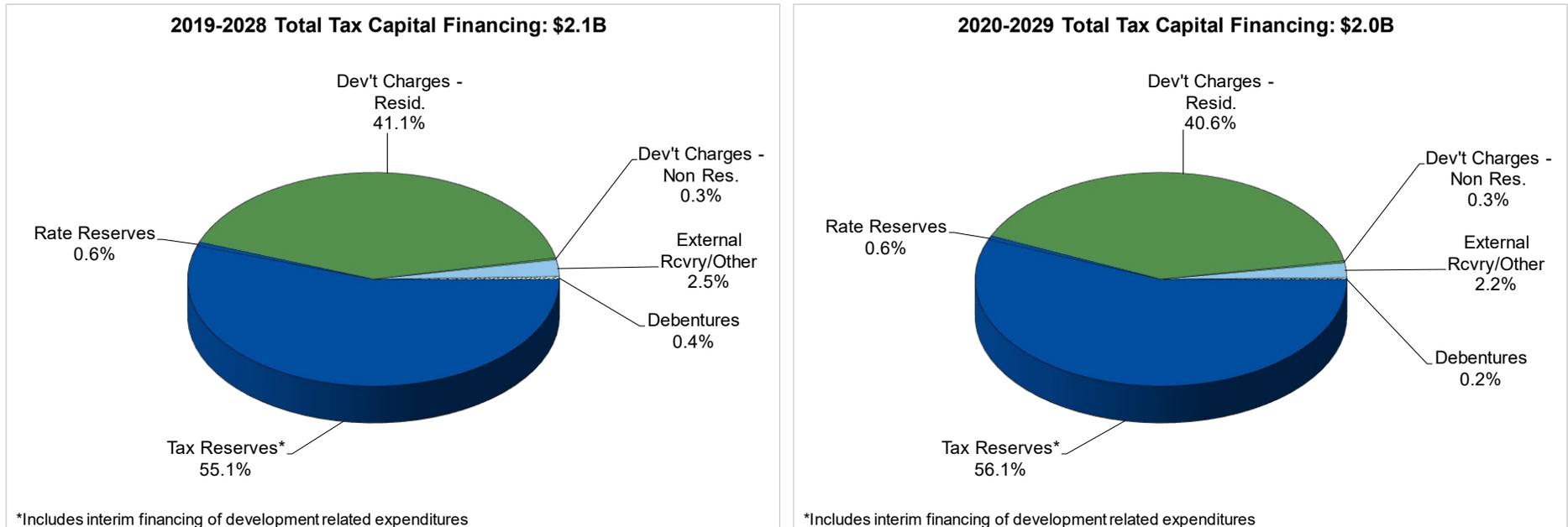
- \$1.6 billion 10-year Transportation capital program** consists of \$1.2 billion for the Development-related program and \$433.5 million for the State-of-Good-Repair program (Non-development). The 10-year program in 2020 is \$82.8 million lower than the 2019 program and reflects the infrastructure staging plan, Public Works Asset Management Plan and cost updates based on EAs and design work. The 10-year program provides significant road widening, new road, grade separation programs and road resurfacing which include the Active Transportation and LED streetlight conversion initiatives.

The 10-year program includes:

- \$177.8 million for Regional Road 25
 - \$174.8 million for Trafalgar Road
 - \$144.4 million for Tremaine Road
 - \$123.5 million for Steeles Avenue
 - \$114.7 million for Upper Middle Road
 - \$104.5 million for Roads Resurfacing Program and Related Works
 - \$71.2 million for James Snow
 - \$68.4 million for Dundas Street
-
- **\$161.7 million 10-year Planning capital program** is \$4.3 million lower than the 2019 program mainly due to a decrease of \$8.5 million in the Burlington Beach Land Acquisition costs budgeted in 2019 offset by an increase of \$3.6 million LPAT & Other Hearing costs.
 - **\$73.5 million 10-year Energy, Fleet and Facilities capital program** is \$0.8 million lower than the 2019 program primarily driven by the extended lifecycle replacement requirements at the Halton Regional Centre and other Regional facilities based on ongoing preventive facility maintenance activities.
 - **\$46.6 million 10-year Waste Management capital program** is \$3.6 million higher than the 2019 program mainly due to the additional of the HWMS Optimization Implementation costs and increased Equipment replacement costs.
 - **\$49.9 million 10-year IT capital program** is \$2.6 million higher than the 2019 program mainly due to increased state-of- good-repair infrastructure costs based on lifecycle replacement. The IT program includes the ongoing maintenance of IT assets, including software licensing, software and hardware upgrades/replacements, as well as mobile strategy implementation and new software implementation including the Talent Management System, Emergency Mass Notification System, and WorkForce Management.
 - **\$52.0 million 10-year other capital programs** provide Paramedic Services capital requirements to implement the Master Plan (MO-14-15) including vehicles and equipment (defibrillation and power stretchers) (\$29.6 million) and the Long-Term Care facilities equipment replacement program and Production Kitchen (\$8.8 million). These capital programs are \$8.3 million higher than the 2019 10-year program mainly due to additional funding required for the replacement of Paramedic Services vehicles and for the upgrade/replacement of the Production Kitchen facility at Allendale and the receiving kitchen at Post Inn.
 - **\$68.7 million 10-year Police capital program** is \$11.9 million lower than the 2019 program due mainly to the 2019 approval of the 1 District – New Facility construction funding offset by increases in Technology to support State-of-Good-Repair equipment and software replacements and other new initiatives such as Next Generation 911 and e-Ticketing. The 2020 10-year program includes additional funding for the consolidated 1 District facility in 2022/23, technology upgrades, vehicle/equipment replacements and replacement provisions for the radio trunking infrastructure.

10-Year Tax Capital Financing

The following charts provide the financing structure for the 2020 Tax Capital Budget and forecast compared to the 2019 budget.



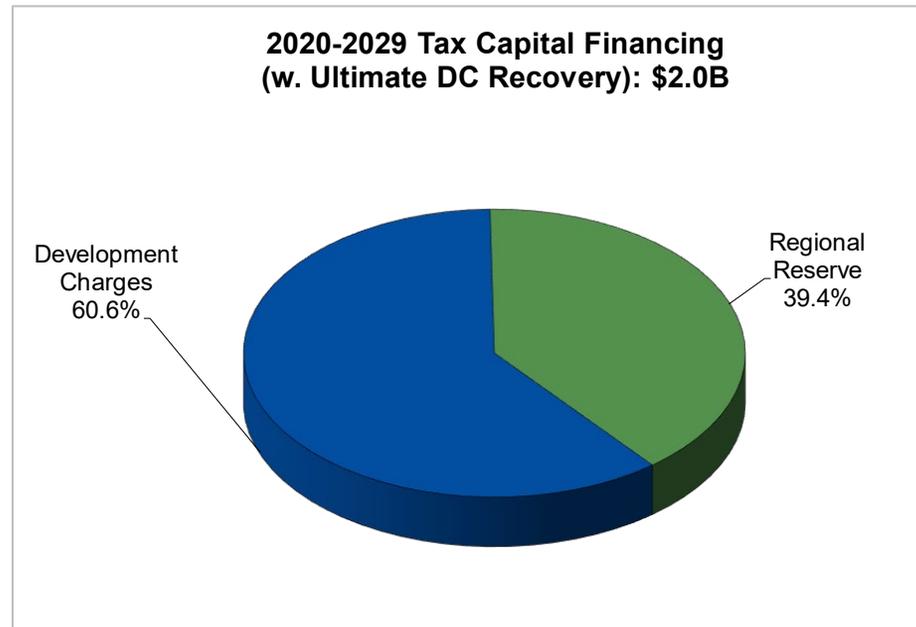
As shown in the charts above, DCs (40.9%) and the Tax Capital Reserves including contributions from the Operating Budget and Gas Tax funding (56.1%), continue to be the main sources of financing for the 2020 10-year tax-supported capital program.

The goal of the financing strategy for the tax capital program is to utilize tax reserves (including Gas Tax) for ongoing/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. As noted earlier, in order to address the rising State-of-Good-Repair capital program needs based on Public Works Asset Management Strategy (PW-28-17) and updated costs, the operating transfer for the Transportation State-of-Good Repair capital program has been increased by \$825,000 from the 2019 budget.

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 2020 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 2019, the Region's investment from the Tax Capital Reserve is anticipated to be \$125.1 million. This Regional investment will be fully recovered (including interest) from the collection of DCs as non-residential development proceeds in the future.

Residential DC's are used to fund all of the capital costs serving residential growth in accordance with the Development Financing Plan (FN-46-19/ PW-50-19/ LPS112-19). The 2020 Budget and Forecast includes a total of \$5.1 million in debt financing over the next 10-years to accommodate the new District 1 in Georgetown and Milton of which \$1.6 million relates to growth. Debt is issued mainly for major upgrade/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 \$2.0 billion, \$805.8 million (39.4%) is related to the State-of-Good-Repair capital program and the balance of \$1.2 billion (60.6%) is related to servicing growth. Accordingly, the growth-related cost will be fully funded by DCs (60.6%) and the state-of-good-repair program will be funded by the reserves (39.4%) supported by tax.



Health Department

The Health department provides a range of accessible, affordable 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 disease and injury. 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 2020 Health department budget reflects a net increase of \$646,000, or 1.7%, comprised of an increase of \$1.0 million in Paramedic Services to maintain service levels, partially offset with a decrease of \$357,000 in Public Health. As reported to Council through the Memorandum "Update on Report No. CA-08-19 – 2019 Provincial Budget Update – Part III," the Province provided confirmation that effective January 1, 2020, the provincial cost-share for Ministry of Health funded Public Health programs will change from the current 100% and 75% model to 70%. Given that the Region already contributes more than 30%, it is anticipated that the provincial subsidy will again be frozen in 2020. It was identified in Report No. FN-28-19 that this provincial direction would be challenging and require identification of opportunities for savings. The 2020 budget was developed with this in mind and savings were identified without impacting service levels. Also reflected in the Health department budget are two strategic investments, one within Paramedic Services for an additional Paramedic to expand CHAP with no net Regional impact, and the other in Public Health to implement the Ministry of Health's new OSDCP as per MO-33-19 (re: Ontario Seniors Dental Care Program: Update), which will utilize the \$1.2 million in new funding available with no net Regional impact.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Health Department								
Public Health Resources	\$ 4,485	\$ 910	\$ 5,395	\$ (2,993)	\$ 2,402	\$ 2,467	\$ (64)	-2.6%
Healthy Environments & Communicable Disease	11,370	3,150	14,520	(8,714)	5,806	5,885	(79)	-1.3%
Healthy Families	8,061	2,600	10,660	(5,977)	4,684	4,707	(24)	-0.5%
Healthy Schools & Communities	8,249	2,002	10,251	(6,622)	3,629	3,819	(190)	-5.0%
Public Health Total	32,164	8,662	40,826	(24,306)	16,521	16,877	(357)	-2.1%
Paramedic Services	33,169	9,257	42,427	(20,067)	22,359	21,356	1,003	4.7%
Total	\$ 65,333	\$ 17,919	\$ 83,253	\$ (44,373)	\$ 38,880	\$ 38,233	\$ 646	1.7%
2019 Budget	\$ 63,378	\$ 17,446	\$ 80,823	\$ (42,590)	\$ 38,233			
\$ Change	1,956	474	2,430	(1,783)	646			
% Change	3.1%	2.7%	3.0%	4.2%	1.7%			
FTE					450.0	446.0	4.0	0.9%
Relief Hours					86,338.4	86,338.4	-	0.0%

Schedule may not add due to rounding.

As shown in the table below, the gross expenditures of the Public Health programs are decreasing by 0.9%, primarily due to budget savings of \$187,000, and a one-time transfer of \$252,000 from the tax stabilization reserve to fund the Dental Care Counts Program. As discussed earlier, to align with the provincial direction of funding changing to a 70% cost-share model for Ministry of Health funded Public Health programs, subsidies for base-funded programs have been held at the 2019 level, with the exception of an increase of \$7,100 to align with provincial funding provided for the Smoke Free Ontario Strategy. The \$9,000 increase in other revenue includes an increase in OHIP recoveries related to the Sexual Health & Harm Reduction program.

	2019	2020	Change	
Public Health*	Approved Budget	Requested Budget	2020 - 2019	
Total Gross Expenditures	\$ 39,929	\$ 39,588	\$ (341)	-0.9%
Subsidy Revenue	(22,928)	(22,935)	(7)	0.0%
Other Revenue	(124)	(133)	(9)	7.0%
Net Program Expenditures	\$ 16,877	\$ 16,521	\$ (357)	-2.1%

* Excludes OSDCP of \$1.2 million fully offset with subsidy, with no net impact

Public Health Resources

Public Health Resources provide services in the areas of Physician Recruitment, Professional Support and Public Health Surveillance and Evaluation.

Budget Impacts

The 2020 budget reflects a net decrease of \$64,000, or 2.6%, from the 2019 budget, with operating savings identified in Direct Costs, offset slightly with an increase of \$20,000 in Capital & Other Expenditures for increased technology costs. The Province has communicated that the cost-share will be changing to a 70% cost-share model for Ministry of Health funded Public Health programs starting in 2020, and since the Region already contributes more than 30%, subsidies for base-funded programs are anticipated to remain frozen in 2020.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Public Health Resources								
Physician Recruitment	\$ 182	\$ 34	\$ 216	\$ -	\$ 216	\$ 226	\$ (9)	-4.2%
Professional Support	2,788	811	3,600	(2,081)	1,519	1,562	(43)	-2.7%
Public Health Surveillance & Evaluation	1,514	64	1,579	(912)	667	679	(12)	-1.8%
Total	\$ 4,485	\$ 910	\$ 5,395	\$ (2,993)	\$ 2,402	\$ 2,467	\$ (64)	-2.6%
2019 Budget	\$ 4,569	\$ 890	\$ 5,459	\$ (2,993)	\$ 2,467			
\$ Change	(84)	20	(64)	-	(64)			
% Change	-1.8%	2.3%	-1.2%	0.0%	-2.6%			
FTE					25.0	25.0	-	0.0%

Schedule may not add due to rounding.

Physician Recruitment undertakes a comprehensive Halton-wide strategy that includes the engagement, recruitment and retention of physicians. As a result of success of the Continuing Medical Education (CME) events in 2018 and 2019, a CME event is planned for 2020. This will further strengthen the department's relationship with local physicians while fostering a culture of physician learning in the field of Public Health. Halton is actively marketed to prospective physicians to ensure a strong family medicine presence in the community. In 2020, the projected number of family physicians recruited to Halton is 13. There continues to be a downward trend in the number of family physicians recruited through Regional efforts due to the ongoing shift to promote online physician recruitment support through Health Force Ontario. The 2020 budget is decreasing by \$9,000, or 4.2%, primarily due to budget savings in operating costs with no impact to service levels.

Physician Recruitment	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Family Physicians Recruited to Halton who have Primary Care Community Practices	22	17	19	15	13

Professional Support provides public health and preventive medicine consultations including communicable disease investigation and outbreak management through the Medical Officer of Health and Associate Medical Officers of Health to all Public Health programs relating to the Ontario Public Health Standards (OPHS) and supports collaborations with community partners on Public Health matters. Professional support staff guides continuous quality improvements including supporting evidence-informed decision-making, promoting best practices and continuous quality improvement, assisting programs with operational planning, and compliance with applicable legislation.

In 2020, Public Health will continue to ensure compliance with the OPHS and Accountability Framework for Public Health programs by conducting reviews and addressing gaps. A key area of focus in 2020 will be monitoring and responding to further developments with changes in provincial policy decisions particularly relating to restructuring of the public health system. The budget for Professional Support includes facility-related costs for the Public Health clinic sites in Halton Region. The 2020 budget has decreased by \$43,000, or 2.7%, due to reductions made primarily in professional services, with no impact to service levels.

Public Health Surveillance & Evaluation provides population health assessment, surveillance, program planning and evaluation, epidemiologic consulting services, health equity consultations, and staff capacity building to address health equity as part of program planning and delivery. In 2020, the primary focus for this team will be providing data and decision support to Public Health priority areas including, immunization and substance use. In addition, data support will continue to be provided to the Community Safety and Well-Being Plan and other community stakeholders. Public Health Surveillance & Evaluation creates or updates health indicator and status reports annually to support public health program decisions. Using population health data allows the Health department to target programs and services to populations with the greatest need, target health resources to the most important health problems in Halton, respond quickly to emerging public health issues, and engage the public and communities to take action to improve health. Since 2016, the number of health indicator and status reports updated has been reduced by combining reports on related topics and focusing on topics pertinent to Public Health programming. The 2020 budget has decreased by \$12,000, or 1.8%, due to budget savings in various operating expenditures with no impact to service levels.

Public Health Surveillance & Evaluation	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Health Indicator and Health Status Reports Updated or Created	31	26	30	15	15

Healthy Environments & Communicable Disease

The Healthy Environments & Communicable Disease division works to prevent the spread of communicable and vector-borne diseases as well as identify, assess and manage health hazards in the community. The division also inspects regulated premises (such as restaurants, daycares, pools and personal service settings), manages suspected rabies exposures, maintains the Public Health Emergency Management program, and enforces tobacco control legislation, including vaping and cannabis. In addition, the division is responsible for harm reduction activities, such as needle exchange and naloxone distribution, and delivers sexual health services to populations in need.

Budget Impacts

The 2020 budget reflects a net decrease of \$79,000, or 1.3%, mainly due to operational savings identified in Direct Costs, with no impact to service levels. To align with the provincial direction of changing funding to a 70% cost-share model starting in 2020, subsidies for base-funded programs are anticipated to remain frozen in 2020. Subsidies & Revenues are increasing by \$16,000 or 0.2% due to increased OHIP recoveries at the Sexual Health clinics and Smoke Free Ontario Strategy funding.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Communicable Disease Control	\$ 2,414	\$ 661	\$ 3,075	\$ (1,840)	\$ 1,236	\$ 1,223	\$ 12	1.0%
Enteric & Vector Borne Diseases	1,739	461	2,199	(1,328)	871	886	(15)	-1.7%
Food Safety Inspection	2,271	641	2,912	(1,690)	1,222	1,269	(47)	-3.7%
Environmental Health	2,022	575	2,597	(1,635)	962	987	(25)	-2.5%
Sexual Health	2,224	627	2,851	(1,638)	1,213	1,215	(2)	-0.2%
Harm Reduction	701	186	886	(584)	303	304	(2)	-0.6%
Total	\$ 11,370	\$ 3,150	\$ 14,520	\$ (8,714)	\$ 5,806	\$ 5,885	\$ (79)	-1.3%
2019 Budget	\$ 11,433	\$ 3,151	\$ 14,583	\$ (8,699)	\$ 5,885			
\$ Change	(62)	(1)	(63)	(16)	(79)			
% Change	-0.5%	0.0%	-0.4%	0.2%	-1.3%			
FTE					89.2	89.2	-	0.0%

Schedule may not add due to rounding.

Communicable Disease Control respond to reports of communicable diseases by providing education and advice to clients, physicians, Long-Term Care (LTC) Homes, hospitals and child care facilities. The program also manages respiratory outbreaks and educates the public and health care partners about infection prevention and control as well as emerging illnesses. In addition, staff in-conjunction with staff from the Enteric and Vector-borne diseases team are responsible for investigating all complaints regarding infection prevention and control practices at premises such as personal service settings, (e.g., spas, tattoo parlors and salons), and regulated health professionals' settings, such as dental clinics and physicians' offices. Certain communicable diseases such as tuberculosis (TB) can sometimes require staff to follow-up with a large number of contacts. This is reflected in the following table, where there is no consistent trend in the annual number of TB cases and contact investigations. The 2020 budget reflects a net increase of \$12,000, or 1.0%, primarily due to inflationary increases partially offset with budget savings.

Communicable Disease Control	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Respiratory Outbreaks Investigated at Institutions (LTC Homes, Rest and Retirement Homes, Hospitals, Daycares)	82	78	108	100	100
Number of TB Case Investigations	28	31	13	15	20
Number of TB Contact Investigations	312	83	87	150	150

Enteric and Vector-borne Diseases responds to all reports of enteric disease and outbreaks and provides related education and advice to clients, physicians, LTC Homes, hospitals and daycare centres, and inspects all personal service settings including salons and spas. As shown in the following table, the number of personal service setting inspections completed continues to rise with the growth in the number of new establishments. This team also manages 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 surveillance of 300 standing water sites as part of the West Nile Virus program, surveillance for black-legged ticks for Lyme disease, and monitoring for other emerging vector-borne diseases such as Zika virus. The 2020 budget has decreased by \$15,000, or 1.7%, due to budget savings with no impact to service levels.

Enteric and Vector-Borne Diseases	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Inspections of Personal Service Settings Completed	735	740	812	820	850
Percent of Required Inspections of High Risk Personal Service Settings Completed	100%	100%	100%	100%	100%
Number of Enteric Outbreaks Investigated in Institutions (LTC Homes, Rest and Retirement Homes, Hospitals, Daycares)	39	38	60	50	60
Number of Enteric Disease Investigations	403	386	458	380	400
Number of standing water fixed sites monitored for mosquitoes	263	273	272	300	300
Total number of larvicide applications to surface waters for West Nile Virus program	567	607	500	447	550

Food Safety Inspection is responsible for reducing the incidents of food-borne illness by conducting inspections and risk assessments of more than 2,900 food premises. As noted in the following table, food handler training is provided to approximately 2,000 food establishment operators and staff annually. The Food Safety team also responds to food safety related complaints and promotes safe food handling practices. Staff are currently working to enhance the Food Safety Disclosure program to incorporate mandated changes on the information required to be posted at inspected premises. Special events in Halton continue to grow in popularity, and public health inspectors pre-approve and inspect food vendors at all major events. The 2020 budget reflects a net decrease of \$47,000, or 3.7%, due to budget savings in travel, printing and air card pricing.

Food Safety Inspection	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Food Handlers Certified	2,031	1,926	1,910	2,000	2,000
Percent of Required Inspections of High Risk Food Premises Completed	100%	100%	100%	100%	100%
Number of Inspections of High Risk Food Premises Completed	1,924	1,971	1,892	1,960	1,975
Number of Inspections of Food Premises Completed	5,076	5,233	5,154	5,250	5,300
Number of Special Event Inspections	915	1,036	1,093	1,100	1,100

Environmental Health inspects public recreational water facilities such as pools and spas, monitors beach water quality, inspects small drinking water systems, and provides education to private well owners regarding the testing and maintenance of their wells. The Health Hazard Prevention and Control team also works with community and government agencies to respond to health hazard complaints within 24 hours of receipt, and responds to suspected rabies exposure reports. The program area is also responsible for education and awareness of climate change issues which includes email alerts regarding heat, cold and smog days throughout the year. Disclosure of inspections and investigations for areas such as pools, daycares, spas, and personal service settings will be implemented in 2019, as per the Ontario Public Health Standards: Requirements for Programs, Services and Accountability.

Smoke Free Ontario Enforcement works to prevent chronic diseases related to tobacco and vaping products by enforcing legislation such as the *Smoke Free Ontario Act* (SFOA). Staff routinely inspects and conducts compliance checks of premises that sell tobacco and vaping products to ensure these products are not sold to underage youth. In addition, the Ministry of Health has designated public health staff (i.e., public health inspectors in Halton) to enforce certain cannabis related provisions of the SFOA, specifically the restrictions on places of cannabis use.

The 2020 budget has decreased by \$25,000, or 2.5%, primarily due to budget reductions in travel and professional services. The 2020 subsidies have increased by \$7,100 for the Smoke Free Ontario Strategy to align with Ministry of Health 2019 funding.

Environmental Health	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Percent of Health Hazard Complaints Responded to Within 24 Hours of Receipt	99%	100%	99%	100%	100%
Percent of Class A Pools Inspected While in Operation	100%	100%	100%	100%	100%
Percent of Required Inspections of Spas Completed	100%	100%	100%	100%	100%
Number of Potential Rabies Exposures Investigated	1,013	1,118	1,141	1,100	1,150
Total Number of Environmental Alert Subscriptions (Heat, Cold and Smog)	1,755	2,258	2,440	3,100	3,250
Percent of Tobacco Retailers Inspected Once per Year for Compliance with Display, Handling and Promotion Sections of the Smoke-Free Ontario Act (SFOA)	100%	100%	100%	100%	100%
Total number of tobacco/vaping vendors inspected	318	291	290	288	305
Percent of Tobacco Vendors in Compliance with Youth Access Legislation at the Time of Last Inspection	98%	98%	98%	99%	99%

Sexual Health clinics are located across Halton and provide contraception, pregnancy testing, sexually transmitted infection (STI) screening, treatment and case management with a focus on vulnerable populations. The decrease in client visits in 2019, as noted in the table below, is due to the implementation of program review recommendations. The recommendations focused on core services, priority populations and building health care provider capacity in the community. Clients who were seeking services that were not part of the core services were directed to more appropriate health care services in the community and health care providers were also encouraged to provide sexual health services by offering free STI medications and educational support.

The 2020 Budget reflects a net decrease of \$2,000, or 0.2%, due to a decrease in contraceptive sales partially offset by an increase in anticipated OHIP recovery from the province for medical oversight at the clinic.

As noted in the following table, many cases of gonorrhoea are not treated by community physicians according to treatment guidelines. The program continues to work with physicians in Halton to educate them about best practice guidelines and facilitate appropriate treatment.

Sexual Health	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Client Visits - Sexual Health Clinics	5,354	5,460	5,202	4,000	4,000
Number of Sexually Transmitted Infections Cases Managed	1,317	1,305	1,412	1,500	1,600
Percent of confirmed Gonorrhoea cases treated according to recommended Ontario treatment guidelines	64%	80%	74%	70%	75%

Harm Reduction strategies aim to lessen the negative impact of substance use. The scope of work consists of needle exchange, smoking cessation, and an opioids strategy consisting of three components. The strategy aims to enhance the opioid response based on local data and community needs, increase naloxone distribution to community organizations, police, and fire services, and develop an early warning system to identify and respond to a surge in opioid overdoses.

The 2020 Budget reflects a net decrease of \$2,000 or 0.6% due to savings in needle exchange supplies and the removal of one-time computer costs.

Harm Reduction	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of safe needles distributed by needle exchange for harm reduction	283,025	292,328	264,746	290,000	290,000
Number of client contacts - Needle Exchange Program	1,218	1,320	1,226	1,400	1,450
Number of Client Appointments - Smoking Cessation Clinic	778	1,004	868	820	820
Number of New Clients - Smoking Cessation	137	181	147	120	120
Total number of naloxone kits distributed	0	235	327	420	450
Total number of community partners or organizations that have agreements with public health to receive and distribute naloxone.	0	0	7	13	17

Healthy Families

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

Budget Impacts

The 2020 budget reflects a net decrease of \$24,000, or 0.5%, from the 2019 budget mainly due to operational savings identified in Direct Costs and an \$8,000 decrease in Other Expenditures, with no impact to service levels. To align with the provincial direction of changing funding to a 70% cost-share model starting in 2020, subsidies for base-funded programs are anticipated to remain frozen in 2020, and the funding provided by the Ministry of Children, Community and Social Services for the Healthy Babies Healthy Children program and Federal funding for the Halton Prenatal Nutrition Program are also being held at the 2019 level.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Healthy Families								
Healthy Babies Healthy Children	\$ 2,708	\$ 768	\$ 3,476	\$ (1,874)	\$ 1,602	\$ 1,605	\$ (3)	-0.2%
Early Years	2,497	842	3,339	(1,917)	1,421	1,434	(13)	-0.9%
Healthy Living	2,856	990	3,846	(2,186)	1,661	1,668	(8)	-0.5%
Total	\$ 8,061	\$ 2,600	\$ 10,660	\$ (5,977)	\$ 4,684	\$ 4,707	\$ (24)	-0.5%
2019 Budget	\$ 8,076	\$ 2,608	\$ 10,684	\$ (5,977)	\$ 4,707			
\$ Change	(15)	(8)	(24)	-	(24)			
% Change	-0.2%	-0.3%	-0.2%	0.0%	-0.5%			
FTE					70.1	70.1	-	0.0%

Schedule may not add due to rounding.

Healthy Babies Healthy Children (HBHC) is a provincial program for expectant parents and families with children (birth to start of school) who are identified with risk. 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.

It has been the intent of the program to reduce the number of in-depth assessments completed for families most likely to be rated as low risk so that resources can be directed to home visiting for families most in need. The identification of families most in need of service has been a focus in 2019. Success with these identification efforts has resulted in an increased demand for assessment. Although targets to reduce in-depth assessments have not been achieved, the assessments completed are more likely to identify the need for home visiting services.

The subsidy provided by the Ministry of Children, Community and Social Services has not increased since 2013, and does not provide for service demand changes or inflationary pressures. The 2020 budget has again been held at the 2019 level of \$1.9 million. The 2020 budget includes a small reduction of \$3,000, or 0.2%, due to operational savings.

Healthy Babies Healthy Children	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Halton births screened postpartum	4,104	4,171	4,217	4,300	4,300
Number of Families Receiving Blended Home Visiting	247	274	285	300	300
Percent of Halton births screened postpartum	74%	76%	78%	78%	78%
Number of Days from HBHC Referral to Home Visiting Public Health Nurse Assignment	35	22	20	25	22
Number of Healthy Babies Healthy Children In-depth Assessments Completed	678	675	674	650	650

Early Years promotes healthy growth and development of infants, young children and their families from planning a pregnancy through the transition to school. Priority issues addressed through community partnerships, skills development and capacity building include healthy pregnancies, breastfeeding, mental health promotion, parenting, and injury prevention. Health equity is addressed through programs specific to those most in need, including the Halton Prenatal Nutrition program, which provides support to mothers living in conditions of risk to improve maternal-infant health, increase rates of healthy birth weight, and promote breastfeeding.

Parenting programs are provided to parents facing challenges or experiencing barriers to accessing other programs offered in the community. Neighbourhood groups are delivered weekly in communities where additional support is beneficial. They are delivered in partnership with other agencies so that families can access early learning and literacy, parenting, and child health services in one location. As shown in the table below, there was an increase in participation in the Halton Prenatal Nutrition program in 2019. Work with local hospitals continues in order to improve exclusive breastfeeding rates upon hospital discharge. In 2017, a review of the online prenatal education program took place, and promotion was limited. In 2018, a new online prenatal education program vendor was selected, and promotion resumed.

The 2020 budget reflects a net decrease of \$13,000, or 0.9%, due to operational savings.

Early Years	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Contacts with Halton Prenatal Nutrition Program	1,771	1,825	1,575	2,000	1,900
Number of Parent Participants in Parenting Groups Including Series and Single Sessions	9,069	10,228	11,808	10,000	10,000
Number of people reached through the online prenatal education program	1,196	768	1,354	1,500	1,500
Percent of Newborns Born to Halton Mothers Breastfeeding Exclusively Upon Discharge (or at 3 Days From Birth if a Home Birth)	62%	58%	58%	60%	65%

Healthy Living works with partners to reduce chronic diseases, preventable injuries and substance use in Halton. This program also promotes healthy growth and development through social media (HaltonParents) and telephone support. Issues addressed through population health approaches include healthy eating, physical activity, substance use, mental health promotion and the built environment. Initiatives focus on strengthening community capacity, community action and policy development. As shown in the following table, Facebook “likes” and Twitter followers have increased as families continue to demonstrate a preference for receiving information through social media channels. It is expected that the HaltonParents Facebook page will reach 10,000 “likes” by the end of 2019. The 2020 budget reflects a net decrease of \$8,000, or 0.5%, due to operational savings.

Healthy Living	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
HaltonParents Facebook - number of "likes"	5,377	6,661	8,832	10,000	11,200
HaltonParents Twitter - number of followers	7,517	8,196	8,477	9,000	9,300

Healthy Schools and Communities

The Healthy Schools and Communities division focuses on promoting health and preventing illness and disease in schools and in communities. The division comprises Immunizations, Oral Health, and School Years. Activities include health promotion, immunizations to help prevent, control and support eradication efforts for vaccine-preventable diseases, provision of oral health screening in elementary schools, education and supports to help prevent chronic disease related to poor oral health, and dental care services for low-income seniors.

Budget Impacts

The 2020 budget reflects a net decrease of \$190,000, or 5.0%, primarily due to the introduction of new Ontario Seniors Dental Care Program (OSDCP) that will replace Dental Care Counts (DCC) program. The 2020 budget includes a one-time transfer of \$252,000 from the tax stabilization reserve to fund the DCC program during the transition to the new OSDCP. In addition, included in the OSDCP strategic investment are 3.0 FTEs and associated implementation costs, utilizing new program funding from the Ministry of Health, with no net Regional impact.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Immunizations	\$ 2,668	\$ 1,022	\$ 3,690	\$ (2,079)	\$ 1,611	\$ 1,541	\$ 70	4.5%
Oral Health	2,886	(16)	2,870	(2,468)	402	672	(270)	-40.2%
School Years	2,695	995	3,691	(2,075)	1,616	1,605	11	0.7%
Total	\$ 8,249	\$ 2,002	\$ 10,251	\$ (6,622)	\$ 3,629	\$ 3,819	(190)	-5.0%
2019 Budget	\$ 6,978	\$ 2,224	\$ 9,203	\$ (5,384)	\$ 3,819			
\$ Change	1,270	(222)	1,048	(1,238)	(190)			
% Change	18.2%	-10.0%	11.4%	23.0%	-5.0%			
FTE					64.2	61.2	3.0	4.9%
Relief Hours					1,350.2	1,350.2	-	0.0%

Schedule may not add due to rounding.

Immunizations includes vaccine distribution for all publicly-funded vaccines, cold chain inspections of fridges containing publicly funded vaccines, enforcement of the *Immunization of School Pupils Act* (ISPA) and the *Child Care Early Years Act* (CCEYA), as well as the administration of certain immunizations through the school-based program.

In the 2018-2019 school year, Public Health began expanding enforcement of the ISPA to elementary school children, starting with the 2010 birth cohort, in addition to all high school students. The 2010 cohort was the first cohort to require two doses of varicella. In 2019, it was only enforced to 8 and 9 years old and 7 year olds will be captured in the 2019-2020 school year. In the 2019-2020 school year, Public Health will also further expand enforcement of elementary school students to include students born in 2010 to 2012, and continue immunization enforcement of high school students. Public Health also increased efforts to obtain immunization records for children in licensed child care settings in order to meet immunization reporting requirements under the CCEYA. Ensuring compliance with ISPA and CCEYA by 2022 is an action item in the 2019-2022 Halton Region Strategic Business Plan.

The following table shows an expected 90% compliance rate with mandatory school immunizations for 16- and 17-year-old students to be achieved through ISPA enforcement efforts, and an expected 87% compliance rate in the 7- and 8-year-old students in the 2019-2020 school year.

The expanding scope of practice for pharmacists has made it easier than ever for Halton residents over the age of 5 to receive their influenza immunization. Public Health expects to distribute 111,000 doses of influenza vaccine to health care providers in the 2019-2020 flu season.

The 2020 budget for Immunizations has increased by \$70,000, or 4.5%, primarily due to inflationary increases for compensation and technology replacement.

Immunizations	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Percent of all Students in Compliance with Immunization of School Pupils Act (ISPA) JK-12	60.0%	60.0%	67%	65.0%	67.0%
Percent of 16/17 Year-Old-Students in Compliance with ISPA Requirements	89.0%	86.0%	89.0%	86.0%	90.0%
Percent of 7/8 Year-Old-Students in Compliance with ISPA Requirements	47.6%	63.0%	58.0%	36.0%	87.0%
Number of HPV Doses Administered (School Year)	5,353	12,481	11,257	11,700	11,700
Number of Hep B doses Administered (School Year)	7,247	7,176	8,671	8,395	8,400
Number of Meningococcal conjugate A, C, Y, W	5,404	6,315	10,419	7,905	8,000
Number of Doses of Influenza Vaccine Distributed to Community Partners	153,736	117,274	113,195	110,895	111,000

Oral Health offers dental screening in elementary schools, client enrollment and navigation support for the Healthy Smiles Ontario (HSO) program, and dental care for low-income seniors.

Dental screening in elementary schools identifies children who are in need of urgent dental care. Parents/guardians are notified, and children with urgent dental needs are followed up with Health department staff to ensure they receive the necessary dental care. Families who are unable to afford the cost of dental care may be eligible for financial assistance through the HSO program. Staff also provides navigational support for families, including enrollment in the HSO program and

assistance with finding local dental care providers. 19,680 elementary children were screened during the 2018-2019 school year. Enrollment in HSO has increased as a result of promotion and outreach to priority populations.

Dental care for low-income seniors is being enhanced through the provincially-funded Ontario Seniors Dental Care Program (OSDCP). The OSDCP is intended to provide comprehensive dental care for low-income seniors, including preventive services and dentures. Halton Region currently provides the Regionally-funded Dental Care Counts (DCC) program, which provides emergency dental treatment for low-income seniors. Once OSDCP services can be provided in Halton, DCC will no longer be required. The 2020 budget for Oral Health has decreased by \$270,000, or 40.2% to reflect the discontinuation of the DCC program. A one-time transfer of \$252,000 from the tax stabilization reserve is included in the 2020 budget to fund DCC in 2020, and ensure that emergency dental treatment will continue to be offered during the transition to the OSDCP. A strategic investment is included to implement the OSDCP, which includes 3.0 FTEs and associated costs, and utilizes new funding from the Ministry of Health, with no net Regional impact.

Oral Health	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Children Screened for Oral Health in Elementary Schools (School Year)	21,664	18,475	20,137	19,680	21,000
# of children enrolled in Healthy Smiles Ontario (Emergency and Essential Services Stream and Preventative Services Only)*	n/a	n/a	102	400	450

* This was a new indicator starting in 2018

School Years delivers supports and services to improve the health of school-aged children and youth through collaboration with all publicly funded school boards in alignment with the School Health Guideline (2018). Priority issues addressed through specific and universal supports include mental health promotion, substance use, healthy eating behaviours, and concussions. Health equity is addressed through intensive supports to school communities identified in partnership with the boards of education. For 2020, the number of parents of children and youth receiving information are forecast to remain the same as in 2019. As shown in the following table, 25,000 consultations with educators, students, parents and community members to promote health are forecast for 2020.

The 2020 budget for School Years has increased by \$11,000, or 0.7%, as a result of inflationary cost adjustments.

School Years	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Parents of Children & Youth Receiving Parenting Information	2,132	1,193	1,320	1,200	1,200
Number of Consultations Provided to School Staff, Students and Parents Related to Promoting Health in the School-Aged Child	25,213	32,256	30,680	25,000	25,000
Number of School Clusters Receiving Service	17	17	17	16	16

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 2020 Paramedic Services budget reflects a net increase of \$1.0 million or 4.7% over the 2019 budget, with an increase in Direct Costs to maintain service levels and a strategic investment for an additional 1.0 FTE to expand of the Community Health Assessment Program (CHAP) to Burlington. Capital & Other Expenditures include an increase of \$140,000 in capital transfers, and an increase in corporate support resulting from increased staff resources approved through the 2019 budget. Subsidies & Other Revenues are increasing by \$529,000 and include increases of \$393,000 in base funding to reflect growth, but not inflation, and \$134,000 in funding provided by the Hamilton Niagara Haldimand Brant Local Health Integration Network (LHIN) to support CHAP.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Paramedic Care	\$ 33,169	\$ 9,257	\$ 42,427	\$ (20,067)	\$ 22,359	\$ 21,356	\$ 1,003	4.7%
Total	\$ 33,169	\$ 9,257	\$ 42,427	\$ (20,067)	\$ 22,359	\$ 21,356	\$ 1,003	4.7%
2019 Budget	\$ 32,322	\$ 8,573	\$ 40,894	\$ (19,538)	\$ 21,356			
\$ Change	848	685	1,532	(529)	1,003			
% Change	2.6%	8.0%	3.7%	2.7%	4.7%			
FTE					201.5	200.5	1.0	0.5%
Relief Hours					84,988.2	84,988.2	-	0.0%

Schedule may not add due to rounding.

Paramedic Care provides services from 12 stations with 26 emergency response vehicles. Annually, Paramedic Services responds to more than 53,000 calls and transports more than 32,000 patients. As outlined in Report MO-19-19 (re: Paramedic Services Division Annual Update), over the past ten years (2009 to 2018) call volumes have increased by 72%. Call volume increased by 3.3% in 2018, and is anticipated to increase by a further 4% in 2019 and 2020, as shown in the following table.

The 2020 budget includes inflationary adjustments, a provision to address call volume pressures affecting linen and medical supplies, and a strategic investment for an additional 1.0 paramedic FTE for the expansion of the Community Health Assessment Program (CHAP) with funding provided by the Hamilton Niagara Haldimand

Brant LHIN, with no net Regional impact. As reported to Regional Council through the Memorandum “Update on Report No. CA-08-19 – Provincial Budget Update – Part III,” The Ministry of Health communicated that municipalities can expect continued growth in 2020 funding. Based on this announcement, the 2020 budget has been prepared with an increase of \$393,000 or 2.1% in base funding to support program growth. Funding is intended to support a cost-share of 50/50, however the 2020 Budget is funded based on a cost-share of 46% funding from the Province, and 54% from the Region. The Region’s portion has increased due to inflationary increases required to maintain service levels, without equivalent increases in funding, resulting in a shortfall of \$1.5 million, which is an increase of \$305,000.

Paramedic Care	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Patient Transports	29,806	32,105	32,797	34,175	35,610
Total Call Volume	46,374	51,389	53,094	55,324	57,647
Percent of Arrivals of Defibrillator on the Scene of Sudden Cardiac Arrest (SCA) within 6 Minutes - Target 55%	68.0%	66.0%	71.0%	55.0%	55.0%
Percent of Paramedic Arrival at Life Threatening Calls within 8 Minutes - Target 75%	75.0%	72.0%	73.0%	75.0%	75.0%
Percent of CTAS 2 Arrivals of Paramedics Within 10 Minutes - Target 75%	86.0%	84.0%	83.0%	85.0%	85.0%
Percent of CTAS 3 Arrivals of Paramedics Within 15 Minutes - Target 75%	94.0%	93.0%	91.0%	91.0%	91.0%
Percent of CTAS 4 Arrivals of Paramedics Within 20 Minutes - Target 75%	97.0%	96.0%	95.0%	95.0%	95.0%
Percent of CTAS 5 Arrivals of Paramedics Within 25 Minutes - Target 75%	99.0%	99.0%	96.0%	99.0%	99.0%
Total \$ Cost per Vehicle In-Service Hour	\$223	\$218	\$222	\$229	\$236
90th percentile transfer of care time (all Halton Hospitals) - target 30 minutes	0:43:57	0:48:37	0:48:34	0:40:00	0:35:00
Number of minutes Central Ambulance Communications Centre (CACC) processing time T0 - T2 at the 90th percentile - Target 2:00	3:02	3:21	3:27	3:00	3:00

Capital Budget & Forecast

Paramedic Services Capital Program							
(\$ Millions)	2020	2021	2022	2023	2024	2025 - 2029	Total
PS Master Plan	\$ -	\$ -	\$ -	\$ 0.15	\$ -	\$ -	\$ 0.15
PS Vehicles	0.33	1.98	1.74	4.60	3.02	14.68	26.33
Defibrillators	0.04	0.13	0.04	0.13	2.25	0.53	3.12
Total	\$ 0.37	\$ 2.10	\$ 1.78	\$ 4.88	\$ 5.27	\$ 15.20	\$ 29.60

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

The Paramedic Services capital program includes \$29.6 million over the next 10 years, which is \$5.8 million higher than the 2019 10-year program, primarily due to additional funding required for the replacement of vehicles.

The 2020 Capital Budget and Forecast includes vehicles, and defibrillators to reflect current needs. The proposed central reporting station and additional headquarters space requirements are included in the Energy, Fleet and Facilities capital budget, as part of the long-term accommodation plan discussed in Report No. LPS112-15 (re: Regional Accommodation Plan). The next 10-year Paramedic Services master plan study is planned for 2023 and will include a review for any additional station requirements.

The 2020 Capital Budget and Forecast includes \$26.3 million to purchase new and replacement vehicles and power stretchers/lift systems for ambulances over the next 10 years. In 2020, the capital program includes \$330,000 for vehicle replacement and new acquisitions (\$280,000), and new power stretchers and lift systems (\$50,000) which includes one vehicle (\$180,000) and one stretcher and lift system (\$50,000) to support the strategic investment. In addition to the capital items above, there is \$3.1 million to purchase new and replacement defibrillators over the next 10 years with \$40,000 identified in 2020.

The Paramedic Services capital program is primarily funded from the Paramedic Vehicle reserve, which will be replenished from annual operating transfers and development charges. The 2020 budget includes capital financing (i.e., transfer to reserves) of \$3.5 million, which represents a \$140,000 increase from the 2019 budget, primarily due to the payback for additional funds required for the construction of the Urban Milton and Southwest Oakville stations.

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. Social & Community Services consists of four divisions: Children's Services, Employment and Social Services, Housing Services, and Services for Seniors. It is supported by the Human Services Planning & Program Support unit.

Budget Impacts

The 2020 Social & Community Services budget reflects a net increase of \$3.5 million, or 4.4%, mainly resulting from inflationary increases required to maintain service levels that have not been met with equivalent increases in Provincial subsidy funding. Subsidies & Revenue are decreasing by \$1.8 million, driven by a decrease of \$2.3 million in Provincial subsidy funding partially offset with increases of \$140,000 in Federal funding and \$329,000 in Other Revenues. Provincial subsidies are decreasing in Children's Services and Housing Services, and increases in Services for Seniors and Employment & Social Services do not keep pace to match increases in costs and growth. Expenditures have been reduced to align with available funding or based on trends, where possible, while still maintaining service levels. Strategic investments are included which will increase the HRCIF by \$322,000 to expand the funding provided to non-profit human service programs and initiatives that support the health, safety and well-being of a wide range of vulnerable residents, and provide an additional 5.0 FTEs which will address the increasing medical complexities of the Long-Term Care homes resident population (\$271,100), refine the Ontario Works intake service delivery model to reduce wait times and meet provincially mandated service standards (\$198,100), and address ongoing data and decision support needs within the Halton CSWB Plan (\$145,800).

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2019 - 2020	
Social & Community Services								
Children's Services	\$ 69,699	\$ 3,272	\$ 72,971	\$ (62,236)	\$ 10,735	\$ 10,330	\$ 405	3.9%
Human Services Planning & Program Support	7,024	913	7,937	-	7,937	7,271	666	9.2%
Employment & Social Services	30,478	2,828	33,306	(26,387)	6,919	6,364	555	8.7%
Housing	43,040	8,980	52,020	(15,766)	36,254	35,962	292	0.8%
Services for Seniors	57,444	13,588	71,032	(51,214)	19,818	18,271	1,547	8.5%
Total	\$ 207,684	\$ 29,581	\$ 237,266	\$ (155,603)	\$ 81,663	\$ 78,198	\$ 3,465	4.4%
2019 Budget	\$ 206,580	\$ 29,049	\$ 235,629	\$ (157,430)	\$ 78,198			
\$ Change	1,104	533	1,637	1,828	3,465			
% Change	0.5%	1.8%	0.7%	-1.2%	4.4%			
FTE					735.4	729.6	5.8	0.8%
Relief Hours					83,949.8	83,532.2	417.6	0.5%

Schedule may not add due to rounding.

Children's Services

The Children's Services division works collaboratively with community partners to support children and families. The division directly provides fee assistance for child care, services for children with special needs, and oversight of EarlyON Child and Family Centres. The division also operates three child care centres.

Budget Impacts

The 2020 Children's Services budget reflects an increase of \$405,000, or 3.9% over the 2019 budget. Direct costs are decreasing by 2.5% resulting from a decrease in expenditures in Fee Stabilization and Community Support grants to align with available subsidy funding. Capital & Other Expenditures are increasing by \$179,000 which reflects an inflationary increase in support costs. As discussed previously, Subsidies & Revenues are decreasing by \$2.0 million resulting from the change in cost-share for Expansion Plan funding and Fee Stabilization funding ending, partially offset with an increase in Community-Based Early Years and Child Care Capital funding, with details discussed below. As shown in the following table, in 2020 the Region will contribute \$10.7 million to Children's Services, of which \$3.5 million is the legislated contribution to the program and \$7.2 million is an additional investment above the legislated requirement to address needs in the community.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2019 - 2020	
Children's Services								
Community Support	\$ 31,260	\$ 1,362	\$ 32,621	\$ (29,839)	\$ 2,782	\$ 2,777	\$ 5	0.2%
Special Needs Child Development	11,112	850	11,962	(7,852)	4,111	3,912	198	5.1%
Regional Child Care Centres	3,177	72	3,249	(2,473)	776	700	76	10.8%
Child Fee Subsidy	24,150	988	25,138	(22,072)	3,066	2,940	125	4.3%
Total	\$ 69,699	\$ 3,272	\$ 72,971	\$ (62,236)	\$ 10,735	\$ 10,330	\$ 405	3.9%
2019 Budget	\$ 71,479	\$ 3,093	\$ 74,572	\$ (64,242)	\$ 10,330			
\$ Change	(1,780)	179	(1,601)	2,006	405			
% Change	-2.5%	5.8%	-2.1%	-3.1%	3.9%			
FTE					106.0	106.0	-	0.0%
Relief Hours					1,827.0	1,827.0	-	0.0%

Schedule may not add due to rounding.

The 2020 budget reflects a reduction in Subsidies & Revenue of \$2.0 million, or 3.1%, due to a reduction in provincial funding. As reported to Council in the Memorandum, "Update on Report No. CA-08-19 – Provincial Budget Update, Part III," beginning January 1, 2020, municipalities will be asked to begin cost-sharing Expansion Plan operating funding that is currently 100% funded, at a rate of 80/20 provincial/municipal. The 2020 budget was prepared reflective of this cost-share

funding model change, which equates to a \$1.5 million funding reduction in 2020. In addition, there is a decrease of \$0.8 million due to Fee Stabilization funding ending as of March 31, 2019 and there is an increase of \$0.3 million for Community-Based Early Years and Child-Care Capital funding. As reported through Report No. FN-29-19 (re: Operating Budget Variance Report for the period ending April 30, 2019), the 2019 funding allocation from the Ministry of Education was \$2.1 million higher than what was anticipated in the 2019 Children's Services budget. Approximately \$0.4 million of the \$2.1 million was enveloped program funding that could only be utilized for specific programs (i.e. Licensed Home Child Care), and it was anticipated that the remaining \$1.7 million would be used to manage pressures related to the child care fee subsidy program. Throughout 2019, fee subsidy pressures were managed within the approved 2019 budget level, and it is anticipated that the additional \$1.7 million will be utilized to provide funding for one-time quality investments in repairs and maintenance to licensed child care operators, as part of Community Support. Despite the subsidy reduction of \$1.5 million in Expansion Plan funding, the 2020 Budget includes an increase of 43 subsidized childcare spaces from the 2019 projected number of spaces. However, funding for quality investments in repairs and maintenance to licensed child care operators provided as part of Community Support will be reduced from the 2019 level.

Community Support builds capacity and quality in the early learning and child care system through funding, professional learning, research and community development. Halton Region's Early Learning and Child Care Plan 2016-2020 guides investment decisions. In 2020, Children's Services will engage with community partners to develop a five-year Early Learning and Child Care Plan for 2021-2025. The Community Support budget has increased by \$5,000, or 0.2%, due to inflationary adjustments offset by a reallocation of general operating grants (GOG) toward an investment in an additional 43 fee subsidy spaces.

Halton Region is the service system manager for early years and child care and is responsible for EarlyON Child and Family Centre service planning, funding and oversight. The EarlyON Child and Family Centres provide a broad set of free programs and resources for children age 0-6 and their families and caregivers. Funding has been allocated to expand services and establish new locations in partnership with local school boards including St. Mark's Catholic Elementary School (Burlington) which opened in May 2019, and Viola Desmond Public School (Milton) which opened in July 2019. A new French-language EarlyON Child and Family Centre will open in Milton in January 2020, in partnership with Conseil Scolaire Viamonde, resulting in an increase of \$135,000 in operating costs and \$15,000 for professional development in the 2020 budget, fully offset with provincial subsidy.

In 2019, the Children's Services division is projecting to distribute \$21.2 million of provincial child care investment directly to child care operators and staff through the General Operating Grant (GOG) (\$9.3 million) and Wage Enhancement Grant (WEG) (\$11.9 million). The GOG supports the operations of 76 licensed child care operators in Halton. The Wage Enhancement Grant (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 2019, 2,400 eligible child care employees benefited from up to a \$2 per hour wage increase through the WEG, and it is anticipated that the same number of child care employees will benefit in 2020. The 2020 budget includes \$9.0 million for GOG, which is a reduction of \$300,000 resulting from the reallocation to fee subsidy, and the \$11.9 million for WEG has been maintained in the 2020 budget.

Ongoing investments as a part of the provincial Child Care Expansion Plan, the Canada-Ontario Early Learning and Child Care Agreement, and Licensed Home Child Care Base funding will continue to support increased access to affordable, high quality licensed child care and quality early learning opportunities in Halton Region. However, funding for quality investments in repairs and maintenance to licensed child care operators provided as part of Community Support will be reduced from the 2019 level as a result of the decrease in Expansion Plan funding in 2020.

Halton Region partners with community agencies to ensure effective delivery of early learning and child care services. As shown in the following table, in 2020, Halton Region and the Province will invest \$2.4 million to build system capacity and quality services for early years and child care programs in Halton through partnerships with Our Kids Network (OKN) of \$385,000 and The Halton Resource Connection (THRC) of \$2.0 million.

Quality First, a program of The Halton Resource Connection, is an initiative that supports child care programs to improve the quality of their service. In 2020, 89% of licensed child care centres are projected to be enrolled in Quality First.

Community Support	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Licensed Child Care (LCC) spaces in Halton	27,986	28,861	29,440	29,620	29,620
Amount invested in General Operating Grants (GOG) for child care operators (\$000s)	\$9,700	\$9,200	\$9,200	\$9,300	\$9,000
Number of child care operators receiving General Operating Grants (GOG)	86	81	78	76	76
Amount invested in Wage Enhancement Grants (WEG) for child care staff (\$000s)	\$9,800	\$10,000	\$11,000	\$11,900	\$11,900
Number of full time child care staff receiving a Wage Enhancement Grant (WEG)	2,170	2,157	2,271	2,400	2,400
Amount invested in building system capacity inclusive of children, youth, parents and service providers (\$000s)	\$2,200	\$2,000	\$2,300	\$2,400	\$2,400
Percentage of Licensed Child Care (LCC) programs in Halton enrolled in Quality First (QF)	86%	87%	89%	89%	89%

Special Needs Child Development delivers three programs to meet the needs of children with special needs and their families in Halton. Services are provided to children from birth to age 21 in different settings to support child development. Infant and Child Development Services are delivered to children and families in their home and community settings. These are children who do not attend licensed child care (LCC). For children attending LCC, supports are provided to educators to assist with the successful inclusion of children with special needs in the classroom. The Family and Community Behaviour Services program works to increase parent/caregiver capacity to assist children to be successful across home, community and school environments.

The 2020 budget has increased by \$198,000, or 5.1%, primarily due to inflation and no subsidy increases from the Ministry of Children, Community and Social Services (MCCSS). The Infant and Child Development and Family and Community Behaviour Services programs are intended to be 100% funded by the Province; however, MCCSS does not provide the funding level required to meet the needs in Halton. The Region funds \$4.1 million of the total special needs program cost of \$12.0 million to minimize wait times for services and to support children with special needs and their families.

Special Needs Child Development	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Amount invested in children (birth to 12 years) with special needs (\$000s)	\$9,190	\$10,318	\$10,598	\$11,776	\$11,962
Number of children (birth to 12 years) in Licensed Child Care (LCC) with special needs	1,229	1,227	1,268	1,282	1,282

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. The Regional Child Care Centres (RCCCs) continue to operate as community leaders and demonstrate effective practice in the Halton community. In 2019, the RCCCs were toured by more than 80 professionals from the Ministry of Education, colleges, school boards and child care administrators. The program also ensures the Region-owned child care centres are maintained in a state-of-good-repair by providing capital funding (detailed in Capital Budget section). In 2020, there is a net increase in the RCCCs’ budget of \$76,000, or 10.8%, primarily due to inflationary cost increases without corresponding increases in revenues.

Regional Child Care Centres	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Regional Child Care Centre (RCCC) spaces	120	120	120	120	120
Regional contribution to the Regional Child Care Centres (RCCC) (\$000s)	\$551	\$578	\$435	\$687	\$776
Number of educational sessions provided by Regional Child Care Centres (RCCC) to community professionals	74	69	71	80	80

Fee Subsidy includes the child care fee subsidy program that provides subsidies for eligible families to assist with the cost of child care or for those who are in receipt of Ontario Works (OW) benefits. In 2018, 4,396 children accessed child care through subsidies. The number of children accessing child care through subsidies is expected to increase to 4,600 in 2019 and 2020. The 2020 budget includes a net increase of \$125,000, or 4.3%, in the child care fee subsidy primarily due to inflationary cost adjustments. Despite the subsidy reduction of \$1.5 million in Expansion Plan funding, the 2020 Budget includes an increase of 43 subsidized childcare spaces from the 2019 projected number of spaces.

Fee Subsidy	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Amount invested by the Province and Region in child care subsidies (\$000s)	\$20,398	\$21,536	\$22,352	\$24,730	\$25,138
Average annual cost per subsidized child care space	\$7,287	\$7,353	\$7,570	\$7,570	\$7,570
Percentage of child care spaces that are subsidized	6.3%	6.6%	6.4%	6.4%	6.4%
Average number of child care subsidy spaces	2,178	2,314	2,387	2,701	2,744
Number of children rotating through the child care subsidy spaces	4,145	4,181	4,396	4,600	4,600

Human Services Planning & Program Support

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

Budget Impacts

The 2020 budget reflects a net increase of \$666,000, or 9.2%, over the 2019 budget, and includes strategic investments to increase the Halton Region Community Investment Fund (HRCIF) by \$322,000, and for 1.0 FTE to provide data and decision support to the Halton Community Safety and Well-Being (CSWB) Plan and related activities in the Social & Community Services department.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2019 - 2020	
Human Services Planning & Program Support								
Community Development	\$ 4,009	\$ 41	\$ 4,051	\$ -	\$ 4,051	\$ 3,744	\$ 306	8.2%
Professional Support	3,015	871	3,886	-	3,886	3,526	360	10.2%
Total	\$ 7,024	\$ 913	\$ 7,937	\$ -	\$ 7,937	\$ 7,271	\$ 666	9.2%
2019 Budget	\$ 6,494	\$ 776	\$ 7,271	\$ -	\$ 7,271			
\$ Change	530	136	666	-	666			
% Change	8.2%	17.5%	9.2%	0.0%	9.2%			
FTE					28.0	27.0	1.0	3.7%

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 CSWB 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.

A key component of Halton's overall approach to support health, safety and well-being is the HRCIF. As shown in the following table, the Region has increased HRCIF funding by \$1.3 million since 2016. An additional \$322,000 is included as a strategic investment in the 2020 budget to expand the funding provided to



non-profit human service programs and initiatives that support the health, safety and well-being of Halton residents, which is partially offset with a decrease of \$30,000 in grants and professional services that were reallocated to address other departmental pressures, resulting in a net increase of \$306,000, or 8.2%, for Community Development. The increased Regional investment in the HRCIF will enhance the capacity to continue to respond to emerging priorities arising through community safety and well-being planning.

The HRCIF is a 100% Regionally-funded program that provides single and multi-year grants to human service programs that support the health, safety and well-being of Halton residents. In 2019, HRCIF is providing 55 grants addressing community needs such as supporting mental health; maintaining housing and preventing homelessness; strengthening services to older adults, children and youth; improving food security; enhancing safety and well-being; and supporting residents vulnerable to negative social and health outcomes.

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

Community Development	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Amount invested in community programs through the Halton Region Community Investment Fund (HRCIF) (\$000s)	\$1,428	\$2,028	\$2,378	\$2,678	\$3,000
Number of active HRCIF Grants	55	56	55	55	55

Professional Support provides services across the Social & Community Services department in the areas of policy and planning, emergency social services and program integrity, including eligibility review, navigation supports for individuals and families, revenue recovery and records management. The Professional Support budget has increased by \$360,000, or 10.2%, primarily due to inflationary increases and a strategic investment for a Data and Decision Support Advisor to support the delivery of Halton’s CSWB objectives and measure progress.

Halton 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, Children’s Services and Housing Services. Through these investigations, it is projected that \$900,000 in overpayments will be identified in 2020 and subject to recovery, which will be used to offset OW benefits, fee subsidy and housing provider grants.

The provincial Social Benefits Tribunal hears appeals from people who have been determined to be ineligible for social assistance or disagree with decisions made during the administration of assistance. It is projected that 80% of decisions by Halton Region will be upheld by the Social Benefits Tribunal in 2020.

Professional Support	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Amount of overpayments identified by investigations into misrepresentation for clients in Housing Services, Children's Services, and Ontario Works (\$000s)	\$1,247	\$931	\$907	\$1,000	\$900
Percentage of social assistance review decisions upheld at Provincial Tribunal	63%	80%	80%	75%	80%

Employment & Social Services

The Employment & Social Services division provides employment assistance to job seekers and employers. The division also provides financial assistance to eligible individuals and families through the provincially mandated Ontario Works (OW) program and other regionally-funded initiatives.

Budget Impacts

The 2020 Employment & Social Services budget reflects a net increase of \$555,000, or 8.7% over the 2019 budget. Direct costs are increasing by \$818,000 or 2.8% mainly due to increased Ontario Works benefits based on a forecasted 2% caseload increase, which are fully offset with funding, and a strategic investment for 2.0 FTEs to refine the OW intake service delivery model to reduce wait times for new applicants and to meet provincially mandated service standards. Capital & Other Expenditures are increasing by \$143,000 mainly due to an inflationary increase on support costs. The 2020 budget for Subsidies & Revenue is increasing by \$406,000, which includes an increase for OW benefits of \$549,000, partially offset with decreases due to the OW cost of administration subsidy being held at the 2018 level with no inflationary cost increases of \$105,000, and the elimination of the Employing Youth Talent and Youth Job Link programs of \$83,000. An increase in Federal funding of \$31,000 is included for the Halton Newcomer Strategy. As shown in the following table, the Region provides \$6.9 million to Employment and Social Services, of which \$3.2 million is the legislated contribution to the program and \$3.7 million is an additional investment above the legislated requirement to address demands in the community.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2019 - 2020	
Employment & Social Services								
Employment Halton	\$ 3,210	\$ 460	\$ 3,670	\$ (2,499)	\$ 1,172	\$ 1,147	\$ 25	2.2%
Ontario Works	25,657	2,352	28,009	(23,838)	4,171	3,648	523	14.3%
Low Income Financial Benefits	1,611	16	1,627	(50)	1,577	1,570	7	0.5%
Total	\$ 30,478	\$ 2,828	\$ 33,306	\$ (26,387)	\$ 6,919	\$ 6,364	\$ 555	8.7%
2019 Budget	\$ 29,660	\$ 2,685	\$ 32,346	\$ (25,981)	\$ 6,364			
\$ Change	818	143	961	(406)	555			
% Change	2.8%	5.3%	3.0%	1.6%	8.7%			
FTE					57.0	55.0	2.0	3.6%

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 shown in the following table, Employment Halton is projecting that it will place 250 job seekers directly into jobs in 2020. While the overall number of individuals that accessed Employment Halton Services in 2019 is less than previous years, the number of job seekers who received individual supports from Employment Halton staff remained relatively constant. The decreased number of clients accessing Employment Halton Services is a result of the strong economy and low unemployment rates in Halton Region. Over the next several years, as a result of provincially mandated employment services transformation, the delivery of employment related services is expected to change. The provincial government announced in the 2019 budget its intention to transform Ontario's employment services to make them more efficient, more streamlined and outcome focussed. As part of this employment services transformation, a new service delivery model will integrate social assistance employment services into Employment Ontario. Through a competitive process that is open to any public, not-for-profit and private sector organization, the Ministry of Training, Colleges and Universities (MTCU) will be selecting service system managers who will plan and deliver services (directly or through service agreements with community partners) that meet the needs of their local economy. Service system managers will be required to engage with a number of partners, including local employment planning councils and local planning boards, colleges, municipalities and other social service entities to better meet the needs of job seekers and employers. Details of the transformation will be shared as they become known.

Through the assistance of specialized staff, many clients have been able to reach their employment goals or access supports such as the Ontario Disability Support Program (ODSP). It is expected that 350 individuals will access mental health supports in 2020 to assist them in reaching their employment goals. The program budget for Employment Halton has increased by \$25,000, or 2.2%, primarily due to inflationary adjustments and partially offset by increased Federal subsidy for the Newcomer Strategy. In addition, as reported in Report No. CA-08-19 (re: 2019 Provincial Budget Update), the MTCU announced in April 2019, that the Employing Youth Talent and Youth Job Link programs have been eliminated with a corresponding funding reduction of \$83,000. This has been offset with equivalent expenditure reductions in the 2020 budget.

Employment Halton	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Total Investment in Employment Halton (\$000s) (1+2+3)	\$3,404	\$3,455	\$3,830	\$3,694	\$3,670
Employment Halton Regional Investment (\$000s) (1)	\$1,027	\$889	\$1,263	\$1,145	\$1,172
Employment Halton Provincial Investment (\$000s) (2)	\$2,196	\$2,389	\$2,352	\$2,381	\$2,300
Employment Halton Federal Investment (\$000s) (3)	\$181	\$177	\$215	\$168	\$199
Number of clients that accessed Employment Halton Services (1+2+3)	12,500	10,731	7,588	7,106	8,020
Number of clients that accessed Employment Halton Services Resource Centre (1)	5,604	3,650	1,931	1,500	2,000
Number of clients that accessed Employment Halton Services Workshop (2)	4,414	4,991	3,871	3,906	4,320
Number of clients that accessed Employment Halton Services Individual Support (3)	1,920	2,090	1,786	1,700	1,700
Number of clients placed directly into a job by Employment Halton	359	279	281	250	250
Number of employers that partner with Employment Halton	280	335	410	350	350
Percentage of individuals employed or participating in an educational opportunity 3 months after leaving the program	71%	74%	69%	70%	70%
Percentage of individuals granted Ontario Disability Support Program (ODSP) upon first application with the support of a Mental Health Worker	86%	91%	86%	85%	85%
Number of individuals accessing mental health supports for assistance with reaching employment goals	345	260	429	360	350

Ontario Works (OW) is a provincially mandated program that provides financial assistance to eligible individuals and families. As shown in the following table, the 2020 projected caseload is 2,138. The province currently funds the discretionary and mandatory benefits associated with the OW caseload. The OW program budget has increased by \$523,000, or 14.3%, in administration costs, primarily due to inflationary increases, the OW per case subsidy being held at the 2018 level, and a strategic investment for 2.0 FTE Integrated Case Managers to support the intake team to reduce wait times and meet provincially mandated service standards. Staff continue to review client service in OW programs.

The total OW administration program budget for 2020 is \$7.3 million, of which \$4.2 million or 57% is funded by the Region, and \$3.2 million or 43% is funded by the Province. As a result of the per case subsidy funding being held at the 2018 level, funding is decreasing by \$105,000. The OW benefit costs are fully funded by the Province.

Ontario Works	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Average monthly number of Ontario Works recipients	2,006	2,031	2,095	2,135	2,138
Gross monthly cost per Ontario Works case	\$1,002	\$1,060	\$1,085	\$1,054	\$1,041
Average length of time clients received Ontario Works assistance (in months)	21	21	23	23	23
Average number of days to determine eligibility	8	9	11	10	7
Percentage of Ontario Works recipients with employment income	13%	14%	14%	14%	14%

Low Income Financial Benefits are 100% regionally funded discretionary benefits that 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 Subsidized Passes for Low Income Transit (SPLIT), food vouchers, recreation, funerals, and other health-related benefits for low income clients. The program budget has increased by \$7,000, or 0.5%, primarily due to inflationary cost increases.

SPLIT provides a subsidy for low-income residents so they can access affordable public transportation in Burlington, Halton Hills, Milton and Oakville. Over 8,200 passes/tickets are expected to be purchased in 2019.

Low Income Financial Benefits	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Regional investment in Subsidized Passes for Low Income Transit (SPLIT) (\$000s)	\$421	\$439	\$449	\$460	\$520
Number of individuals who purchased a Subsidized Pass for Low Income Transit (SPLIT) pass or tickets	7,211	7,477	7,642	8,284	8,740
Regional investment in the Low-Income Program (\$000s)	\$242	\$270	\$294	\$245	\$245

Housing Services

The Housing Services division provides programs across the full housing continuum, ranging from emergency shelters to assistance to home owners in Halton Region's private market place. The division is responsible for the provision of community housing, homelessness prevention, and the operation of the Halton Community Housing Corporation (HCHC).

Budget Impacts

The 2020 budget reflects an increase of \$292,000, or 0.8%, primarily due to inflationary cost adjustments. The Subsidies & Revenues are decreasing by \$620,000 resulting from the Investment in Affordable Housing – 2014 Extension (IAH-E) program ending, and being replaced by new provincial funding for the Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI) programs at a significantly lower funding level, as discussed in the section below.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2019 - 2020	
Housing Services								
Community Housing	\$ 33,741	\$ 8,284	\$ 42,026	\$ (6,504)	\$ 35,522	\$ 35,135	\$ 387	1.1%
Homelessness	7,720	138	7,859	(7,127)	732	828	(96)	-11.6%
HCHC	1,578	558	2,135	(2,135)	-	-	-	0.0%
Total	\$ 43,040	\$ 8,980	\$ 52,020	\$ (15,766)	\$ 36,254	\$ 35,962	\$ 292	0.8%
2019 Budget	\$ 42,859	\$ 9,489	\$ 52,348	\$ (16,385)	\$ 35,962			
\$ Change	181	(509)	(328)	620	292			
% Change	0.4%	-5.4%	-0.6%	-3.8%	0.8%			
FTE					42.0	42.0	-	0.0%

Schedule may not add due to rounding.

Community Housing is housing that is subsidized through government programs. Community Housing (sometimes referred to as assisted housing or social housing) helps make rent affordable for lower-income individuals and families through capital programs such as the Investment in Affordable Housing (IAH-SIF), and the OPHI and COCHI programs, as well as through the provision of direct rental subsidy to social housing providers, private market landlords and Halton residents directly.

Halton Region creates community housing opportunities for residents by acquiring new rental units through construction or preservation of existing stock and through Regional subsidies to make rental costs more affordable. Funding related to acquiring or developing new units is in the Planning division capital budget.

The 2020 Community Housing budget is increasing by \$387,000, or 1.1%, primarily due to compensation and other inflationary increases. It also includes new funding allocations for community housing opportunities that are significantly lower than the provincial/federal funding previously received. Provincial government investment in new housing opportunities through Investment in Affordable Housing – 2014 Extension (IAH-E) program of \$2.1 million is replaced with new funding of \$626,000 for the Ontario Priorities Housing Initiative (OPHI) and \$672,000 for the Canada-Ontario Community Housing Initiative (COCHI) as discussed in Report No. SS-17-19 re: “Funding Allocations for Halton Region under the Canada Ontario Community Housing Initiative (COCHI) and the Ontario Priorities Housing Initiative (OPHI) Programs” resulting in a funding reduction of \$830,000 towards creation of new housing stock, which may impact Halton Region’s ability to create new housing opportunities in line with the previous rate. The 2020 budget also includes a \$45,000 funding increase for the Home For Good (HFG) rental component, which will be provided over a 20-year period to subsidize a mortgage payment at the Victoria Park community housing property in the Town of Milton, as outlined in Report No. SS-18-18/LPS78-18 re: “Recommendation of New Affordable Housing Projects Under Senior Government Capital Programs.” These funding changes have been reflected in the 2020 budget with no net Regional impact.

The Regional funding for new community housing opportunities will continue at \$7.8 million annually, as set out in the CHS. Of this amount, \$6.9 million will be transferred to the Regional Housing New Units Reserve, and the remaining \$900,000 will remain in the operating budget to support the Halton Rental Assistance Program. As discussed in Report No. SS-19-19/LPS86-19, the two operating envelopes for the Halton Rental Assistance Program (HRAP) have merged, and will continue to provide total annual funding of \$2.7 million through the operating budget. This includes the original annual operating budget of \$1.8 million and additional funding previously reported through the CHS financing plan of \$900,000. Funding will continue at this level to deliver the target of 550 to 900 new community housing opportunities over 10 years.

In addition to funding for new community housing opportunities, the list below includes key community housing subsidies provided by Halton Region to make rental costs more affordable:

- Rent-g 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 2019, Halton is anticipated to provide subsidies to 4,200 RGI units.
- Halton In-situ Program (HIP): a portable housing subsidy provided directly to vulnerable Halton residents on the HATCH waitlist to assist them with their ongoing rental costs. In 2019, 290 Halton residents received a HIP subsidy. This is anticipated to remain the same in 2020. HIP allows Halton residents to remain in their homes and communities where they have established social support networks. Funding is portable so it can be used anywhere in Halton Region.
- Halton Rental Assistance Program (HRAP): provides funding directly to private market landlords and community agencies to make rent affordable to HATCH clients. In 2019, Halton funded 271 HRAP rent supplement opportunities. This is expected to grow to a projected 288 households in 2020.

The HATCH applicant numbers are expected to grow due to the limited availability of private market rental options and an increase in private market rental rates in the Greater Toronto Area. This will continue to create a greater need for residents to access affordable housing options in Halton Region. In addition, the number of tenants moving out of government assisted housing has decreased due to the high cost and limited availability of affordable housing in Halton.

Community Housing	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Total net operating budget for community housing opportunities (\$000s)	\$34,591	\$35,955	\$34,947	\$34,964	\$35,522
Total stock of community housing	5,072	5,060	5,123	5,169	5,243
Number of households receiving Rent-Geared-to-Income (RGI) support annually	4,389	4,193	4,200	4,200	4,200
Number of households receiving Halton In-Situ Program (HIP) support annually	229	299	290	290	290
Number of households receiving Halton Rental Assistance Program (HRAP) support annually	197	276	258	271	288
Number of other community housing units supported by Halton Region annually	130	165	204	207	207
New community housing opportunities in Halton (Cumulative total opportunities since 2007)	1,390	1,574	1,658	1,701	1,752
Annual investment in community housing stock (\$000s)	\$19,625	\$2,700	\$5,700	\$5,184	\$17,400
Percentage of new investment that is Regional funding	57%	0%	3%	0%	100%
Percentage of new investment that is Federal/Provincial funding	43%	100%	97%	100%	0%
Number of applicants on the Halton Access to Community Housing (HATCH) waitlist	3,321	3,425	3,241	3,500	3,700
Percentage of Halton Access to Community Housing (HATCH) waitlist applicants who are Halton residents	48%	51%	48%	48%	47%

The **Homelessness Prevention** program provides emergency shelter solutions, the Housing with Related Supports program, and homelessness prevention initiatives to temporarily house vulnerable residents and/or keep them housed safely in their homes. The 2020 budget includes a net decrease of \$96,000, or 11.6%, as a result of new Community Capacity and Innovation Funding made available under the Federal Reaching Home program, with a total funding envelope of \$108,000 to support implementation of “Coordinated Access” in Halton Region.

In 2019 and 2020, Halton Region is expected to assist 1,925 individuals and families through the Housing Stability Fund.

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/or last month's rent/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: 152 subsidized beds that provide 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. 32 beds are made available for homeless individuals. Additionally, apartments and hotels (in the case of program overflow) are also provided to temporarily shelter homeless families across Halton Region. In 2020, the occupancy rates for emergency shelter are expected to remain high. Through Regional initiatives, the number of individuals and families who will move from homelessness to permanent housing is projected to be 387 by the end of 2019, and 383 in 2020.

Homelessness	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Households Receiving Housing Stability Fund (HSF) Support Annually	1,725	1,746	1,925	1,925	1,925
Number of clients accessing transitional and outreach support annually	338	353	389	350	330
Number of clients accessing Halton Housing Help (HHH) annually	1,812	2,178	2,124	2,020	2,350
Number of clients in receipt of Halton Housing First (HF) support annually	20	24	23	20	20
Total number of monthly Housing with Related Supports provided annually	1,685	1,685	1,685	1,685	1,685
Emergency single shelter occupancy rate	83%	81%	83%	80%	82%
Emergency family shelter occupancy rate	88%	68%	152%	150%	140%
Percentage of households contacted that remain permanently housed 6 months after receiving funding support through the Housing Stability Fund	91%	89%	91%	85%	85%
Number of individuals and families who moved from homelessness to permanent housing	386	392	383	387	383

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.

By the end of 2020, HCHC will manage 102 units of new government assisted housing stock on behalf of Halton Region as shown in the following table. With the acquisition of 147 apartment units at The Oaklands (formerly known as Union Housing Opportunities) in 2018 (through Report No. SS-18-17), HCHC now directly manages a total of 2,210 units. 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. The 2020 budget includes no net change as the costs are fully recovered by HCHC administration fees. The 2020 gross expenditures are increasing by \$133,300 or 6.7% mainly due to compensation and corporate support increases.

Halton Community Housing Corporation (HCHC)	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Total gross operating budget for Halton Community Housing Corporation (HCHC) (\$000s)	\$22,422	\$24,752	\$26,435	\$26,699	\$27,454
Number of units in the Halton Community Housing Corporation (HCHC) portfolio	2,300	1,961	2,193	2,210	2,210
Number of Regional units managed by the Halton Community Housing Corporation (HCHC)	28	78	88	102	102
Percentage of total households who are in arrears	6%	6%	6%	8%	8%
Asset management state of good repair spending (\$000s)	\$2,782	\$4,372	\$3,100	\$2,060	\$4,012
Asset management state of good repair capital projects	33	43	50	37	26

note: As of January 1, 2017, OSCR is an independent provider and is no longer part of the HCHC portfolio.

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 its 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 and activities of daily living supports to 572 individuals. The division also provides Supportive Housing and Adult Day programs that enable older adults to live in their own homes longer and maintain their independence.

Budget Impacts

The 2020 Services for Seniors budget reflects a net increase of \$1.5 million or 8.5% over the 2019 budget, mainly resulting from inflationary increases required to maintain service levels that have not been met with equivalent increases in Provincial subsidy funding. Gross Expenditures are increasing by \$1.9 million or 2.8% primarily due to inflationary cost increases, increased food costs, and an increase in capital transfers primarily due to reserve repayments for the new Production Kitchen and the LTC Home's food truck, while Subsidies & Revenues are increasing by only \$392,000 or 0.8%. An increase in Provincial subsidy of \$223,000 is comprised of a slight rise in Case Mix Index (CMI) and per diem funding adjustments, offset with a reduction due to the elimination of the Structural Compliance Premium funding as of March 31, 2020. The increase in Provincial subsidy funding is significantly lower than in previous years and does not keep pace with cost increases, resulting in increased Regional investment required to maintain service levels. Strategic investments for 2.0 FTEs are included; a Clinical Practice Supervisor and Registered Nurse, to respond to the significantly increasing medical and behavioural complexities of residents and to strengthen the provision of high quality care in Halton Region's LTC Homes. The Services for Seniors budget also includes 417.6 additional relief hours as a result of an in-year conversion of 0.2 FTE to address ongoing casual staffing pressures, and an additional 1.0 FTE added in-year to support Behavioural Supports Ontario (BSO) to provide the highest quality of care for individuals experiencing challenging behaviours as per Report No. SS-06-19 (re: Services for Seniors Funding Increase – Behavioural Supports Ontario). The 2020 projected cost per bed/day is \$300, which is in line with other municipally-run LTC homes in the Province.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2019 - 2020	
Adult Day Programs	\$ 1,593	\$ 322	\$ 1,915	\$ (1,430)	\$ 485	\$ 353	\$ 132	37.4%
Long-Term Care Homes	52,034	12,888	64,922	(45,948)	18,974	17,638	1,336	7.6%
Supportive Housing Programs	3,816	378	4,194	(3,835)	359	280	79	28.3%
Total	\$ 57,444	\$ 13,588	\$ 71,032	\$ (51,214)	\$ 19,818	\$ 18,271	\$ 1,547	8.5%
2019 Budget	\$ 56,088	\$ 13,005	\$ 69,093	\$ (50,822)	\$ 18,271			
\$ Change	1,356	584	1,939	(392)	1,547			
% Change	2.4%	4.5%	2.8%	0.8%	8.5%			
FTE					502.4	499.6	2.8	0.6%
Relief Hours					82,122.8	81,705.2	417.6	0.5%

Schedule may not add due to rounding.

Adult Day Programs provide day-time social and therapeutic recreational programming for older adults living in the community. As shown in the following table, in 2020, Adult Day programs will provide daily living supports to approximately 152 individuals.

The 2020 budget includes an increase of \$132,000, or 37.4%, primarily due to inflationary cost adjustments in compensation and support costs, and increased cost for food service support from the LTC homes, without comparable increases to base subsidy. Funding provided from the Local Health Integration Network (LHIN) for the Adult Day Programs has been held at the 2018 level of \$1.2 million, and funds 75% of the Adult Day Programs in 2020 versus 81% in 2019.

The Adult Day programs have seen a consistent increase in the number of referrals to the program and this trend is anticipated to continue. In 2018, the Georgetown location opened Saturday programming to help support the increasing needs of the community. Participants are utilizing multiple service days per week to support their increased need, thereby limiting the number of clients that can be served. This program received a 100% overall satisfaction rating in 2018.

Adult Day Programs	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Total gross operating cost of Regional Adult Day programs (\$000s)	\$1,247	\$1,422	\$1,579	\$1,709	\$1,837
Number of clients served	133	142	151	152	152
Overall satisfaction with the quality of care and service	100%	100%	100%	100%	100%

Long-Term Care Homes provide high quality care and accommodation to older adults who are no longer able to live on their own. This is achieved through 571 LTC beds and 1 respite bed used for short-term use, and the Production Kitchen which prepares meals for Halton’s three LTC Homes, the Adult Day programs, and the Meals on Wheels program which provides meals for older adults in the Milton and Halton Hills communities.

The 2020 budget for LTC Homes includes an increase of \$1.3, million or 7.6%, due to inflationary cost adjustments and strategic investments for 2.0 FTEs; a Clinical Practice Supervisor and Registered Nurse to address significantly increasing medical and behaviour complexities of residents in LTC. The 2020 budget is partially offset by an increase of \$163,000 or 1.2% primarily in basic and preferred resident accommodation revenues, and increased subsidy of \$223,000, which is considerably lower than in previous years and does not keep pace with resident care requirements. The increase in subsidy results from a slight rise in Case Mix Index (CMI) and per diem funding adjustments, offset with a reduction due to the elimination of the Structural Compliance Premium funding as of March 31, 2020. The 2019/2020 re-indexing of eligible CMI funding by the Ministry of Long-Term Care (MLTC) - subsidy received is 93.2% of the calculated care needs of residents. 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 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, or court) to maintain service levels. Legislated staff to resident ratios must be maintained to ensure the safety and well-being of residents. As shown in the table below, the 2020 budget includes a total of 80,386 relief hours, which is an increase of 417.6 from the 2019 budget due to an in-year conversion of 0.2 FTE as discussed above. The following table reflects the allocation of budget, FTEs and relief hours for each LTC home and Meals on Wheels.

Long-Term Care Homes						
\$000's	2020			2019		
	\$	FTE	Relief Hours	\$	FTE	Relief Hours
Direct Costs						
Allendale	\$ 18,572	184.1	12,532	\$ 18,114	182.6	12,532
Creek Way Village	13,565	118.5	27,720	13,292	118.7	27,303
Post Inn Village	19,810	175.7	40,134	19,300	174.2	40,134
Meals on Wheels	87	1.2		86	1.2	
Total Direct Costs	52,034	479.4	80,386	50,792	476.6	79,969
Corporate Charges & Financing	12,888			12,409		
Total Gross Costs	64,922			63,201		
Subsidies & Revenues						
Allendale	(15,811)			(15,756)		
Creek Way Village	(11,754)			(11,721)		
Post Inn Village	(18,241)			(17,944)		
Meals on Wheels	(143)			(143)		
Total Subsidies & Revenues	(45,948)			(45,563)		
Net Tax Impact						
Allendale	7,982			7,154		
Creek Way Village	4,586			4,308		
Post Inn Village	6,383			6,115		
Meals on Wheels	23			61		
Total Net Tax Impact	\$ 18,974			\$ 17,638		

The 10-year capital program includes \$8.8 million over the next 10 years, which is \$2.3 million higher than the 2019 10-year program, primarily due to the new Production Kitchen planned for Allendale, a new receiving kitchen at Post Inn Village, and the replacement of a food delivery truck servicing the LTC Homes and the Adult Day programs.

Services for Seniors Capital Program							
(\$ Millions)	2020	2021	2022	2023	2024	2025 - 2029	Total
LTC Facility Equip. Replacement	\$ 2.92	\$ 0.65	\$ 0.65	\$ 0.65	\$ 0.65	\$ 3.25	\$ 8.77
Total	\$ 2.92	\$ 0.65	\$ 0.65	\$ 0.65	\$ 0.65	\$ 3.25	\$ 8.77

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 2020, which will be transferred to the Regional capital reserve to repay the Region's initial financing of the LTC Homes and future replacement. 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 10 years.

The Services for Seniors capital program is funded from reserves, which will be replenished from annual operating transfers. The 2020 budget includes capital financing (i.e., transfer to reserves) of \$2.2 million, an increase of \$150,000 from 2019, primarily due to the new Production Kitchen payback (\$128,000) and the Long-Term Care Homes food truck payback (\$24,000).

As shown in the following table, 792 residents are projected to be served at the Regional LTC Homes in 2019, and 95% of residents and families would recommend the LTC Homes. The number of residents served in 2020 is projected to be higher than in 2019 because the length of stay per resident is decreasing.

Long-Term Care Homes	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Total gross operating cost of the 3 Regional Long-Term Care Homes (\$000s)	\$58,382	\$59,678	\$61,930	\$63,934	\$64,651
Percentage of Long-Term Care Homes operating budget from Regional investment	29%	29%	29%	29%	29%
Cost of a bed/day in Regionally operated Long-Term Care Homes	\$278	\$286	\$297	\$296	\$299
Percentage of residents satisfied with the Long-Term Care Homes as a place to live as reported to the Ministry of Health and Long-Term Care	98%	94%	88%	95%	95%
Number of residents served at Regionally operated Long-Term Care Homes	731	722	769	792	795
Number of beds	572	572	572	572	572
Percentage of municipal long-term care beds per population over 75 years of age	7%	5%	5%	7%	7%
Allendale - Funded CMI	101%	105%	111%	112%	112%
Post Inn Village - Funded CMI	102%	102%	107%	108%	108%
Creek Way Village - Funded CMI	111%	111%	114%	112%	112%

Supportive Housing Programs provide in-home care and support to older adults living in four designated housing buildings (Martin House, John R. Rhodes, Bonnie Place and Wellington Terrace). As shown in the following table, in 2019, the Supportive Housing programs provided personal support services to 247 Halton residents allowing them to remain safely living at home. The Supportive Housing program was recognized by 95% of its clients as a program that meets their needs and allows them to remain living in the community.

The 2020 budget includes a net increase of \$79,000, or 28.3%, primarily due to inflationary increases in compensation and corporate support, with an additional increase in the cost of food supplies, without corresponding increases in subsidy. Funding in the amount of \$3.8 million is provided through the LHIN and remains at the 2019 level, which funds 90% of total Supportive Housing programs in 2020 versus 91% in 2019.

Supportive Housing	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Total gross operating cost of Supportive Housing (\$000s)	\$3,843	\$4,033	\$4,075	\$4,107	\$4,197
Amount of Regional funding for Supportive Housing programs (\$000s)	\$286	\$287	\$233	\$376	\$437
Amount of LHIN funding for Supportive Housing programs (\$000s)	\$3,668	\$3,690	\$3,745	\$3,763	\$3,763
Number of clients served at Regionally operated Supportive Housing locations (1+2+3+4)	246	250	258	245	247
Number of clients served at Bonnie Place (1)	63	63	75	63	63
Number of clients served at Wellington Terrace (2)	51	57	54	57	57
Number of clients served at Martin House (3)	67	62	59	62	62
Number of clients served at John Rhodes Residence (4)	65	68	70	68	70
Overall Satisfaction with the quality of care and service	N/A	N/A	N/A	95%	95%

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 three divisions: Planning Services, Economic Development, and Legal Services. The Legal Services budget is reported through Corporate Administration where the net expenditures have been allocated to program budgets to show the full cost of program delivery. The 2020 budget for Legal Services is discussed in the Corporate Administration section.

Budget Impacts

As shown in the following table, the Legislative & Planning Services 2020 budget reflects a net increase of \$1.4 million, or 9.7%, over the 2019 budget. Direct Costs are increasing by \$353,000, or 3.5%, primarily due to inflationary costs and anticipated grants to be issued for the Starter Company, Summer Company and Core programs. Capital & Other Expenditures are increasing by \$1.2 million, or 21.2%, primarily due to capital financing costs related to the Planning Litigation and ROP Implementation projects. Subsidies & Revenue are increasing by \$169,000, or 14.1%, primarily due to additional subsidy received for the Starter Company, Summer Company and Core programs and increases in application fee revenue due to an anticipated increase in application requests.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Legislative & Planning Services								
Planning Services	\$ 7,299	\$ 5,820	\$ 13,119	\$ (1,110)	\$ 12,009	\$ 10,774	\$ 1,235	11.5%
Economic Development	3,060	1,230	4,291	(258)	4,033	3,850	183	4.8%
Total	\$ 10,359	\$ 7,051	\$ 17,410	\$ (1,367)	\$ 16,042	\$ 14,624	\$ 1,419	9.7%
2019 Budget	\$ 10,007	\$ 5,816	\$ 15,823	\$ (1,199)	\$ 14,624			
\$ Change	353	1,235	1,587	(169)	1,419			
% Change	3.5%	21.2%	10.0%	14.1%	9.7%			
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

As shown in the following table, the Planning Services 2020 budget reflects a net increase of \$1.2 million, or 11.5%, over the 2019 budget. Direct Costs are increasing by \$178,000, or 2.5%, primarily due to inflationary costs. Capital & Other Expenditures are increasing by \$1.1 million, or 24.3%, primarily due to capital financing costs related to the Planning Litigation and ROP Implementation projects. Subsidies & Revenue are increasing by \$80,000, or 7.8%, primarily due to increases in application fee revenue due to an anticipated increase in application requests.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Planning Services								
Planning Policy Development & Implementation	\$ 2,166	\$ 1,571	\$ 3,737	\$ (0)	\$ 3,736	\$ 3,390	\$ 347	10.2%
Development Approval	2,774	2,829	5,603	(865)	4,738	4,185	553	13.2%
Environmental Protection	2,359	1,420	3,780	(245)	3,535	3,200	335	10.5%
Total	\$ 7,299	\$ 5,820	\$ 13,119	\$ (1,110)	\$ 12,009	\$ 10,774	\$ 1,235	11.5%
2019 Budget	\$ 7,121	\$ 4,683	\$ 11,803	\$ (1,029)	\$ 10,774			
\$ Change	178	1,138	1,316	(80)	1,235			
% Change	2.5%	24.3%	11.1%	7.8%	11.5%			
FTE					50.0	50.0	0.0	0.0%

Schedule may not add due to rounding

Planning Policy Development & Implementation is responsible for Regional land use planning and growth management through development and implementation of the ROP. The 2020 program budget is increasing by \$347,000, or 10.2%, primarily due to inflationary increases and technology support costs, as well as increased capital financing costs discussed in the Planning Services Capital Budget & Forecast section.

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. The last review through the Sustainable Halton process culminated in Regional Official Plan Amendment (ROPA) 38, which was adopted by Regional Council on December 16, 2009.

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.

Planning Policy Development & Implementation	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Percent of Region Maintained in Natural Heritage System	50%	50%	50%	50%	50%
Percent of Growth in Intensification Areas	48%	30%	37%	40%	40%

As part of the Places to Grow initiative to plan for healthy and prosperous growth throughout Ontario, the province's Growth Plan requires municipalities to accommodate a significant portion of future growth through intensification to create more compact, vibrant and complete communities. The 2019 Growth Plan establishes an intensification target, which specifies that a minimum of 50% (previously 40% under the 2006 Growth Plan) of new residential development will occur within the built-up areas of each upper or single-tier municipality. The intensification target will be incorporated into the next ROP.

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 2020 program budget is increasing by \$553,000, or 13.2%, primarily due to inflationary increases and additional support for source water protection, as well as increased capital financing costs discussed in the Planning Services Capital Budget & Forecast section.

The number of development applications shown in the table below are affected by economic conditions, timing of the Regional Allocation Program and the local municipal development review process. It is anticipated that the level of activities in 2020 will increase from 2018 and 2019 levels should the new Allocation Program for financing greenfield development comes online.

Development Approval	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Development Applications	786	856	795	680	900
Number of New Housing Completions	3,409	5,557	4,492	2,300	3,500

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 a natural heritage system. The 2020 program budget is increasing by \$335,000 or 10.5% primarily due to inflationary increases, as well as increased capital financing costs discussed in the Planning Services Capital Budget & Forecast section.

The Woodlands Stewardship Program was developed to assist landowners with the establishment of woodland plantations, the preparation of forest management plans and tree marking services. As seen in the following table, it is estimated that the applications for 2020 will decline slightly from 2018 actuals due to fluctuations in climatic events, the management of invasive species, as well as the availability of provincial funding.

Environmental Protection	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Applications for the Woodlands Stewardship Program	21	34	17	10	15

Planning Services Capital Budget & Forecast

The 2020 budget also provides funding to support the following capital projects.

Planning Services Capital Program							
(\$ Millions)	2020	2021	2022	2023	2024	2025 - 2029	Total
ROP Update & Implementation	\$ 0.20	\$ 0.20	\$ 0.10	\$ 1.10	\$ 2.20	\$ 6.50	\$ 10.30
Planning Litigation - LPAT and Other Hearings	5.50	1.50	2.00	1.00	1.00	6.50	17.50
Burlington Waterfront Master Plan Implementation	5.92	1.70	18.15	-	-	9.25	35.02
Assisted Housing Development	9.00	9.40	9.45	9.45	11.20	50.00	98.50
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	\$ 20.62	\$ 12.82	\$ 29.72	\$ 11.72	\$ 14.46	\$ 72.35	\$ 161.69

Schedule may not add due to rounding.

The \$161.7 million 10-year Planning Services capital program is \$4.3 million lower than the 2019 program mainly due to the land acquisition for the Burlington Beach Master Plan accelerated through the 2019 Budget and Business plan (\$8.5 million) offset by an increase to the Planning Litigation project (\$3.6 million).

The ROP Update and Implementation requires \$10.3 million over the next 10 years with \$0.2 million allocated in 2020. 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 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 (LPAT & Other hearings) is \$17.5 million to support a number of pending or likely LPAT and Joint Board Hearings of which \$5.5 million is planned for 2020. The significant files to be addressed in 2020 are: CN Logistics Hub, Glen Abbey, North Aldershot/Eagle Heights, 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 \$35.0 million over the 10-year period. The success of the Burlington Beach acquisition program along with favourable real estate market conditions has resulted in the \$5.9 million acceleration of the land acquisition phase of the capital

project (T5800D). Construction and the Hydro Relocation costs have been deferred to 2022 from 2020 so that the technical studies and detailed construction drawings can be completed.

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.

The Assisted Housing Development program requires \$98.5 million over the next 10 years, with \$9.0 million allocated in 2020, to deliver new assisted and affordable housing units in Halton in accordance with the updated Comprehensive Housing Strategy (CHS) (SS-21-13). The 2020-2024 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.

Based on the above, the total capital financing included in the 2020 budget totals \$2.2 million, which is a \$0.9 million increase from the 2019 budget. This includes an increase of \$0.5 million to support the Planning Litigation project and \$0.4 million to support the ROP Implementation.

Economic Development

The Economic Development division stimulates job growth and economic development in Halton, thereby contributing to the quality of life for Halton residents. The division provides services to support Halton companies to start up, expand and go global, attracts non-residential development and business growth, implements the Region's cycling tourism strategy and delivers Heritage Services.

Budget Impacts

As shown in the following table, the Economic Development 2020 budget reflects a net increase of \$183,000, or 4.8%. Direct Costs are increasing by \$174,000, or 6.0%, primarily due to inflation and anticipated grants to be issued for the Starter Company, Summer Company and Core programs. Capital & Other Expenditures are increasing by \$97,000, or 8.6%, primarily due to additional corporate support costs related to communications and technology. Subsidies & Revenue are increasing by \$88,000, or 51.9%, primarily due to additional subsidy received for the Starter Company, Summer Company and Core programs.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Economic Development								
Business Attraction & Retention	\$ 1,356	\$ 796	\$ 2,153	\$ (2)	\$ 2,151	\$ 1,982	\$ 169	8.5%
Small & Medium Enterprise Development	843	132	975	(246)	729	709	20	2.8%
Cycling Tourism	70	-	70	(2)	68	67	1	2.0%
Halton Global Business Centre	11	-	11	-	11	11	-	0.0%
Heritage Services	780	303	1,083	(9)	1,074	1,081	(7)	-0.7%
Total	\$ 3,060	\$ 1,230	\$ 4,291	\$ (258)	\$ 4,033	\$ 3,850	\$ 183	4.8%
2019 Budget	\$ 2,886	\$ 1,133	\$ 4,019	\$ (170)	\$ 3,850			
\$ Change	174	97	271	(88)	183			
% Change	6.0%	8.6%	6.8%	51.9%	4.8%			
FTE					18.0	18.0	0.0	0.0%

Schedule may not add due to rounding

Business Attraction & Retention provides a range of services to attract and facilitate new non-residential development and business growth. Services include providing data and insight into Halton's economy and demographics, undertaking industry and competitiveness research, assisting with investment and site selection and providing concierge support through the development approvals process to foster new non-residential development and business expansions. The section undertakes Halton-wide marketing and communications activities and supports Regional partners in delivering investment-ready employment lands. The 2020 program budget is increasing by \$169,000, or 8.5%, primarily due to inflationary increases, as well as an increase in grants issued for partner entrepreneurship

programs to align with trends and a study that will analyze employment land needs in Halton, providing policy directions for the Regional Official Plan anticipated in 2020.

As shown in the following table, non-residential development in Halton has been increasing based on ongoing economic growth in the region. As a result of this economic growth, the annual growth in the number of businesses and jobs in Halton has continued to trend upward.

Business Attraction & Retention	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Amount of Non-Residential Gross Floor Area Built in Halton (Million Sq. Ft.)	2.7	2.4	3.8	3.4	3.4
Annual Growth in the Number of Businesses in Halton	13,287	13,413	13,296	13,460	13,590
Annual Growth in Number of Jobs in Halton (000s)	224	232	229	234	238

Small & Medium Enterprise Development delivers entrepreneurship programs and provides resource access as guided by the Region’s 2012-2021 Economic Development Strategy. The Region’s Small Business Centre provides support services to help entrepreneurs start and grow their businesses. Services include free one-on-one business consulting and coaching for starting, managing or growing a small business, assistance with business registration, resources and information about government programs, seminars and entrepreneurial training programs. The 2020 program budget is increasing by \$20,000, or 2.8%, primarily due to inflationary increases.

As shown in the following table, the number of one-on-one business consultations is expected to increase to 950 in 2020 due to the expectation of being at full staff complement, and hence the availability of additional staff resources.

Small & Medium Enterprise Development	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of unique Small Business Consultations Conducted Annually	663	655	1,063	900	950

Cycling Tourism is focused on the implementation of the Region’s Cycling Tourism Strategy approved by Regional Council in July 2018. The strategy will build awareness of Halton’s cycling offerings for residents and visitors to the region. Initiatives include a communication campaign, new cycling routes and experiences, wayfinding, performance measurement and an annual Halton Cycling Summit. The 2020 program budget is increasing by \$1,000, or 2.0%, primarily due to inflationary increases.

Halton Global Business Centre (HGBC) helps small Halton businesses scale up and go global, which is critical for job creation and sustained regional economic growth. The HGBC, in collaboration with partners Haltech and senior government ministries and crown agencies, provides information and client services relating to export development and scaling business operations. The HGBC assists businesses with identifying their needs and ensuring they are on track to grow and expand their product and service offerings for the global marketplace. Services and programs include export counseling, market entry support, workshops and seminars

including export diversification, information on government programs, as well as funding and networking opportunities. The 2020 program budget for the HGBC is not changing from 2019.

Heritage Services is responsible for the preservation of the material and cultural heritage of Halton Region. The program acquires and shares knowledge of the Region’s historical and natural world and encourages discovery, appreciation and understanding of the Region’s heritage. Heritage Services undertakes professional collection management, research, exhibit development and educational programming in support of local Halton heritage partners. An ongoing initiative in 2020 is a critical review of the collection. The 2020 program budget is decreasing by \$7,000, or 0.7%, primarily due to lower building costs resulting from an anticipated reduction in natural gas consumption offset by inflationary increases.

Economic Development Capital Budget & Forecast

The 2020 budget also provides funding to support the following capital projects.

Economic Development Capital Program							
(\$ Millions)	2020	2021	2022	2023	2024	2025 - 2029	Total
Halton Heritage Centre	\$ -	\$ -	\$ 8.00	\$ -	\$ -	\$ -	\$ 8.00
Regional Wayfinding	0.19	-	-	-	-	-	0.19
Total	\$ 0.19	\$ -	\$ 8.00	\$ -	\$ -	\$ -	\$ 8.19

Schedule may not add due to rounding.

The \$8.2 million 10-year capital program is \$185,000 higher than the 2019 program due to the addition of funding required for Cycling Tourism Wayfinding. The construction of the Halton Heritage Centre (LPS62-14) has been deferred to 2022 and requires an estimated \$8.0 million. Staff will update the heritage strategy plan prior to the Halton Heritage Centre proceeding.

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 solid waste collection and disposal, and Road Operations supports all aspects of the transportation system throughout Halton Region.

Budget Impacts

The 2020 budget is increasing by \$3.2 million or 3.2%, which is comprised of increases of \$1.3 million for Waste Management, and \$1.9 million for Road Operations. Direct costs are increasing by \$2.7 million or 4.5%, and include an increase of \$1.4 million for waste management contracts and \$466,000 for Regional and Local road maintenance contracts, partially offset with a decrease of \$50,000 in hydro costs to reflect savings from the ongoing conversion to light emitting diode (LED) streetlights. Also included in the 2020 budget are strategic investments for 3.0 FTEs; a Landfill Coordinator, Waste Management Operator and Traffic Operations Technologist, with details discussed below. Subsidies & Revenues are increasing by \$757,000 resulting from increased blue box stewardship funding.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020-2019	
Waste Management & Road Operations								
Waste Management	\$ 40,339	\$ 11,908	\$ 52,247	\$ (7,979)	\$ 44,268	\$ 43,003	\$ 1,264	2.9%
Road Operations	21,154	36,190	57,344	(378)	56,967	55,049	1,918	3.5%
Total	\$ 61,493	\$ 48,098	\$ 109,591	\$ (8,357)	\$ 101,235	\$ 98,052	\$ 3,182	3.2%
2019 Budget	58,839	46,812	105,652	(7,599)	98,052			
\$ Change	2,654	1,285	3,939	(757)	3,182			
% Change	4.5%	2.7%	3.7%	10.0%	3.2%			
FTE					81.0	78.0	3.0	3.8%

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 disposing of municipal solid waste for approximately 205,300 residential dwelling units, 8 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.

Budget Impacts

The 2020 Waste Management Budget reflects a net increase of \$1.3 million or 2.9%, over the 2019 budget. Direct costs are increasing by \$1.8 million, driven by an increase of \$1.4 million for waste management contracts, and strategic investments for 2 FTEs; a Landfill Coordinator to ensure service levels are maintained and assist with program support and customer service, and a Waste Management Operator to support the operations of the expanded Container Station services at the Halton Waste Management Site. Subsidies & Revenues are increasing by \$751,000 or 10.4% resulting from increased blue box stewardship funding which partially offset the increased cost of the waste management contracts.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020-2019	
Collection	\$ 26,036	\$ 4,569	\$ 30,606	\$ (5,639)	\$ 24,966	\$ 24,729	\$ 238	1.0%
Processing / Transfer	10,352	(1,225)	9,127	(187)	8,940	8,250	690	8.4%
Residual Management	3,951	8,564	12,514	(2,153)	10,362	10,025	337	3.4%
Total	\$ 40,339	\$ 11,908	\$ 52,247	\$ (7,979)	\$ 44,268	\$ 43,003	\$ 1,264	2.9%
2019 Budget	38,494	11,738	50,231	(7,228)	43,003			
\$ Change	\$ 1,846	\$ 170	\$ 2,015	\$ (751)	\$ 1,264			
% Change	4.8%	1.4%	4.0%	10.4%	2.9%			
FTE					41.0	39.0	2.0	5.1%

Schedule may not add due to rounding.

Halton's robust waste management strategy to reduce the amount of waste going to landfills each year is having an impact, and along with the efforts of residents, Halton Region continues to be a leader in waste diversion. The diversion rate is targeted at 58% in 2020, and in combination with the anticipated continuing decline in the amount of garbage being generated, will continue to extend the landfill lifespan and defer the significant capital investment required to expand the landfill capacity.

As reported to Council in Report No. PW-12-18 (re: Solid Waste Management Strategy Short Term Options), key initiatives will continue to be implemented in 2020, including enhanced promotion and education of waste diversion programs and services, development of a food waste minimization strategy, and optimization of the Halton Waste Management Site to improve the customer experience.

As reported to Council through Report No. PW-39-19 (re: Blue Box Transition to Full Producer Responsibility) the Ontario Government introduced the *Waste-Free Ontario Act* in November 2015 to establish new producer responsibility whereby producers are responsible for their products and accountable for recovering resources and diverting their materials from landfill. On August 15, 2019 the Minister of Environment, Conservation and Parks announced that the Blue Box program will transition to producer responsibility in phases over a six-year period, which includes submission of a wind-up plan in consultation with municipalities in 2020, implementation plan development during 2021-2022, with implementation taking place over 2023-2025. Staff will continue to participate with the Association of Municipalities of Ontario and the Municipal 3R's Collaborative in the preparation of transition to full producer responsibility. Halton Region will be involved in discussions and preparations for transition to full producer responsibility with a goal to ensure no disruption to all waste collection services, a seamless transition and the continuation of cost effective waste programs and services that increase waste diversion from landfill, place a priority on customer service, and are easily accessible to all residents.

Collection Services include residential pickup of garbage, blue box, organics, bulk waste, metal items and appliances, yard waste and Christmas trees. The 2020 budget is increasing by \$238,000 or 1.0%, largely driven by inflationary contract increases and a 0.2% increase in budgeted tonnages. As shown in the table below, total collected waste is projected to be 170,100 metric tonnes in 2020. The collection costs per metric tonne are increasing slightly due to the increased the waste collections tonnes and 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	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Resident Complaints Received Regarding the Collection of Waste Materials per 1,000 Households	49	49	49	47	45
Metric Tonnes of Solid Waste Collected (000s)	166	170	171	170	170
Average Cost / Metric Tonne of Materials Collected	\$135	\$134	\$140	\$146	\$147

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 2020 budget is increasing by \$690,000 or 8.4%, which includes inflationary contract increases, tonnage growth, and increased green bin and blue box processing costs. As discussed in Report No. PW-30-19 (re: Year End Waste Management Report), the amount of residual waste in the Blue Box has increased due to an import policy implemented in 2018 called National Sword that banned certain waste materials and established very strict contamination limits on recyclable material. This has posed significant challenges on municipal Blue Box programs to meet market conditions and handle the additional residual waste. As a result, blue box market prices continue to fluctuate. As shown in the following table, the cost to process recyclables (\$53/tonne) is much less than the cost to process green bin material (\$169/tonne), primarily due to the Region's robust recycling program resulting in a higher revenue share for Blue Box program funding from Resource Productivity & Recovery Authority (RPRA).

Processing / Transfer	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Market Price of Recycled Materials per Tonne	\$126	\$156	\$118	\$117	\$109
Average Cost of Recyclables Processed (per Metric Tonne)	\$37	\$34	\$57	\$47	\$53
Average Cost to Haul and Process Green Bin Material	\$137	\$147	\$159	\$160	\$169

Residual Management facilitates the operation and maintenance of open and closed landfills within Halton. The 2020 budget is increasing by \$337,000 or 3.4%, mainly due to inflationary increases and strategic investments for 2 FTEs; a Landfill Coordinator and a Waste Management Operator. The Landfill Operator will replace existing temporary support used to ensure service levels are maintained and assist with program support and customer service. The Waste Management Operator will support the operations of the expanded Container Station services at the Halton Waste Management Site, as identified in the 2018 Solid Waste Management Strategy short-term objectives. The 2020 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 and low garbage generation rates resulting in an extension of the life of the existing landfill. The landfill is now projected to last 48 years to 2044. The Halton Waste Management Site tip fee is increasing to reflect the full cost recovery of waste disposal at the HWMS.

Residual Management	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Tonnes of Waste (including Residual) Managed and/or Handled at Landfill	87,589	89,818	93,496	93,288	93,642
Halton Waste Management Site Tip Fee	\$165	\$165	\$165	\$165	\$170
Residential Solid Waste Diversion Rate	58.3%	58.1%	58.5%	58.0%	58.0%

Capital Budget & Forecast

The 2020 Waste Management budget provides funding to support the following capital projects.

Waste Management Capital Program							
(\$Millions)	2020	2021	2022	2023	2024	2025 - 2029	Total
Cell Construction & Gas System	\$ 0.08	\$ 0.62	\$ 2.67	\$ 2.55	\$ 0.05	\$ 15.87	\$ 21.83
Buffer Lands & Other	0.75	0.19	1.03	0.30	0.56	2.54	5.37
Transfer Facility (Organics Prgrm)	-	-	-	7.10	-	-	7.10
Closed Landfill Studies, SCADA, etc	2.58	-	0.05	0.15	0.35	0.27	3.40
Studies, Technology & Other	0.05	0.05	-	0.65	-	0.22	0.97
Equipment & Vehicles	0.21	0.03	0.12	3.12	0.37	4.12	7.98
Total	\$ 3.67	\$ 0.89	\$ 3.87	\$ 13.87	\$ 1.33	\$ 23.02	\$ 46.65

Schedule may not add due to rounding.

The \$46.6 million 10-year Waste Management capital program is \$3.6 million higher than the 2019 program, mainly due to the addition funding for the HWMS Optimization Implementation (PW-12-18). A total of \$21.8 million has been identified for the landfill cell constructions and gas system installations over the next 10 years, including \$15.0 million for Cell 4 West construction in 2025. In addition, \$7.1 million has been earmarked for transfer facility construction in 2023, to support growth and timely collection of green cart and blue box material. The remaining program also includes buffer land purchases (\$5.4 million), vehicles and equipment (\$7.98 million for bulldozers and compactors etc.) and studies, structural maintenance at the Halton Waste Management Site, and closed landfills (\$4.4 million).

The \$3.7 million 2020 Waste Management capital program is \$1.6 million higher than the 2020 forecast included in the 2019 budget mainly due to increased costs for the Halton Waste Management Site (HWMS) Optimization implementation as reported to Council in Report No. PW-12-18 (re: Solid Waste Management Strategy Short Term Options).

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 has increased by \$126,000 to support the state-of-good-repair program in 2020 to \$7.2 million which also 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 (PPW91-05/CS-81-05).

Road Operations

Road Operations includes all aspects of the transportation system including the planning, design, construction, operations, maintenance and overall management of road and related infrastructure of approximately \$1.2 billion in assets. The Regional transportation system includes 1,146 lane kilometres of major arterial roads, 267 signalized intersections, 273 bridges and major culverts, and 6,738 lights to be maintained in 2020.

The 2020 budget includes Asset Management, Active Transportation Master Plan implementation 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 2020 Road Operations budget reflects a net increase of \$1.9 million or 3.5% over the 2019 budget, and is driven by an increase of \$1.1 million or 3.2% in Capital & Other Expenditures mainly to fund the road resurfacing and state-of-good-repair capital programs, and \$808,000 or 4.0% in Direct Costs which includes an increase of \$466,000 in road maintenance contracts to reflect inflation and lane kilometre growth, and a strategic investment for a Traffic Operations Technologist to operate the Regional Advanced Traffic Management System (ATMS), partially offset with a decrease of \$50,000 in hydro costs to reflect savings from the ongoing conversion to LED streetlights.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020-2019	
Road Operations & Maintenance	\$ 12,408	\$ 9,546	\$ 21,954	\$ (150)	\$ 21,804	\$ 20,271	\$ 1,533	7.6%
Traffic Control & Safety	4,355	1,694	6,049	(117)	5,932	5,777	156	2.7%
Infrastructure Management	4,391	24,951	29,341	(111)	29,230	29,001	229	0.8%
Total	\$ 21,154	\$ 36,190	\$ 57,344	\$ (378)	\$ 56,967	\$ 55,049	\$ 1,918	3.5%
2019 Budget	20,346	35,074	55,420	(371)	55,049			
\$ Change	\$ 808	\$ 1,116	\$ 1,924	\$ (6)	\$ 1,918			
% Change	4.0%	3.2%	3.5%	1.7%	3.5%			
FTE					40.0	39.0	1.0	2.6%

Schedule may not add due to rounding.

The **Road Operations & Maintenance** includes services for winter maintenance, summer maintenance, road resurfacing, pedestrian and bicycle travel, and storm water management. The 2020 budget is increasing by \$1.5 million or 7.6%, mainly driven by increases in Regional and Local road maintenance contracts and an increase in the transfer to fund road resurfacing which is discussed below.

Roads Operations & Maintenance	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Pavement Quality Index of Regional Roads	78.0%	77.7%	77.1%	78.7%	78.7%
Lane KM of Road Resurfaced	25	31	36	30	40
Number of (lane) Kilometers of New Active Transportation Infrastructure on Regional Roads (On Road ATMP)	26	3	23	12	17
Road Lane Kilometres	1,103	1,109	1,116	1,133	1,146
Road Resurfacing Expenditures (\$000s)	\$4,075	\$6,142	\$8,289	\$9,700	\$10,400
Number of Customer Service Enquiries	2,075	1,259	1,636	1,600	1,550

Halton strives to maintain a network average Pavement Quality Index (PQI) which reflects a good-state-of-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.

As Halton’s road network continues to expand, the road resurfacing and maintenance programs also continue to expand. For 2020, the operating contribution to the Road Resurfacing Reserve has increased by \$575,000 to a total of \$7.5 million in order to ensure sustainable funding is provided for the 10-year Road Resurfacing program. The 10-year Road Resurfacing program totals \$95.8 million with \$10.4 million planned for 2020.

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 and Safety** program includes operation and maintenance of traffic signals, street lights, red light cameras and traffic sign controls. The 2020 budget is increasing by \$156,000 or 2.7% as a result of inflationary increases and a strategic investment for a Traffic Operations Technologist to operate the Regional Advanced Traffic Management System (ATMS), ensuring there are sufficient resources to proactively monitor areas of traffic congestion during peak periods and as needed on weekends and off peak periods for incident management purposes.

Traffic Control & Safety	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Streetlights Maintained	6,198	6,200	6,285	6,501	6,738
Number of Red Light Camera Intersections Operated	12	17	17	20	20
Number of Traffic Signals Maintained	249	249	256	264	267

As stated above, the overall road network and number of lane kilometres continues to grow. Along with this, the number of street lights and the number of traffic signals maintained also continues to grow. One of the major costs associated with the Traffic Control and Safety program is the energy costs related to street lights.

As set out in Report No. PW-28-16 (re: Region of Halton Street Light Conversion Program), the Region continues to move forward with converting the Region's approximately 6,461 existing High Pressure Sodium street lights to LED technology over 5 years (2016-2020). The 2020 capital budget includes \$0.4 million for the conversion. Based on the current market trend, the energy savings resulting from this program is projected to reach \$600,000 by 2020, when the conversion is expected to be completed. These savings have been incorporated in the Road Operations budget and forecast to offset the street light hydro cost.

Infrastructure Management budget provides for the State-of-Good-Repair program which ensures the ongoing integrity of transportation infrastructure through design, planning and construction.

Infrastructure Management	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Percent of Roads, Bridges and all road related assets rated Good, Very Good or Excellent	66.0%	78.9%	73.2%	89.0%	89.0%
Percent of Paved Lane KM's Rated Good or Very Good	65.1%	63.8%	59.2%	71.5%	71.5%

The overall condition of the road infrastructure has improved over the last five years due to the continued investment in the State-of-Good-Repair program.

The 2020 Infrastructure Management budget is increasing by \$229,000 or 0.8%, which includes an increase of \$250,000 in capital financing for a total operating contribution of \$29.4 million to the tax capital reserve to ensure that the Region's road network continues to be in a state-of-good-repair. This increase is partially offset with increased construction permit revenues.

Capital Budget & Forecast

As shown in the following table, the 2020 10-year Transportation capital program totals \$1.6 billion and will facilitate significant road widening, new road construction, and grade separation programs. The capital project details are included in the Capital Budget section of the book. The 10-year program in 2020 is \$82.8 million lower than the 2019 program and reflects the infrastructure staging plan, Public Works Asset Management Plan and cost updates based on EAs and design work.

10-Year Transportation Capital Expenditures

Regional Road Program							
(\$Millions)	2020	2021	2022	2023	2024	2025-2029	Total
Regional Road 25	\$ 2.61	\$ 8.65	\$ 28.16	\$ 12.32	\$ 10.75	\$ 115.31	\$ 177.81
Trafalgar Road	77.18	44.74	0.83	-	3.73	48.30	174.77
Tremaine Road	1.38	10.35	26.65	3.44	31.44	71.11	144.37
Steeles Avenue	5.25	0.23	17.08	9.30	46.42	45.23	123.50
Upper Middle Road	-	-	2.00	2.89	9.16	100.68	114.73
Road Resurfacing & Related Works	10.40	10.52	11.54	10.83	11.92	49.29	104.50
James Snow Parkway	4.33	3.60	0.89	29.70	1.10	31.56	71.19
Dundas Street	26.22	19.00	23.14	-	-	-	68.36
Appleby Line	2.41	-	-	-	-	55.13	57.54
Ninth Line	26.74	3.57	4.40	10.77	0.33	10.71	56.52
Wyecroft Road Extension	55.76	-	-	-	-	-	55.76
Winston Churchill Boulevard	8.10	21.71	4.90	1.78	2.39	15.67	54.54
5 1/2 Line	-	-	-	0.57	-	47.92	48.48
Britannia Road	44.90	-	-	-	-	-	44.90
Traffic Signals & Intersections	6.28	6.41	5.78	3.91	3.28	17.85	43.52
Burloak Drive	-	-	-	-	4.38	30.17	34.55
Brant Street	-	-	-	0.83	-	30.85	31.68
Derry Road	-	-	-	0.59	-	26.73	27.31
Guelph Line	-	11.43	-	-	-	15.32	26.74
Active Transportation (Study & Infill Projects)	4.79	0.29	2.91	2.43	3.52	12.01	25.95
Road Studies (eg. Travel Demand)	3.46	2.42	1.79	2.84	1.91	10.72	23.14
William Halton Parkway	19.85	-	-	-	-	-	19.85
No. 10 Sideroad	-	2.11	-	-	-	11.79	13.90
North Service Road	-	-	-	-	-	13.30	13.30
Bridges, Culverts & Other	2.42	4.25	0.70	1.17	1.54	1.05	11.12
Noise Attenuation Barriers	1.65	0.42	0.43	0.10	0.86	6.04	9.50
Miscellaneous Works (eg. Operational Improvements)	1.81	1.24	1.27	0.75	0.41	2.94	8.41
Campbellville Road	-	-	-	-	-	4.28	4.28
Vehicles & Equipment	-	-	-	0.04	-	0.22	0.26
Total	\$ 305.52	\$ 150.95	\$ 132.45	\$ 94.25	\$ 133.14	\$ 774.16	\$ 1,590.46

Schedule may not add due to rounding.

2020 Capital Budget

The following table summarizes the 10 largest projects budgeted for 2020. These projects account for 91.9% (\$280.2 million) of the \$305.5 million total in 2020.

2020 Major Transportation Capital Projects 10 Largest Capital Expenditures in 2020 (\$Millions)	
Project Descriptions	Cost
Trafalgar Road	\$ 77.2
Wyecroft Road Extension	55.8
Britannia Road	44.9
Ninth Line	26.7
Dundas Street	26.2
William Halton Parkway	19.9
Road Resurfacing & Related Works	10.4
Winston Churchill Blvd	8.1
Traffic Signals & Intersections	6.3
Active Transportation (Study & Infill Projects)	4.8
Total	\$ 280.2

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.

2020 Transportation Capital Program (2020-2029) (\$Millions)					
Period	Total	DC Res. Share	Capital Reserve		Recovery
			Non-res Share	Region Share	
2020 Budget	\$ 305.5	\$ 124.3	\$ 70.0	\$ 66.43	\$ 44.8
2021-2029 Forc.	1,284.9	646.1	316.6	322.2	-
Total	\$ 1,590.5	\$ 770.4	\$ 386.5	\$ 388.7	\$ 44.8

Schedule may not add due to rounding.

With a total cost of \$1.6 billion, \$388.7 million (24.4%) is related to Region's State-of-Good-Repair program to continue to enhance the Regional investment in support of expanding asset base, \$1.2 billion (72.7%) is the growth portion, which will ultimately be financed by Development Charges (DCs) and \$44.8 (2.8%) million is related to the Move Ontario 2020 Quick Wins Funds to fund Wycroft bridge as described above. The 10-year Transportation program has been financed based on the Development Financing Plan (Report FN-46-19/PW-50-19/LPS-112-19) where:

- **\$770.4 million residential development share** will be financed entirely from residential DCs.
- **\$386.5 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.
- **\$433.5 million state-of-good repair:**
 - **\$388.7 million Regional share (non-growth)** 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 (\$219.5 million), the Roads Resurfacing reserve (\$85.3 million) and Gas Tax reserve (\$83.7 million).
 - **\$44.8 million recovery** related to the Move Ontario 2020 Quick Wins Funds.

The 2020 budget includes \$44.0 million in operating contributions to support the Roads State-of-Good-Repair Capital Program, including roads resurfacing. The \$44.0 million includes \$36.9 million in Regional funding and \$7.2 million of Gas Tax funding. The \$44.0 million of operating transfers is a \$0.8 million increase in the operating based budget from the 2019 budget.

Transportation Capital Financing			
(\$ Millions)	2019	2020	Difference
State-of-Good-Repair	\$ 29.1	\$ 29.4	\$ 0.3
Roads Resurfacing	6.9	7.5	0.6
Gas Tax - Roads State-of-Good-Repair	6.1	6.1	-
Gas Tax - Roads Resurfacing	1.1	1.1	-
Total	\$ 43.2	\$ 44.0	\$ 0.8

Schedule may not add due to rounding.

Corporate Administration

Corporate Administration includes the **Finance department**, the **Strategic Transformation Group**, the **Legal Services** division from the Legislative & Planning Services department, the **CAO's Office**, and the **Office of the Chair and Regional Council**. These departments provide governance and internal support to the departments that deliver services to Halton residents and businesses.

Budget Impacts

As shown in the following table, the 2020 Corporate Administration operating budget reflects a net increase of \$3.6 million, or 4.8%, over the 2019 budget. This increase is required to maintain existing service levels and provide 2.0 FTE strategic investments: 1.0 FTE Assistant Corporate Counsel (\$174,000) and 1.0 FTE Senior Realty Officer (\$149,000). The 2.0 FTEs are discussed in the Legal Services section. Further details on the net increase in Corporate Administration are discussed in the departmental sections below. The costs of these Corporate Administration departments have been allocated to program budgets to show the full cost of program delivery through Corporate Support charges.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Corporate Administration								
Finance	\$ 13,040	\$ 130	\$ 13,170	\$ (750)	\$ 12,420	\$ 11,710	\$ 710	6.1%
Strategic Transformation Group	39,320	9,702	49,021	(2,813)	46,208	44,486	1,722	3.9%
Legal Services	8,058	54	8,111	(224)	7,887	7,109	778	10.9%
CAO's Office	10,056	(948)	9,109	-	9,109	8,809	300	3.4%
Office of the Chair & Regional Council	1,891	(1)	1,890	-	1,890	1,832	59	3.2%
Program Costs	\$ 72,365	\$ 8,938	\$ 81,303	\$ (3,787)	\$ 77,515	\$ 73,946	\$ 3,569	4.8%
Program Recoveries	-	-	-	-	(77,515)	(73,946)	(3,569)	4.8%
Total	\$ 72,365	\$ 8,938	\$ 81,303	\$ (3,787)	\$ -	\$ -	\$ -	-
2019 Budget	\$ 69,322	\$ 8,383	\$ 77,705	\$ (3,759)	\$ -			
\$ Change	3,043	555	3,598	(27)	-			
% Change	4.4%	6.6%	4.6%	0.7%	-			
FTE					371.7	370.2	1.5	0.4%

Schedule may not add due to rounding

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. As shown in the following table, the 2020 Finance department budget reflects a net increase of \$710,000, or 6.1%, over the 2019 budget. Direct Costs are increasing by \$649,000, or 5.2%, primarily due to inflationary increases in compensation, and a strategic departmental reorganization to better support Regional service departments. In order to continue to provide the required level of support to the service delivery program areas with the increasing need for services and support for ongoing strategic initiatives, a departmental reorganization will ensure that the required skillsets are in place to continue to meet these needs, without adding additional FTEs. Capital & Other Expenditures are increasing by \$68,000 primarily due to upgrades required to the portfolio management system. Subsidies & Revenue are increasing by \$7,000, or 1.0%, primarily due to inflationary increases to development charge administration fee revenue.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Finance								
Budgets & Tax Policy	\$ 2,764	\$ -	\$ 2,764	\$ -	\$ 2,764	\$ 2,648	\$ 115	4.3%
Capital & Development Financing	2,831	39	2,870	(592)	2,278	2,143	136	6.3%
Financial Services & Payroll	4,548	-	4,548	(123)	4,425	4,158	267	6.4%
Purchasing Services & Stores	2,898	90	2,988	(35)	2,953	2,761	193	7.0%
Program Costs	\$ 13,041	\$ 129	\$ 13,170	\$ (750)	\$ 12,420	\$ 11,710	\$ 710	6.1%
Program Recoveries	-	-	-	-	(12,420)	(11,710)	(710)	6.1%
Total	\$ 13,041	\$ 129	\$ 13,170	\$ (750)	\$ -	\$ -	\$ -	-
2019 Budget	\$ 12,392	\$ 61	\$ 12,453	\$ (742)	\$ -			
\$ Change	649	68	718	(7)	-			
% Change	5.2%	112.4%	5.8%	1.0%	-			
FTE					97.0	97.0	0.0	0.0%

Schedule may not add due to rounding

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 Halton's Business Plan is financially sustainable in conjunction with the Capital & Development Financing division, and prepares and implements Tax Policy in consultation with local municipalities. In addition, this division monitors the budget performance through variance and ministry reporting. The 2020 budget is increasing by \$115,000, or 4.3%, primarily due to inflationary increases.

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 Halton's Business Plan is financially sustainable in conjunction with the Budgets & Tax Policy division, updates the Development Charge (DC) by-laws, 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 Halton's \$2.0 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 2020 budget is increasing by \$136,000, or 6.3%, primarily due to inflationary increases and upgrades required to the portfolio management system.

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 the Halton Community Housing Corporation’s budget and financial statements. In addition, the division prepares ministry and industry reports, such as the Financial Information Return, Annual Financial Report and Municipal Benchmarking Network Canada (MBNCanada) Performance Measurement Report. The division manages the water and wastewater billing service contract with the four Local Distribution Companies (LDCs) and also provides payroll services in compliance with legislation, collective agreements, and Regional benefit programs. The 2020 budget is increasing by \$267,000, or 6.4%, primarily due to inflationary compensation increases, and an increase related to the strategic departmental reorganization to better support Regional service departments. In order to continue to provide the required level of support to the service delivery program areas with the increasing need for services and support for ongoing strategic initiatives, a reorganization in Financial Services & Payroll will ensure that the required skillsets are in place to continue to meet these needs, without adding additional FTEs.

The **Purchasing Services & Stores** division is responsible for overseeing the procurement of goods and services 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 2020 budget is increasing by \$193,000, or 7.0%, primarily due to inflationary compensation increases, and an increase related to the strategic departmental reorganization to better support procurement needs of Regional service departments. In order to continue to provide the required level of support to the service delivery program areas with the increasing need for services and support for ongoing strategic initiatives, a reorganization in Purchasing Services & Stores will ensure that the required skillsets are in place to continue to meet these needs, without adding additional FTEs.

The following table provides the key performance measures related to the Finance department.

Finance	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Region's Credit Rating	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	3.6%	3.2%	3.0%	3.0%	3.0%
Number of Procurements per Year	231	206	202	219	205

The Region’s AAA credit rating has been maintained in 2019—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.

Strategic Transformation Group

The Strategic Transformation Group is included in Corporate Administration. This new department was created in 2019 and brings together staff from Business Planning and Corporate Initiatives (to create the Business Transformation division), what used to be Policy Integration & Communications (to create the Communications & Customer Service division), what used to be Asset Management (to create the Energy, Fleet & Facilities division) and Information Technology. The department's focus is on customer access and service delivery improvements and will provide ongoing services to program areas as well as lead the implementation of the customer access strategy, digital service delivery projects, business process enhancements, the introduction of smart technologies, the HRC Renovation project and other key initiatives in order to support the achievement of Regional Council's priorities in the 2019-2022 Strategic Business Plan.

As shown in the following table, the 2020 Strategic Transformation Group budget reflects a net increase of \$1.7 million, or 3.9%, primarily due to inflationary increases. Direct Costs are increasing by \$1.3 million, or 3.3%, primarily due to inflation and additional software maintenance and computing services contracts, partially offset by reductions in property rental and utility costs. Capital & Other Expenditures are increasing by \$483,000, or 5.2%, primarily due to capital financing costs related to the Technology projects. Subsidies & Revenue are increasing by \$31,000, or 1.1%, primarily due to increased administration fees.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Strategic Transformation Group								
Business Transformation	\$ 2,685	\$ 4	\$ 2,688	\$ -	\$ 2,688	\$ 2,505	\$ 183	7.3%
Communications & Customer Service	6,456	2	6,459	(19)	6,439	6,175	265	4.3%
Energy, Fleet and Facilities	17,547	5,955	23,502	(2,555)	20,947	20,566	381	1.9%
Information Technology	12,632	3,741	16,372	(239)	16,134	15,241	893	5.9%
Program Costs	\$ 39,320	\$ 9,702	\$ 49,021	\$ (2,813)	\$ 46,208	\$ 44,486	\$ 1,722	3.9%
Program Recoveries	-	-	-	-	(46,208)	(44,486)	(1,722)	3.9%
Total	\$ 39,320	\$ 9,702	\$ 49,021	\$ (2,813)	\$ -	\$ -	\$ -	-
2019 Budget	\$ 38,050	\$ 9,218	\$ 47,268	\$ (2,781)	\$ -			
\$ Change	1,270	483	1,753	(31)	-			
% Change	3.3%	5.2%	3.7%	1.1%	-			
FTE					184.3	184.3	0.0	0.0%

Schedule may not add due to rounding

The **Business Transformation** division supports the coordination, planning, and delivery of the Customer Access Strategy. The services provided to support the implementation of this strategy include: transforming service delivery to be more efficient and effective by applying Lean Six Sigma and business process management, enhancing service access through the planning and integration of technology, systems and digital platforms, managing and supporting the data analytics and decision support program to use data and information as strategic assets and supporting the delivery of enhanced customer service, operational and

strategic decision making, and reporting. The 2020 budget is increasing by \$183,000, or 7.3%, primarily due to inflationary increases and cost increases related to the strategic departmental reorganization to better support the Region's 2019-2022 Strategic Business Plan.

The **Communications & Customer Service** division provides communications, marketing and digital media strategies, media relations and issues management support, as well as high quality customer service through the Access Halton call centre which responds to over 300,000 inquiries each year (by phone, email, online, through social media and in-person). The 2020 budget is increasing by \$265,000, or 4.3%, primarily due to inflationary increases.

The **Energy, Fleet & Facilities** division provides high-quality and cost-effective facilities 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 2020 budget is increasing by \$381,000, or 1.9%, primarily due to inflationary increases partially offset by a reduction in property rental relating to Corporate leased premises based on actual trends, a reduction in utility costs related due to an anticipated decrease in natural gas consumption, and an increase in HCHC maintenance administration fee revenue.

The \$73.5 million 10-year Energy, Fleet & Facilities capital program is \$0.8 million lower than the 2019 program; this is driven by extended lifecycle replacement requirements at the Halton Regional Centre (HRC) and other Regional facilities based on ongoing preventive facility maintenance activities.

Energy, Fleet and Facilities Capital Program							
(\$ Millions)	2020	2021	2022	2023	2024	2025 - 2029	Total
Halton Regional Centre - Rehab & Replacement	\$ -	\$ 0.52	\$ 1.09	\$ 1.03	\$ 0.85	\$ 4.06	\$ 7.55
Long Term Care Centres - Rehab & Replacement	1.96	1.06	0.50	0.85	0.82	8.26	13.45
Paramedic Stations - Rehab & Replacement	-	0.56	0.20	0.29	0.12	1.02	2.19
Facility Rehab & Replacement - Other	0.63	2.75	1.79	1.23	1.31	8.17	15.88
PS HQ and PW Operations Centre Expansion	-	2.00	-	29.60	-	-	31.60
Regional Accommodation Plan	-	1.20	-	-	-	-	1.20
Energy Program	0.10	0.10	0.10	0.10	0.10	0.50	1.00
Vehicles & Equipment	0.07	0.04	0.01	0.12	0.06	0.34	0.65
Total	\$ 2.76	\$ 8.23	\$ 3.70	\$33.22	\$ 3.26	\$ 22.34	\$ 73.51

Schedule may not add due to rounding.

The \$2.8 million 2020 Energy, Fleet and Facilities capital program is \$5.3 million lower than the 2020 forecast included in the 2019 budget due to the deferral of the Paramedic Services Headquarters and Public Works Operations Centre expansion and extended lifecycle replacement requirements at the Halton Regional Centre and other Regional facilities based on ongoing preventive facility maintenance activities.

The following are highlights of the 10-year program:

- \$39.7 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 and Public Works Operations Centre Expansion for the paramedic centralized facility identified in the Paramedic Services Master Plan (MO-14-15) and for growth needs in Public Works related to administration, vehicles, fleet services and the supply of central stores.
- \$1.2 million has been identified for the Regional Accommodation Plan for staff relocation costs from current leased facilities and existing HRC locations to the new office layouts.
- \$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 mainly from operating transfers recovered from program areas that benefit from the Energy, Fleet & Facilities program. As a result, the total capital financing of \$4.2 million is included in the 2020 budget.

The **Information Technology (IT)** division is responsible for developing strategies, standards, policies and processes related to the provision of digital information and technology assets and services. IT maintains over 370 software applications and 10,000 hardware assets in a state-of-good-repair and provides secure, reliable access to these IT assets and services. The division also provides financial software services for Halton Regional Police Service and the City of Burlington. The 2020 budget is increasing by \$893,000, or 5.9%, primarily due to inflationary increases, additional software maintenance and computing services contracts and increased capital financing costs for the state-of-good-repair program of \$300,000.

Information Technology Capital Program							
(\$ Millions)	2020	2021	2022	2023	2024	2025 - 2029	Total
Software Licences	\$ 0.07	\$ 0.38	\$ 0.39	\$ 0.29	\$ 0.28	\$ 1.52	\$ 2.94
Software New/Replacement/Upgrade	1.20	2.42	0.81	1.55	1.40	5.73	13.10
Hardware Replacement	2.06	1.62	1.62	1.81	1.91	9.01	18.02
Infrastructure New/Replacement	0.83	0.90	1.02	0.80	1.29	6.49	11.33
Rate Funded Projects	0.43	0.45	0.42	0.52	0.46	2.22	4.49
Total	\$ 4.59	\$ 5.76	\$ 4.26	\$ 4.97	\$ 5.34	\$ 24.96	\$ 49.87

Schedule may not add due to rounding.

The \$49.9 million 10-year IT capital program is \$2.6 million higher than the 2019 program, mainly due to updated hardware, state-of-good-repair infrastructure costs and replacement cycles, and new software implementations.

The 2020 budget has decreased by \$513,000 over the 2020 forecast from the 2019 budget due to revised timing of software implementation for Long-Term Care and Paramedic Services and revised timing of equipment replacement offset by increases related to hardware costs and software implementations.

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 \$3.6 million in capital financing (i.e., transfer to reserves) is budgeted in 2020. This represents a \$300,000 increase, or 9.1%, from the 2019 budget to

support Corporate initiatives (new and replacement hardware, software, and infrastructure) and program specific projects for Paramedic Services, Housing, Planning, and Business Planning & Corporate Initiatives. 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 following table provides the key performance measures related to the Strategic Transformation Group.

Strategic Transformation Group	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Total Service Area - Corporate Facilities and Social Housing Sq. Ft. (000s)	3,900	4,100	4,200	4,580	4,590
Total Corporate kWh Energy Consumption (per Sq. Ft.)	36.2	35.7	35.4	34.9	34.5
% of Customers who are Overall Satisfied with their Call Centre Experience	93%	92%	90%	90%	95%
Number of Services that can be Accessed Online	76	81	81	112	125
Number of Visits to the Halton Website (000s)	3,352	3,136	3,102	2,038	2,200
Number of IT Devices Supported	2,992	3,236	3,449	3,698	3,723

The majority of residents continue to be satisfied with the quality of Regional services delivered. The drop in visits to the Halton website can be attributed to the transition to the new halton.ca in February 2019, which included a decrease in total webpages from approximately 6,000 to 700. The decrease in pages was designed to improve website quality by removing outdated content and focusing on core information.

Legal Services

The Legal Services division of the Legislative and Planning Services department is included in Corporate Administration. The Legal Services division is responsible for a full range of Legal, Risk Management and Realty services to all departments of the corporation, Regional Council and HCHC, and includes the Regional Clerk and Council Services. As shown in the following table, the 2020 Legal Services budget reflects a net increase of \$778,000, or 10.9%, over the 2019 budget. Direct Costs are increasing by \$779,000, or 10.7%, primarily due to inflation and 2.0 FTE strategic investments: 1.0 FTE Assistant Corporate Counsel (\$174,000) and 1.0 FTE Senior Realty Officer (\$149,000). These 2.0 FTE, discussed in further detail in the Legal Services and Realty Services sections below, are fully recovered through the Public Works operating budget and capital projects, which is captured in the Program Recoveries line in the following table. Capital & Other Expenditures are decreasing by \$12,000, or 18.5%, primarily due to reduced technology support costs. Subsidies & Revenue are decreasing by \$12,000, or 4.9%, primarily due to a reduction in external recoveries based on trends.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Legal Services								
Legal Services	\$ 2,795	\$ 2	\$ 2,797	\$ (221)	\$ 2,576	\$ 2,270	\$ 306	13.5%
Realty Services	1,141	1	1,141	-	1,141	941	201	21.3%
Regional Clerk & Council Services	831	1	831	(3)	829	822	7	0.8%
Risk Management	3,291	51	3,341	-	3,341	3,076	265	8.6%
Program Costs	\$ 8,058	\$ 54	\$ 8,111	\$ (224)	\$ 7,887	\$ 7,109	\$ 778	10.9%
Program Recoveries	-	-	-	-	(7,887)	(7,109)	(778)	10.9%
Total	\$ 8,058	\$ 54	\$ 8,111	\$ (224)	\$ -	\$ -	\$ -	-
2019 Budget	\$ 7,279	\$ 66	\$ 7,345	\$ (235)	\$ -			
\$ Change	779	(12)	767	12	-			
% Change	10.7%	-18.5%	10.4%	-4.9%	-			
FTE					34.0	32.0	2.0	6.3%

Schedule may not add due to rounding

Legal Services provides advice, counsel and legal representation to, and on behalf of, the Region. The 2020 budget is increasing by \$306,000, or 13.5%, primarily due to inflationary increases, a decrease in external recoveries and a strategic investment for 1.0 FTE Assistant Corporate Counsel (\$174,000). This investment is required to provide legal support to the Public Works department and support the increasing demands on Legal Services related to the Region's expanded Transportation and Water & Wastewater programs, and is recovered through the Public Works operating budget.

Risk Management administers the Region's insurance program, minimizes the Region's liability loss exposure, and manages property and liability claims. The 2020 budget is increasing by \$265,000, or 8.6%, primarily due to increases in insurance premiums and paid claims losses.

Realty Services facilitates the Region’s property requirements. The 2020 budget is increasing by \$201,000, or 21.3%, primarily due to inflationary increases and a strategic investment for 1.0 FTE Senior Realty Officer (\$149,000). This investment is required to ensure Realty Services is able to continue to provide timely and cost-effective acquisition services to various departments in the Region such as Public Works where, in the next two years, upcoming projects are anticipated to increase Realty Services’ annual caseload by over 30%. This position will support property acquisitions for capital projects, and will therefore be recovered from the capital budget.

Regional Clerk & Council Services provides support to Regional Council, its Committees, and the Halton Police Board, as well as services for freedom of information, privacy, and records management. The 2020 budget is increasing by \$7,000, or 0.8%, primarily due to inflationary increases offset by reductions in consulting and other expenditures based on trends.

The following table provides the key performance measures related to Legal Services.

Legal Services	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Property Acquisitions (Lease or Buy)	148	112	178	125	150
Number of Property Damage or Personal Injury Claims Received	150	184	244	183	281
Number of Outstanding Property Damage or Personal Injury Claims	68	84	97	125	120
Number of Formal Freedom of Information (MFIPPA) Requests	44	52	45	50	50

Chief Administrative Officer's (CAO) Office

The CAO's Office is included in Corporate Administration. As shown in the following table, the 2020 CAO's Office budget reflects a net increase of \$300,000, or 3.4%, over the 2019 budget. It also reflects a reduction of 0.5 FTE due to a reorganization within Human Resources to increase efficiencies. Direct Costs are increasing by \$328,000, or 3.4%, primarily due to inflation and one-time expenditures for the Quality Assurance Review scheduled to take place in 2020 (offset by a transfer from reserve). Capital & Other Expenditures are decreasing by \$28,000, or 3.1%, primarily due to the one-time funding required for the Quality Assurance Review previously mentioned.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
CAO's Office								
Business Planning & Corporate Initiatives	\$ 1,563	\$ 4	\$ 1,567	\$ -	\$ 1,567	\$ 1,516	\$ 50	3.3%
Human Resources	6,543	(941)	5,601	-	5,601	5,422	179	3.3%
Internal Audit	724	(12)	712	-	712	687	24	3.6%
Strategic Policy & Government Relations	1,227	1	1,229	-	1,229	1,183	46	3.9%
Program Costs	\$ 10,056	\$ (948)	\$ 9,109	\$ -	\$ 9,109	\$ 8,809	\$ 300	3.4%
Program Recoveries	-	-	-	-	(9,109)	(8,809)	(300)	3.4%
Total	\$ 10,056	\$ (948)	\$ 9,109	\$ -	\$ -	\$ -	\$ -	-
2019 Budget	\$ 9,728	\$ (919)	\$ 8,809	\$ -	\$ -			
\$ Change	328	(28)	300	-	-			
% Change	3.4%	3.1%	3.4%	0.0%	-			
FTE					55.4	55.9	-0.5	-0.9%

Schedule may not add due to rounding

The **Business Planning & Corporate Initiatives** division supports the development and monitoring of the Strategic Business Plan, and the Climate Change Action Plan. The division also provides corporate emergency management services and business continuity planning, and maintains and supports the use of the Region's standardized project management methodology. Services also include measuring and benchmarking corporate performance and implementing corporate initiatives. The 2020 budget is increasing by \$50,000, or 3.3%, primarily due to inflationary increases.

The **Human Resources** division provides support to the Region and its programs in the attraction, engagement and retention of Regional staff. With approximately 2,700 employees (excluding Police Services), 55% of whom belong to one of the eight unionized bargaining units, equaling 2,214 full time equivalents (FTE), Human Resources 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 Resources ensures the Region has the required number of employees with the right skill sets in place to enable it to achieve its goals. In 2019, the Region has continued to add content to its e-Learning system and develop programs specific to

providing the Region’s Supervisors and Managers the tools necessary to not only be successful in their current roles, but prepare them with the skills to continue to grow their career at the Region. The 2020 budget is increasing by \$179,000, or 3.3%, primarily due to inflationary increases and reflects a reduction of 0.5 FTE to increase efficiencies within the division.

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 2020 budget is increasing by \$24,000, or 3.6%, primarily due to inflationary increases. The 2020 budget also reflects the addition of expenditures for the Quality Assurance Review scheduled to occur in 2020, offset by a transfer from reserve, resulting in no net impact.

The **Strategic Policy & Government Relations** division is focused on supporting Council’s advocacy and government relations agenda, leading corporate policy development, supporting key policy initiatives, supporting public engagement, and meeting accessibility requirements. The 2020 budget is increasing by \$46,000, or 3.9%, primarily due to inflationary increases.

The following table provides the key performance measures related to the CAO’s Office.

CAO's Office	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Annual Emergency Exercises Completed	Yes	Yes	Yes	Yes	Yes
Number of FTE (excluding Police)	2,116	2,196	2,198	2,214	2,231
% of Voluntary Turnover of Permanent Positions per year	4.9%	5.8%	5.3%	5.5%	5.0%

Office of the Chair & Regional Council

As shown in the following table, the 2020 Office of the Chair & Regional Council budget reflects a net increase of \$59,000, or 3.2%, over the 2019 budget. Direct Costs are increasing by \$17,000, or 0.9%, primarily due to inflation, partially offset by the removal of one-time technology costs for new Regional Councillors (offset by a transfer from reserve). Capital & Other Expenditures are decreasing by \$42,000, or 98.2%, primarily due to the removal of one-time funding for the technology costs as previously mentioned.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Office of the Chair & Regional Council								
Office of the Chair	\$ 277	\$ 9	\$ 286	\$ -	\$ 286	\$ 282	\$ 4	1.3%
Regional Council	1,615	(10)	1,605	-	1,605	1,550	55	3.6%
Program Costs	\$ 1,891	\$ (1)	\$ 1,890	\$ -	\$ 1,890	\$ 1,832	\$ 59	3.2%
Program Recoveries	-	-	-	-	(1,890)	(1,832)	(59)	3.2%
Total	\$ 1,891	\$ (1)	\$ 1,890	\$ -	\$ -	\$ -	\$ -	-
2019 Budget	\$ 1,874	\$ (43)	\$ 1,832	\$ -	\$ -			
\$ Change	17	42	59	-	-			
% Change	0.9%	-98.2%	3.2%	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 2020 budget is increasing by \$4,000, or 1.3%, primarily due to inflationary increases.

The **Regional Council** is comprised of 24 members who have been elected to represent the residents of Halton for a 4-year term (2018–2022). The 2020 budget is increasing by \$55,000, or 3.6%, primarily due to inflationary increases. The 2020 budget also reflects the removal of one-time technology costs for new Regional Councillors, offset by a transfer from reserve, resulting in no net impact.

Non-Program Items & Fiscal Transactions

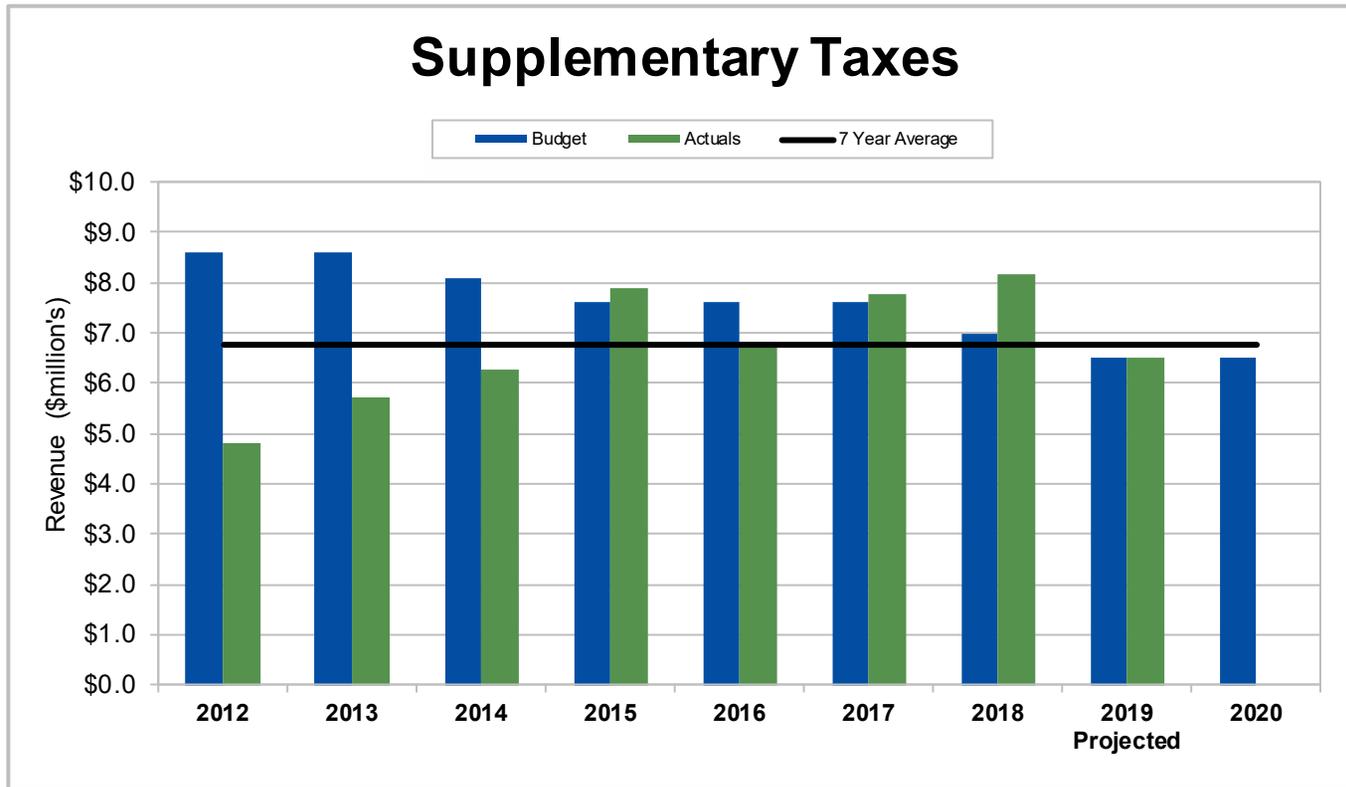
Budget Impacts

As shown in the following table, the 2020 Non-Program and Fiscal Transactions budget reflects a net decrease of \$84,000, or 0.3%, over the 2019 budget primarily due to increased payment-in-lieu of taxes revenue offset by an increase in assessment services costs.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Costs	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Tax Impact	Net Tax Impact	2020 - 2019	
Supplementary Tax Revenue	\$ -	\$ -	\$ -	\$ (6,500)	\$ (6,500)	\$ (6,500)	\$ -	0.0%
Other Tax Revenue	-	-	-	(4,400)	(4,400)	(4,050)	(350)	8.6%
Tax Write-Off Provision	4,700	-	4,700	-	4,700	4,700	-	0.0%
Tax Policy Expenditures	548	-	548	-	548	548	-	0.0%
Assessment Services	9,889	-	9,889	-	9,889	9,602	288	3.0%
Provincial Offences Act Revenue	-	-	-	(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	3,843	35,655	39,498	(7,228)	32,270	32,291	(21)	-0.1%
Total	\$ 18,980	\$ 79,287	\$ 98,267	\$ (71,839)	\$ 26,428	\$ 26,512	\$ (84)	-0.3%
2019 Budget	\$ 18,693	\$ 79,312	\$ 98,005	\$ (71,493)	\$ 26,512			
\$ Change	288	(25)	262	(346)	(84)			
% Change	1.5%	0.0%	0.3%	0.5%	-0.3%			

Schedule may not add due to rounding

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 2020 supplementary tax revenue budget remains unchanged over the 2019 budget of \$6.5 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 relating to tax write-offs and several 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 2020 budget for other tax revenues from PIL and ROW is increasing by \$350,000 or 8.6% to more closely reflect the current 7-year average (2012 – 2018) of PIL and ROW revenue of \$4.4 million.

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 2013 and 2018, the cumulative CVA loss on commercial and industrial properties amounted to \$2.9 billion. This decrease in the CVA results in an increase in the tax write-offs of the Region and local municipalities.

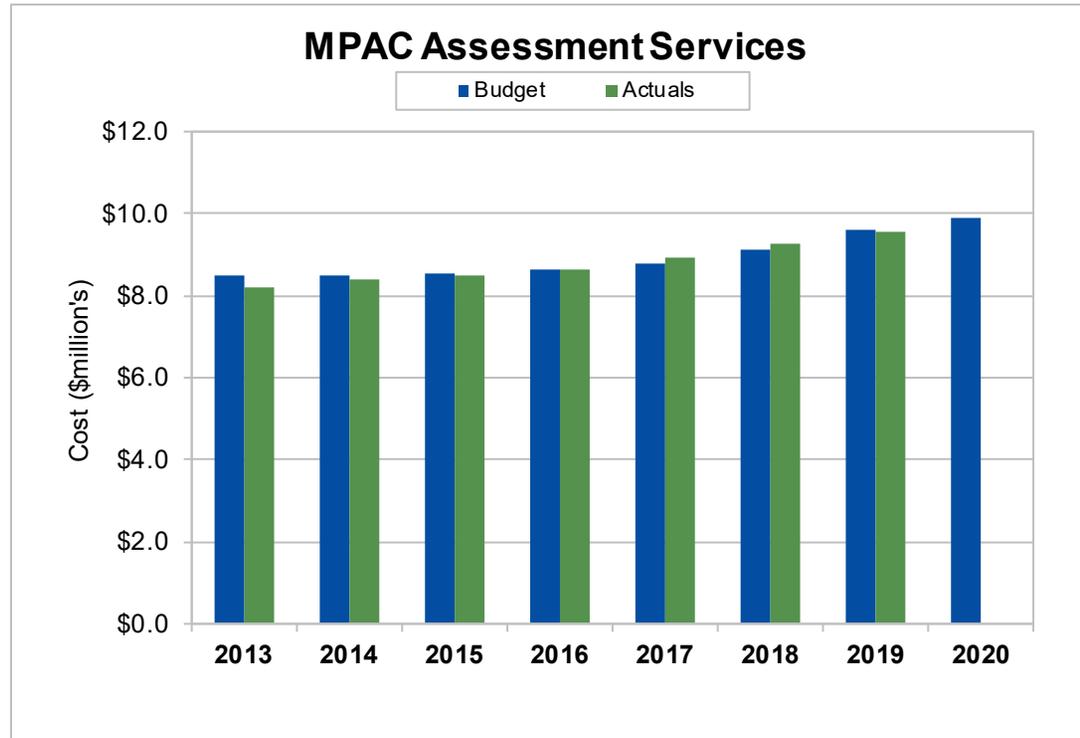
Future potential for additional tax write-offs is a risk for the Region. For the taxation years of 2013 to 2018, there are over 150 commercial and industrial properties in Halton Region that are currently under appeal with a CVA greater than \$15.0 million. To demonstrate the magnitude of risk, the total CVA under appeal pertaining to these properties for just the 2018 taxation year is \$5.4 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 2020 budget for tax write-offs remains unchanged at \$4.7 million. Tax write-offs have averaged \$4.2 million over the last 5 years and \$4.3 million over the last 7 years. In the 2019 budget, tax write-offs were increased to \$4.7 million from \$4.4 million based on the 7-year trend at the time. For 2020, the budget has been maintained at the 2019 level 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 adjustments are required for the tax write-off provision in future budgets.

Tax Policy Expenditures

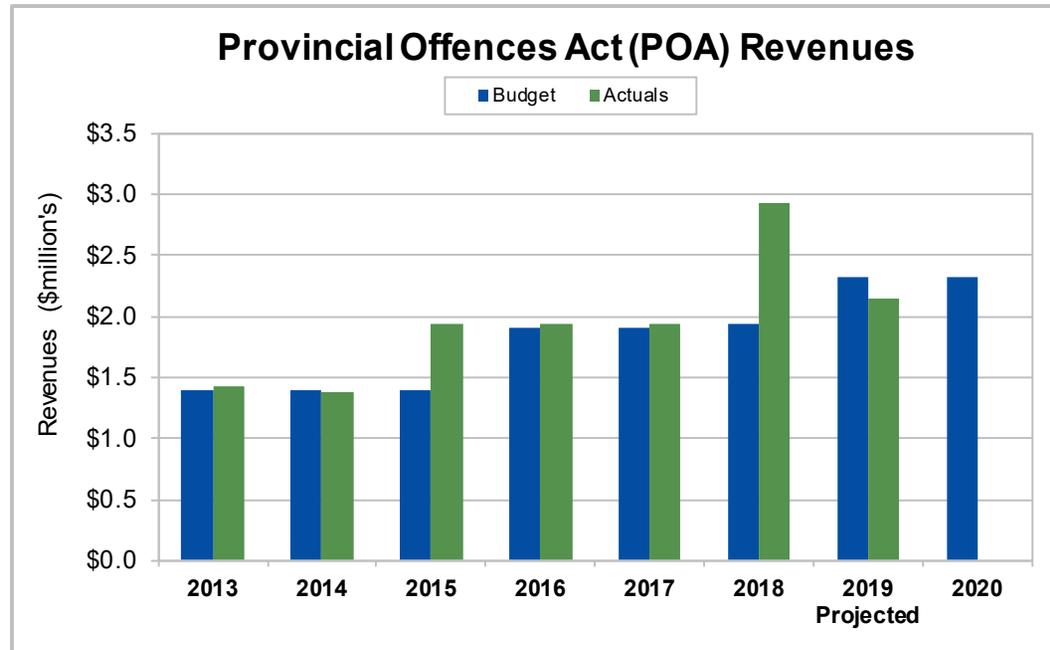
The tax relief programs offered by the Region include both provincially mandated as well as discretionary programs. The mandatory programs include a property tax increase deferral for eligible older adults or persons living with disabilities and rebates for charities. The discretionary programs include 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 2020 budget remains unchanged over the 2019 budget of \$548,000.

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 when compared 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 the Region’s growth. The 2020 budget for assessment services is \$9.9 million, an increase of \$288,000, or 3.0%, over the 2019 budget.



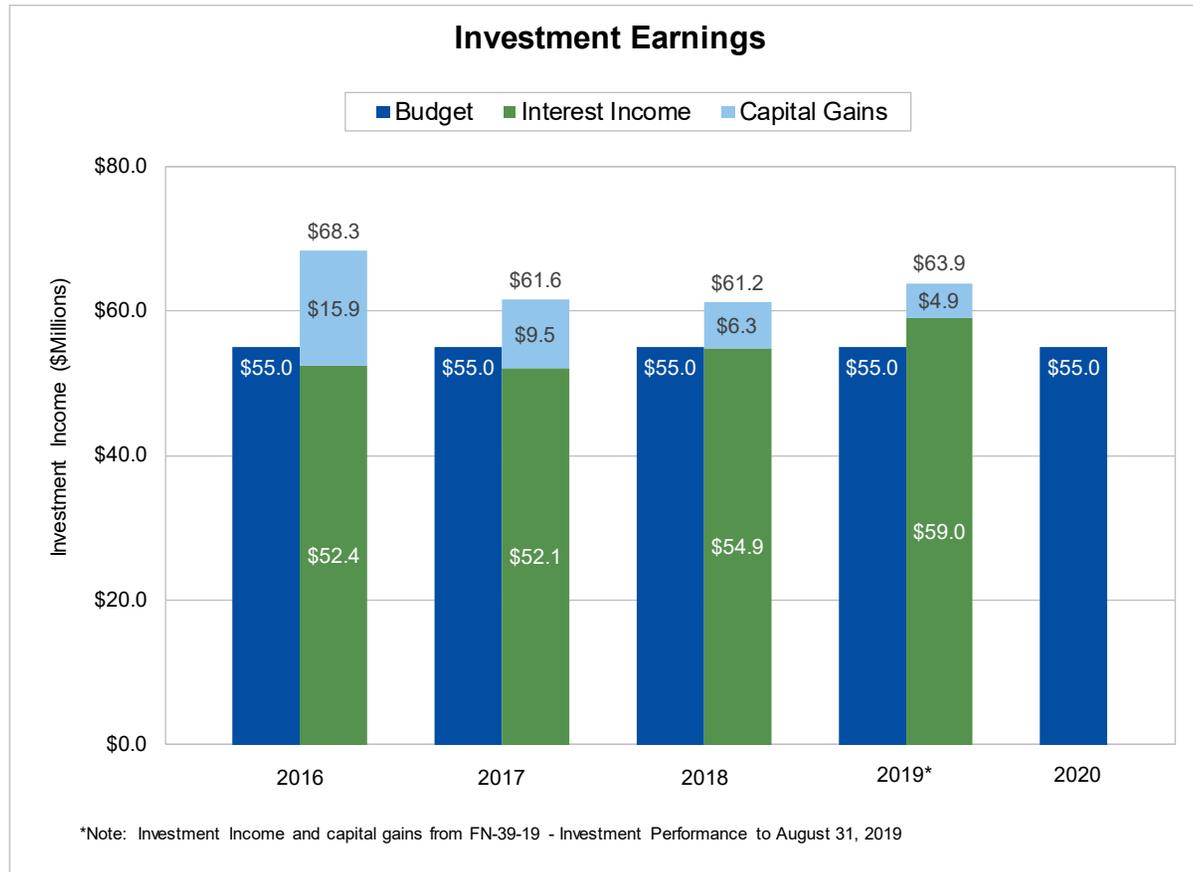
Provincial Offences Act (POA) Revenue – Net revenues generated from POA offences administered by Halton Court Services are shared between the Region and the Municipal Partners (City of Burlington, Town of Halton Hills, Town of Milton and Town of Oakville), with the Region’s share being 50%.

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. As outlined in the following chart, the 2020 budget of POA revenue remains unchanged from the 2019 budget of \$2.3 million.



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 reserves, reserve funds and the capital fund. The 2020 budget continues to include \$55.0 million of investment income as a source of revenue. 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 2019 budget.

As discussed in Report No. FN-39-19 (re: Investment Performance to August 31, 2019), achieving the target investment earnings from interest revenues alone remains challenging due to continued low investment yields in the market. The target budget has been achieved through capital gains generated as a result of the Region's active investment portfolio management. 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 (\$273,000) and Floodplain Mapping Update (\$70,000) programs have increased in 2020, in accordance with financing plans.

The total Gas Tax allocated to Halton is \$16.6 million in 2020 of which, \$7.2 million is allocated to the Tax-Supported Budget to fund the Transportation State-of-Good-Repair capital program (\$6.1 million) and the Road Resurfacing program (\$1.1 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.

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 operating and capital estimates of maintaining the police force and providing it with the necessary equipment and facilities to Regional Council.

Budget Impacts

The 2020 Boards & Agencies budget is increasing by \$461,000, or 3.8% over 2019, with details provided below.

\$000	2019	2020	Change in Budget	
Boards & Agencies	Approved Budget	Requested Budget	2020 Requested to 2019 Approved	
Conservation Halton	\$ 9,215	\$ 9,623	\$ 408	4.4%
Credit Valley Conservation	580	607	28	4.8%
Grand River Conservation Authority	289	299	10	3.6%
Conservation Authorities	10,084	10,530	446	4.4%
Royal Botanical Gardens	787	802	16	2.0%
North Halton Mental Health Clinic	1,214	1,213	(1)	0.0%
Total	\$ 12,085	\$ 12,546	\$ 461	3.8%

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, 1990*. Halton Region provides funding to 3 Conservation Authorities through a municipal levy: Conservation Halton (CH), Credit Valley Conservation (CVC) and Grand River Conservation Authority (GRCA). The total budget for the Conservation Authorities in 2020 is \$10.5 million, an increase of \$446,000 or 4.4%. The following table summarizes the 2020 budgeted requests for the Conservation Authorities funded by the Region.

\$000	2019	2020	Change in Budget	
	Approved Budget	Requested Budget	2020 Requested to 2019 Approved	
Conservation Halton	\$ 9,215	\$ 9,623	\$ 408	4.4%
Credit Valley Conservation	580	607	28	4.8%
Grand River Conservation Authority	289	299	10	3.6%
Total	\$ 10,084	\$ 10,530	\$ 446	4.4%

A decision from the Mining and Lands Commissioner on December 21, 2017 increased Hamilton's apportionment within the CH and GRCA watersheds, which in turn decreased the Region's apportionment and also the Region's share of the municipal levy. This occurred after Regional Council's approval of the 2018 budget on December 13, 2017.

Hamilton has since appealed the decision, the outcome of which is still outstanding as of the finalization of the 2020 budget. To mitigate any potential tax increase impact if Hamilton is successful in their appeal, the Region has maintained the levy for CH and GRCA based on the higher apportionment in the 2020 budget.

Provincial Transfer Payment Funding Reduction

In April 2019, the Ministry of Natural Resources and Forestry reduced flood management funding to conservation authorities by approximately 50%. The Provincial funding reduction was \$145,000 for Conservation Halton, \$90,000 for Credit Valley Conservation and \$421,000 for Grand River Conservation Authority, of which the Region's estimated total share is \$142,000.

The Province also proposed amendments to the Conservation Authorities Act that would redefine conservation authorities' core mandate. In August 2019, a letter from the Minister of Environment, Conservation and Parks asked conservation authorities to begin to "wind down activities that fall outside the scope of [conservation authorities'] core mandate". The wording in the Act is broad, requiring regulations to define what is mandatory. Once identified, conservation authorities could proceed to negotiate with participating municipalities about which non-mandatory programs will be provided. As of November 21, 2019, there have been no regulations issued to identify these mandatory programs and services.

Conservation Halton

Before apportionment, CH's 2019 municipal levy increased by 1.5%, which is less than the guideline of 3.7% provided by Regional Council through FN-28-19. The main drivers for the increase in CH's budget and the municipal levy request are related to personnel services, which accounts for 71% of their operating budget, as well as the Provincial cuts to the transfer payment for flood management.

The Region has budgeted \$9.6 million for CH's municipal levy request in 2020, based on an apportionment of 92.3558%. This represents an increase of \$408,000, or 4.4%, over the 2019 municipal levy, which was also based on an apportionment of 92.3558%. As discussed above, this higher apportionment is being used for budgeting purposes to mitigate any potential tax increases if Hamilton is successful in their appeal. The Region's actual 2020 apportionment from CH is 87.7576%, which would result in an estimated \$700,000 reduction in the budget.

In 2017, CH requested \$8.4 million from the Region over 10 years for their Emerald Ash Borer (EAB) program as a special request, of which \$844,000 is requested in 2020. This request is being funded through a capital project in the Region's budget and with transfers from the Tax Stabilization reserve. The Region provides funding to CH as the work is completed and upon receipt of invoices.

Included in their 2020 budget submission, CH requested that the Region fund the remaining capital expenditures related to their Floodplain Mapping Update project, totalling \$3.2 million for 2020 – 2026. The Floodplain Mapping Update project was previously funded 50% by the municipal levy and 50% by the National Disaster Mitigation Program (NDMP), which is sunsetting in March 2020. CH is requesting \$330,000 in 2020. The structure will be set up similar to the funding for the EAB program described previously.

The CH Board of Directors are scheduled to approve the 2020 budget on November 21, 2019. Further details on CH's budget can be found in Report No. FN-41-19 (re: 2020 Budget Overview – Conservation Halton).

Credit Valley Conservation

Before apportionment, CVC's 2020 municipal levy increased by 2.8%, which is less than the guideline of 3.7% provided by Regional Council. The main drivers for the increase in CVC's budget and the municipal levy request are related to personnel services, which accounts for 74% of their operating budget, as well as the Provincial cuts to the transfer payment for flood management.

CVC's 2020 total municipal levy request from the Region is \$607,000, based on the Region's apportionment of 5.0626% in 2020. This represents an increase of \$28,000, or 4.8%, over the 2019 municipal levy, which was based on an apportionment of 4.9699%. The increase in apportionment reflects that the Region is growing more than other municipalities within the watershed.

In 2016, CVC requested \$1.5 million from the Region over 7 years for their EAB program as a special benefiting levy, of which \$216,000 is requested in 2020. Similar to CH, this request is being funded through a capital project in the Region's budget and with transfers from the Tax Stabilization reserve. The Region provides funding to CVC as the work is completed and upon receipt of invoices.

The CVC Board of Directors are expected to approve the 2020 budget in early 2020. Further details on CVC's budget can be found in Report No. FN-42-19 (re: 2020 Budget Overview – Credit Valley Conservation).

Grand River Conservation Authority

Before apportionment, GRCA's 2020 municipal levy increased by 2.5%, which is less than the guideline of 3.7% provided by Regional Council. The main drivers for the increase in GRCA's budget and the municipal levy request are related to personnel services and inflation.

The Region has budgeted \$299,000 for GRCA's municipal levy request in 2020, based on an apportionment of 2.4846%. This represents an increase of \$10,000, or 3.6%, over the 2019 municipal levy, which was also based on an apportionment 2.4846%. As discussed previously, this higher apportionment is being used for budgeting purposes to mitigate any potential tax increases if Hamilton is successful in their appeal. The Region's actual 2020 apportionment from GRCA is 2.3479% which would result in an estimated \$20,000 reduction in the budget.

The GRCA Board of Directors are expected to approve the 2020 budget on February 28, 2020. Further details on GRCA's budget can be found in Report No. FN-43-19 (re: 2020 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 2.0%, or \$16,000, to a 2020 budget of \$802,000.

North Halton Mental Health Clinic (NHMHC)

Effective April 1, 2018, NHMHC was transferred from Halton Region (Clinical Health Services division) 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 \$173,000 in 2020. 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 the Mississauga Halton LHIN to secure additional funding.

Halton Regional Police Service (HRPS)

The HRPS 2020 budget request is \$162.0 million, which is an increase of \$6.6 million, or 4.2%, over the 2019 approved budget. This increase is above the guideline provided by Regional Council of 3.7% as set out in 2020 Budget Directions (FN-28-19). The following table provides a summary of the budget request, including a one-time transfer from reserve of \$350,000 to assist with immediate resourcing needs. As part of 2021 Budget Directions, the pressures that are funded from this reserve transfer will need to be addressed. The Halton Police Board approved the 2020 budget on October 31, 2019. Further details regarding this budget request can be found in Report No. FN-44-19 (re: 2020 Budget Overview – Halton Regional Police Service).

\$000s	2019		2020		Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Approved		2020 Requested to 2019 Approved	
Halton Regional Police Service								
Personnel Services	\$ 140,087	\$ 144,550	\$ 2,090	\$ 146,640	\$ 4,463	3.2%	\$ 6,553	4.7%
Materials & Supplies	7,231	7,012	94	7,107	(218)	-3.0%	(124)	-1.7%
Purchased Services	9,873	10,336	-	10,336	462	4.7%	462	4.7%
Financial & Rent Expenses	355	368	-	368	13	3.6%	13	3.6%
Total Direct Costs	157,546	162,266	2,184	164,450	4,720	3.0%	6,904	4.4%
Allocated Charges/(Recoveries)	1,675	1,818	-	1,818	142	8.5%	142	8.5%
Transfer from Reserves - Operating	-	(350)	-	(350)	(350)		(350)	
Gross Operating Expenditures	159,221	163,733	2,184	165,918	4,512	2.8%	6,697	4.2%
Transfer to Reserves - Capital	5,211	5,608	-	5,608	397	7.6%	397	7.6%
Transfer from Reserves - Capital	(1,844)	(2,038)	-	(2,038)	(194)	10.5%	(194)	10.5%
Debt Charges	4,169	4,166	-	4,166	(3)	-0.1%	(3)	-0.1%
Capital Expenditures	7,536	7,737	-	7,737	200	2.7%	200	2.7%
Total Gross Expenditures	166,757	171,470	2,184	173,654	4,713	2.8%	6,897	4.1%
Subsidies	(6,015)	(6,373)	-	(6,373)	(358)	6.0%	(358)	6.0%
Other Revenue	(5,359)	(5,306)	-	(5,306)	52	-1.0%	52	-1.0%
Total Revenue	(11,374)	(11,680)	-	(11,680)	(306)	2.7%	(306)	2.7%
Net Program Expenditures	\$ 155,383	\$ 159,790	\$ 2,184	\$ 161,975	\$ 4,407	2.8%	\$ 6,591	4.2%

Schedule may not add due to rounding

Halton Region

Budget and Business Plan 2020

Water & Wastewater Overview



Water & Wastewater Budget Overview

2020 Operating Budget Summary

Water and wastewater services are not funded by property taxes. 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 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. 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 2020 Water and Wastewater Rate-Supported Budget has a 3.3% increase, which is lower than the 3.9% guideline set out in Report No. FN-28-19 (re: 2020 Budget Directions) as a result of savings and efficiencies described in more detail below. For a typical residential home using 250 cubic metres (m³) of water per year, this will result in an additional \$33 in 2020, for both water and wastewater charges.

Rate Impact On a Typical Household (250 m ³ / Year)						
2019		2020		Change*		
Budget		Budget		\$	%	
Water	\$ 464	\$ 478	\$ 14	3.0%		
Wastewater	535	554	19	3.6%		
Total	\$ 999	\$ 1,032	\$ 33	3.3%		

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

As shown in the following table, the 2020 requested budget for Water and Wastewater Services is increasing from \$205.6 million to \$213.8 million, an increase of \$8.2 million or 4.0%. This includes the base budget increase of \$7.9 million and strategic investments of \$245,000 that align with Council priorities. Customer growth is estimated to be 1.5% or \$1.3 million, resulting in a net water and wastewater rate increase of \$6.8 million or 3.3% for the 2020 budget.

\$000s	2019		2020		Change in Budget	
	Approved Budget	Requested Budget	Requested Budget	2020 Requested / 2019 Budget		
Gross Operating Expenditures	\$ 116,705	\$ 118,940	\$ 2,235	1.9%		
Capital Transfers	106,542	112,533	5,991	5.6%		
Gross Expenditures	\$ 223,247	\$ 231,473	\$ 8,226	3.7%		
Other Revenues	(17,616)	(17,684)	(68)	0.4%		
Net Program Impact	\$ 205,631	\$ 213,789	\$ 8,158	4.0%		
Consumption Growth*			-	0.0%		
Customer Growth*			(1,319)	-0.6%		
Rate Increase			\$ 6,839	3.3%		

* Includes 0.0% consumption growth and 1.5% customer growth

As outlined in the table above, operating costs are increasing by \$2.2 million, driven by inflationary costs and other projected increases mitigated with one-time savings and efficiencies which are discussed in the details below.

In addition, there is a \$6.0 million increase in capital 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 \$7.3 million based on the Public Work's Asset Management Plan, which is closely aligned with the 2020 forecast included in the 2019 budget. This is offset by a \$1.3 million reduction in debt charges due to retiring debt.

Of the 3.3% increase, 2.4% is driven by capital financing required to support the State-of-Good-Repair capital program and 0.9% is required to operate and maintain the water and wastewater system.

\$000s	Change in Budget			
	Net Program Impact	With Customer Growth*	Rate Impact	
Gross Operating Expenditures	\$ 2,235			
Other Revenues	(68)			
Net Operating Expenditures	\$ 2,167	\$ 1,817	0.9%	
Capital Expenditures	5,991	5,022	2.4%	
Net Program Impact	\$ 8,158	\$ 6,839	3.3%	

* Includes 0.0% consumption growth and 1.5% customer growth

The following chart highlights the process undertaken to prepare the 2020 Rate-Supported Budget.

2020 Budget Process		
	Rate Increase	Consumption / Customer Growth
2020 Forecast	3.9%	0.0% / 1.5%
2020 Budget Direction	3.9%	0.0% / 1.5%
2020 Budget	3.3%	0.0% / 1.5%

The 10-year operating budget forecast in the 2019 Budget and Business Plan projected the rate increase for Regional programs in 2019 to be 3.9%. 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 2020 budget directions, the forecast budget model maintained the water consumption (0.0%) and customer growth (1.5%) projected in the 2019 forecast and updated the budget model assumptions to reflect updated information and adjusted program financing plans. Based on these factors, Council approved the 2020 budget directions with a rate increase not to exceed 3.9%. Several times during the budget process, Management Committee reviewed the base budget and proposed strategic investments to ensure levels of service are maintained and to achieve Council priorities. These considerations are reflected in the 2020 budget with a 3.3% rate increase.

Continuous Improvements

To achieve the 2020 budget at a rate increase of 3.3%, while ensuring sufficient resources are available to maintain service levels, support Council priorities, and address inflationary and growth pressures, an on-going commitment to continuous improvement is required to achieve efficiencies and build capacity. Key initiatives completed or underway in 2019 include:

- Implementation of 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 augment the Asset Management Program to improve programming of the "state of good repair program"
- 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 systems
- The Energy Resource Management study to identify sustainable and green initiatives to reduce operational carbon footprint
- Process review and optimization of dead end watermain flushing program to address seasonal needs and improve efficiency
- Review and update of the Energy Conservation and Demand Management Plan
- Procurement preparation for an Advanced Meter Infrastructure System to automate meter reading
- Establishment of an Engineering Management Office to ensure consistent and efficient deliver of the capital program
- Development of the enterprise risk management system to ensure risks are identified, assessed and mitigated
- Development and implementation of a Construction Ambassador Program to improve communications and customer service
- Revamp of the Building a Better Halton communication strategy for capital works (complete)

The 2020 budget also incorporates savings in the base budget through efficiencies and the redeployment of resources to priority programs. The following savings and revenues of \$3.0 million were identified in the 2020 Rate-Supported budget, which were used to fund priority areas in the water and wastewater program:

- Reduction in debt charges of \$1.3 million resulting from the retirement of debt
- Decrease of \$1.2 million in hydro costs due to the participation of 5 treatment plants and 2 pumping stations in the Industrial Conservation Initiative, which helps the Region manage its global adjustment costs by reducing demand during peak periods
- Decrease of \$115,000 in maintenance purchased services due to efficiencies identified through a review of the maintenance program and the implementation of a Reliability Centered Maintenance program
- Decrease of \$115,000 in dues, memberships, conferences and training expenditures to align with trends
- Decrease of \$111,000 resulting from the elimination of non-recurring computer hardware and software costs
- Decrease of \$50,000 resulting from a reduced need for equipment rentals
- Additional revenue of \$68,000 to reflect an inflationary increase on user fees

2020 Budget Drivers

The savings discussed above, together with customer growth of 1.5%, are used to partially fund the key drivers in the 2020 budget. The investments required to address these key drivers have been included in the 2020 budget within an overall 3.3% rate increase, totalling \$6.8 million. The following key drivers of the 2020 budget reflect Council's priorities and are detailed later in the divisional overviews.

Water and Wastewater State-of-Good-Repair Capital - The operating contributions included in the 2020 budget in support of the Water and Wastewater State-of-Good-Repair capital program total \$96.2 million, based on the Public Works Asset Management Plan (PW-28-17). These contributions are a \$7.2 million increase over the 2019 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 1.6% to 2.4% rate increase each year.

Water and Wastewater Maintenance program - The 2020 Rate-Supported operating budget provides \$19.9 million for the ongoing repair and maintenance of the water and wastewater system, which is an increase of \$47,000 or 0.2% from the 2019 budget, and includes inflationary increases mitigated by increased program efficiencies and a reallocation of resources. Throughout 2019 and continuing in 2020, staff are implementing the Reliability Centred Maintenance (RCM) program in order to provide an optimum maintenance mix that drives towards zero unplanned operational interruptions, along with a focus on planning and scheduling to efficiently and effectively realize the maximum value of Halton Region's Water Treatment Assets. Savings and efficiencies have been identified through reducing reliance on external contractors and bringing more maintenance in-house. In-house maintenance staff are better able to assess the status of assets and deliver a high level of service because of their specialized familiarity with Halton equipment and operating conditions gained through experience and training. In order to maintain existing service levels for the growing water and wastewater system, the following strategic investments are proposed for 2020, which will be funded with equivalent reductions to purchased services, with no net rate impact:

- **Maintenance Planner – \$120,000** to support Water and Wastewater systems at appropriate levels of service ensuring that the program meets and exceeds the safety and reliability standards for all electrical, mechanical and instrumentation work at all Region water distribution and wastewater collection stations. This investment will have an effective net zero impact on the maintenance program as costs will be offset by reductions in purchased services.

- **Operations Support Coordinator \$119,000** to support maintenance activities as preventive maintenance plans are increasing in complexity and volume, this position will ensure that levels of service are delivered and that asset maintenance needs are met, with an emphasis on continuously improving maintenance systems, business processes, training, and performance management practices. It is expected that these efforts will cumulatively reduce lifecycle and program costs associated with treatment asset maintenance. This investment will have an effective net zero impact on the rate budget as costs will be offset by equivalent reductions in purchased services.
- **Reliability Engineer \$146,000** to deliver the strategic objective of maintaining regional infrastructure in a state-of-good-repair. This position is required to ensure that expected levels of service are delivered and asset maintenance needs are met, with an emphasis on continuously improving maintenance systems, business processes, training, and performance management practices. This investment will have an effective net zero impact on the rate budget as costs will be offset by equivalent reductions in purchased services.

Resiliency of the Region’s Infrastructure – To ensure resiliency of the Region’s infrastructure, the 2020 budget incorporates the implementation of the SCADA 10-year masterplan, and continues with the planned investment in the Basement Flooding Mitigation program.

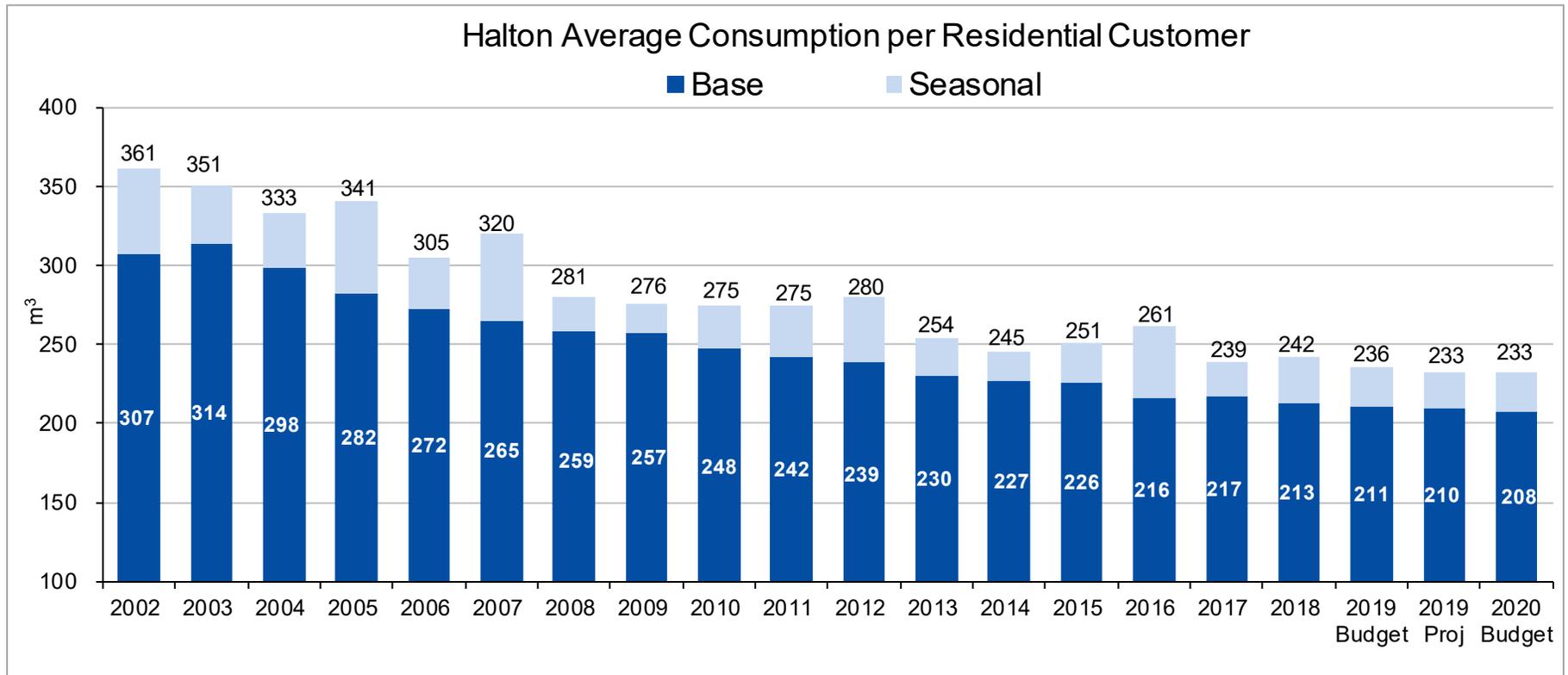
Supervisory Control and Data Acquisition (SCADA) is a critical component of water treatment and distribution and wastewater collections and treatment which maintains high quality service levels and regulatory compliance through enterprise-wide monitoring and process control. In 2018, the Region completed a SCADA Systems Master Plan which provides a 10-year plan to maintain the reliability of the SCADA system and establish new initiatives to meet emerging needs to optimize the use of resources, both internal and external. The 2020 budget includes the following strategic investment to support the SCADA system 24/7:

- **SCADA Specialist \$129,000** to support the implementation of the SCADA System Master Plan, to maximize the business value of the assets, provide reliable and remote operations, efficient operations and keep the SCADA system in a state-of-good-repair.

Basement Flooding Mitigation program - The 2020 budget continues to include \$136,000 for the Region’s Ex-Gratia Grant program and for the Basement Flooding Prevention subsidy program. In addition, the Region-wide Basement Flooding Mitigation program continues as set out in Report No. PW-40-17 (re: Region Wide Basement Flooding Mitigation Program Update). 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) and the related financial plan. This program is expected to require \$85.3 million between 2016 and 2025, in support of 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). The 2020 budget includes the ongoing annual grant funding of \$2.3 million and capital project funding of \$6.0 million.

Sustainable Rate Revenue - 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 to reflect the declining trend in actual consumption, implementing a uniform rate structure and phasing out the wastewater cap by 2020 for billing purposes. The 2020 budget continues with these parameters including anticipated consumption of 52.9 million m³, which staff will continue to monitor as consumption continues to decline. The rate forecast anticipates further reductions to budgeted consumption in the last half of the forecast period.

It is expected that water conservation efforts and growing environmental awareness will continue to affect the consumption level in the forecast period although the rate of this trend is projected to decelerate with efficient plumbing and appliances reaching maturity over time. As shown in the graph below, the actual base consumption (with no seasonal usage) has been steadily decreasing, with a 6.0% reduction in the average annual household consumption from 226m³ to 213m³ over the past 4 years (2015-2018). Accordingly, the 10-year operating forecast incorporates provisions for declining consumption.



Long-Term Water Meter Strategy - As reported to Council in Report No. PW-45-19/FN-35-19 (re: Long Term Water Meter Strategy – Implementation Plan), staff have developed an implementation plan for the installation of a Region-Wide Advanced Meter Infrastructure System (AMI), which will begin in 2020 following procurement of a vendor. Benefits of AMI technology include revenue protection, improved operational efficiency, enhanced customer service, improved distribution system performance monitoring and environmental benefits, and a reduction in the number of meter reading issues and service calls that meter technicians respond to. The planned replacement program for small meters will continue to be deferred in 2020. Meters that have reached or are nearing end-of-life will be replaced in conjunction with the installation of the Region-Wide AMI system. The proactive maintenance program for large meters (40 mm and greater), which began in 2017, will continue, 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. The report identified that the preferred method and most cost effective approach to award is with upfront funding approval. As such, \$49.6 million has been included as part of the 2020 capital budget.

2020 Water & Wastewater Operating Budget By Program

As shown in the following table, the 2020 requested budget for Water and Wastewater Services is increasing from \$205.6 million to \$213.8 million, an increase of \$8.2 million or 4.0%. This includes a base budget increase of \$7.9 million or 3.8% and net strategic investments of \$245,000 that align with Council priorities and address operational issues. When combined with 1.5% customer growth (\$1.3 million), this results in a net water and wastewater rate increase for the 2020 budget of \$6.8 million or 3.3%. The net expenditures shown below incorporate the cost of Corporate Administration in order to reflect the full cost of service delivery.

As discussed earlier, of the 3.3% increase, 2.4% relates to capital financing of the State-of-Good-Repair program, and 0.9% is required to operate and maintain the water and wastewater system. The changes in the 2020 budget by program area are discussed in detail later in this section.

Net Operating Budget for Water & Wastewater Services								
\$000s	2019	2020			Change in Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Budget		2020 Requested to 2019 Budget	
Water Treatment	\$ 22,741	\$ 22,452	\$ 61	\$ 22,513	\$ (289)	-1.3%	\$ (228)	-1.0%
Wastewater Treatment	38,957	39,780	60	39,840	823	2.1%	883	2.3%
Water Distribution	26,933	27,476	62	27,538	542	2.0%	604	2.2%
Wastewater Collection	19,939	20,785	62	20,847	846	4.2%	908	4.6%
Infrastructure Management	97,060	103,051	-	103,051	5,991	6.2%	5,991	6.2%
Net Program Impact	\$ 205,631	\$ 213,544	\$ 245	\$ 213,789	\$ 7,913	3.8%	\$ 8,158	4.0%
Consumption Growth (0.0%)							-	0.0%
Customer Growth (1.5%)							(1,319)	-0.6%
Net Increase Requirement							\$ 6,839	3.3%

2020 Water & Wastewater Operating Budget By Cost Category

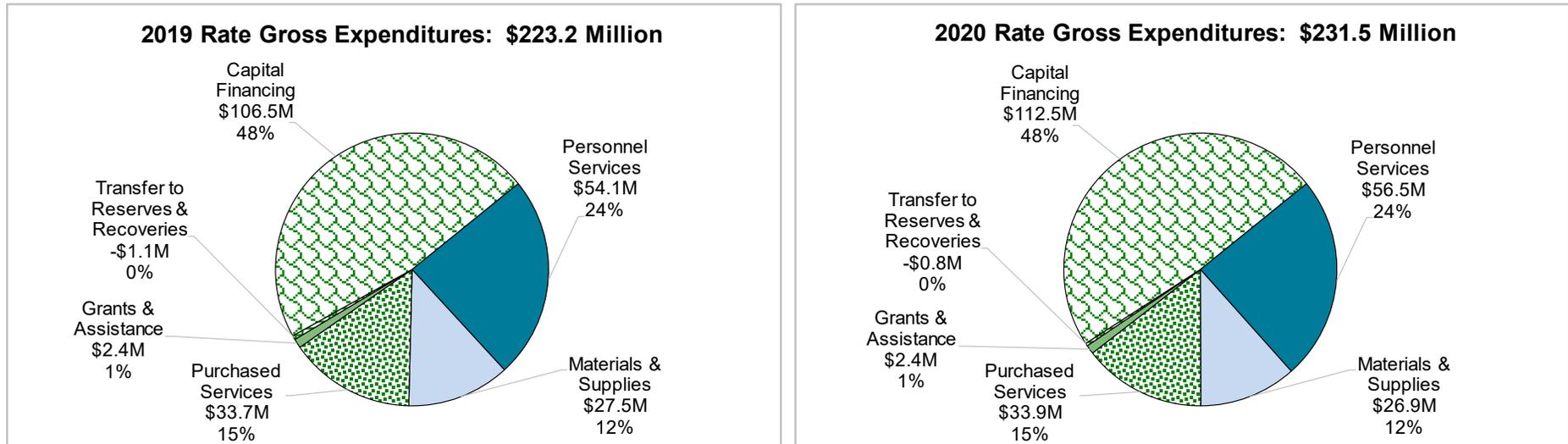
The following table provides a summary of expenditures and revenues by category.

Total Rate Operating Budget Comparison by Cost Category									
\$000s	2019		2020			Change In Budget			
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Budget		2020 Requested to 2019 Budget		
Personnel Services	\$ 54,131	\$ 55,972	\$ 504	\$ 56,476	\$ 1,842	3.4%	\$ 2,345	4.3%	
Materials & Supplies	27,532	26,896	10	26,906	(636)	-2.3%	(626)	-2.3%	
Purchased Services	33,717	34,274	(385)	33,889	557	1.7%	172	0.5%	
Financial and Rent Expenses	285	235	-	235	(50)	-17.6%	(50)	-17.6%	
Grants & Assistance	2,442	2,442	-	2,442	-	0.0%	-	0.0%	
Total Direct Costs	118,106	119,819	129	119,948	1,713	1.5%	1,841	1.6%	
Allocated Charges/(Recoveries)	(16,793)	(17,609)	116	(17,493)	(816)	4.9%	(700)	4.2%	
Corporate Support Charges	15,307	16,400	-	16,400	1,093	7.1%	1,093	7.1%	
Transfers to Reserves - Operating	85	85	-	85	-	0.0%	-	0.0%	
Transfers from Reserves - Operating	-	-	-	-	-	0.0%	-	0.0%	
Gross Operating Expenditures	116,705	118,695	245	118,940	1,989	1.7%	2,235	1.9%	
Capital Financing Expenditures	106,542	112,533	-	112,533	5,991	5.6%	5,991	5.6%	
Total Gross Expenditures	223,247	231,228	245	231,473	7,981	3.6%	8,226	3.7%	
Subsidies	(9,482)	(9,482)	-	(9,482)	-	0.0%	-	0.0%	
Other Revenues	(8,134)	(8,202)	-	(8,202)	(68)	0.8%	(68)	0.8%	
Total Revenue	(17,616)	(17,684)	-	(17,684)	(68)	0.4%	(68)	0.4%	
Net Expenditures	\$ 205,631	\$ 213,544	\$ 245	\$ 213,789	\$ 7,913	3.8%	\$ 8,158	4.0%	
Consumption Growth									0.0%
Customer Growth									1.5%
Rate Impact									3.3%

Schedule may not add due to rounding.

Expenditures

The following chart shows the breakdown of the gross expenditures in the total 2020 Operating Budget for Regional rate-supported services of \$231.5 million by cost category.



Total gross expenditures are increasing by \$8.2 million (3.7%) in the 2020 Rate-Supported Budget, attributable to the following key changes:

Personnel Services - \$2.3 million increase

As shown in the following table, compensation costs are proposed to increase by 4.33% or \$2.3 million in 2020 as a result of:

- 3.40% or \$1.8 million for base budget compensation increases, comprised of the following:
 - 2.66% or \$1.4 million increase to salary/wage budget which includes a 2.0% increase in the non-union pay band based on a pay-for-performance merit system, an adjustment in the budgeted percentage of job rate (from 94.21% to 96.00%) to reflect the actual trend, and anticipated increases in union agreements.
 - 0.74% or \$402,000 increase to benefit costs, including a premium increase of 2.75% for extended health care and 2.75% for dental costs where personnel rates are further adjusted to represent the group's utilization experience.
- 0.93% or \$504,000 increase for an additional 4.0 full-time equivalents (FTEs) recommended as strategic investments in the 2020 budget. Of the 4.0 FTEs, 3.0 FTEs (\$377,000) are funded by a reduction in purchased services, with no net rate impact.

2020 Compensation Summary						
	2018	2019	2020			
	Compensation Budget	Adjusted Compensation Budget	Compensation Inc/(Dec)	Strategic Investments	Compensation Budget	Change
Infrastructure Planning & Policy	9,341,070	10,003,440	449,050	-	10,452,490	4.49%
Engineering & Construction	9,049,780	9,843,700	450,480	-	10,294,180	4.58%
Water & Wastewater System Services	14,340,130	14,757,200	391,770	116,970	15,265,940	3.45%
Water & Wastewater Treatment	18,574,790	19,526,310	550,390	386,810	20,463,510	4.80%
Total	\$ 51,305,770	\$ 54,130,650	\$ 1,841,690	\$ 503,780	\$ 56,476,120	4.33%
Compensation Increase			3.40%	0.93%	4.33%	

Staff Complement

As shown in the following table, the additional staff complement proposed in the 2020 Rate-Supported budget as strategic investments is 4.0 FTEs or a 0.86% increase, which results in a total complement of 470.0 FTEs.

2020 Complement Summary						
	2018	2019	2020			
	Budgeted Staff Complement	Budgeted Staff Complement	Total In-Year Adjustments	Strategic Investments	Budgeted Staff Complement	Change %
Infrastructure Planning & Policy	81.0	82.0	-	-	82.0	0.00%
Engineering & Construction	73.0	77.0	-	-	77.0	0.00%
Water & Wastewater System Services	137.0	137.0	-	1.0	138.0	0.73%
Water & Wastewater Treatment	170.0	170.0	-	3.0	173.0	1.76%
FTE	461.0	466.0	-	4.0	470.0	0.86%
Staff Increase			0.00%	0.86%	0.86%	

Materials & Supplies - \$626,000 decrease

- (\$1.2 million) decrease in hydro due to continued participation in the Industrial Conservation Initiative, which allows eligible facilities to manage their global adjustment costs by reducing demand during peak periods. 5 treatment plants and 2 pumping stations are currently participating in the program.
- (\$111,000) decrease in technology due to the elimination of non-recurring items.
- \$110,000 increase in other commodities (gasoline, diesel and natural gas) mainly due to the impact of the carbon tax and higher consumption based on historical trends.
- \$560,000 increase in chemicals due to an increased price for ferric chloride resulting from an increased cost of raw materials and market demand.

Purchased Services – \$172,000 increase

- \$401,000 increase in property taxes arising from property reassessments.
- \$177,000 increase in professional services mainly due to consulting for maintenance business improvements, training plans, plant safety, and various quality assurance programs.
- \$134,000 increase in water billing charges from the Local Distribution Companies due to a contracted rate increase of 1.9% and 1.5% customer growth
- \$32,000 increase in contracted services mainly due to an increase in cost for snow removal services
- (\$115,000) in dues, memberships, conferences and training expenditures to align with trends
- (\$500,000) decrease in maintenance due to efficiencies identified through a review and implementation of a Reliability Centred Maintenance program and for additional staff resources to bring more maintenance work in-house.

Financial & Rent Expenses - \$50,000 decrease

- \$50,000 decrease resulting from a reduced need for equipment rental

Grants & Assistance – No change

- The 2020 budget continues to include funding to support the Basement Flooding Mitigation program, Ex-gratia grant program, Well-decommissioning grant program, and the annual Children's Water Festival.

Allocated Charges/(Recoveries) – \$700,000 increase

- (\$1.0 million) increase in capital recoveries to reflect project delivery costs.
- (\$134,000) increase in recoveries from the Tax Budget due to higher recoverable personnel and purchased services costs.
- \$116,000 increase due to a chargeback from Legal Services for an Assistant Corporate Counsel added as a Strategic Investment
- \$352,000 increase in chargebacks for IT software maintenance, wet waste collection and disposal at the wastewater treatment plants, Regional Stores, Fleet, and Risk Management mainly due to higher estimated insurance premiums.

Corporate Support Charges - \$1.1 million increase

- Increases are mainly driven by the expanding rate-supported program with additional staff resources approved in 2019.

Capital Financing Expenditures - \$6.0 million increase

- \$7.3 million increase in transfers to capital reserves to support the water and wastewater State-of-Good-Repair capital program.
- (\$1.3 million) reduction in debt charges resulting from the retirement of debt.

Revenues

The \$231.5 million total gross expenditures in the Rate Budget are funded from water and wastewater utility revenues and program fees and other revenues as shown in the table below.

Other Revenues - \$68,000 increase

In addition to water and wastewater rate revenue, a number of other revenues fund the water and wastewater program. As shown below, the 2020 budget includes \$17.7 million in other revenues, an increase of \$68,000 or 0.4% over 2019.

Rate Program Fees & Other Revenues				
\$000s	2019	2020	Change in Budget	
Gas Tax Revenue	\$ 9,482	\$ 9,482	\$ -	0.0%
Interest Earnings	3,617	3,617	-	0.0%
Fees for Service	2,646	2,671	26	1.0%
Sewer Discharge Agreements	1,123	1,135	12	1.1%
Bulk Water Charges	749	779	30	4.0%
Total	\$ 17,616	\$ 17,684	\$ 68	0.4%

Schedule may not add due to rounding.

The increase is driven by inflationary user fee increases for fees for service and sewer discharge agreement revenue, and an increase for bulk water charges based on the rate increase and a small volume increase to reflect trends. The 2020 budget also includes \$9.5 million of Gas Tax funding and \$3.6 million of investment earnings applied to the rate-supported services, which have remained unchanged from the 2019 budget.

2020 Rate Strategic Investments

A total of 4 additional staff and the chargeback of an Assistant Corporate Counsel from Legal Services are included in the 2020 Water & Wastewater budget as shown in the following table. These investments are proposed at a net impact of \$245,200. Details of the business cases for these positions can be found in the Strategic Investment section of the budget book.

2020 Rate Supported Strategic Investments							
Dept	Division	Title	FTE	Personnel Costs	Gross Impact	Savings	Rate Impact
PW	Water & Wastewater System Services	Maintenance Planner	1.0	\$ 117,000	\$ 119,600	\$ (119,600)	\$ -
PW	Water & Wastewater Treatment	SCADA Specialist	1.0	\$ 126,500	\$ 128,900		\$ 128,900
PW	Water & Wastewater Treatment	Reliability Engineer	1.0	\$ 143,300	\$ 145,900	\$ (145,900)	\$ -
PW	Water & Wastewater Treatment	Operations Support Coordinator	1.0	\$ 117,000	\$ 119,400	\$ (119,400)	\$ -
LPS	Legal Services	Assistant Corporate Counsel	-		\$ 116,300	\$ -	\$ 116,300
Total			4.0	\$ 503,800	\$ 630,100	\$ (384,900)	\$ 245,200

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:

- Hydro increases of 0-2.5%
- Chemical increases of 2.0%
- Biosolids haulage cost increases of 2.0%
- Property taxes at 2.0%
- Customer growth ranging from 1.2% to 1.5%
- Consumption growth of -0.9% to 0.0%
- Capital expenditures 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
- Price impacts over and above the estimated inflationary assumptions.
- 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 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 3.2% and 3.5%, with over half of the increase (1.6% to 2.4%) required to support the capital expenditure financing to maintain the State-of-Good-Repair capital program. These rate increases are lower than the rate increases projected in the 2019 forecast due to savings in operating expenditures mainly related to hydro due to the participation of 5 treatment plants and 2 pumping stations in the Industrial Conservation Initiative, which allows eligible facilities to manage their global adjustment costs by reducing demand during peak periods. Since becoming eligible to participate in July 2017, the Region has been able to avoid planned increases of \$876,000 in the 2018 budget and \$350,000 in the 2019 budget, and include a reduction of \$1.2 million in the 2020 budget. The projected hydro increases in the 2020 forecast have subsequently been reduced to 0.0%-2.5% from 2.0-3.0% in the 2019 forecast to reflect these savings.

Also included in the forecast is a provision to reflect declining water consumption trends. As noted earlier, it is expected that water conservation efforts and growing environmental awareness will continue to affect the projected consumption in the forecast period. Over the past four years (2015-2018), the actual base consumption (with no seasonal usage) has been steadily decreasing, with a decrease from 226 m³ to 213 m³, or 6.0%, in the average annual household consumption. Accordingly,

the 2020 10-year rate forecast takes a conservative approach to the consumption projection based on the trends observed in the past four years. The forecast maintains the current projected consumption (52.9 million m³) for the first half of the 10-year period and reflects a gradual annual decline during the second half reaching 50.5 million m³ (-4.5%) by 2029. Staff will continue to closely monitor the trend and determine whether any further adjustments needs to be made through the annual budget process.

Ten Year Operating Budget Forecast For Rate Supported Services										
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
(\$000s)	Requested Budget	Forecast								
Water Treatment	\$ 22,513	\$ 23,157	\$ 23,814	\$ 24,493	\$ 25,196	\$ 25,921	\$ 26,672	\$ 27,448	\$ 28,251	\$ 29,082
Wastewater Treatment	39,840	40,979	42,141	43,343	44,588	45,871	47,199	48,572	49,993	51,463
Water Distribution	27,538	28,325	29,128	29,959	30,819	31,706	32,624	33,573	34,555	35,572
Wastewater Collection	20,847	21,443	22,051	22,680	23,331	24,003	24,697	25,416	26,159	26,929
Infrastructure Management	103,051	108,735	114,703	120,925	127,237	132,330	137,472	142,834	148,252	153,701
Net Program Impact	\$ 213,789	\$ 222,640	\$ 231,836	\$ 241,400	\$ 251,172	\$ 259,831	\$ 268,663	\$ 277,843	\$ 287,210	\$ 296,746
Customer Growth	1.5%	1.4%	1.4%	1.4%	1.4%	1.2%	1.2%	1.2%	1.2%	1.2%
Consumption Growth	0.0%	0.0%	0.0%	0.0%	0.0%	-0.9%	-0.9%	-0.9%	-0.9%	-0.9%
Annual Water Consumption m ³ (000s)	52,913	52,913	52,913	52,913	52,913	52,421	51,934	51,452	50,974	50,500
Rate Increase	3.3%	3.5%	3.5%	3.5%	3.4%	3.4%	3.4%	3.4%	3.3%	3.2%
Rate Impact:										
State-of-Good-Repair	2.4%	2.2%	2.3%	2.3%	2.2%	1.7%	1.7%	1.7%	1.6%	1.6%
Operating Expenses	0.9%	1.3%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
Consumption Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.5%	0.5%	0.5%	0.5%
Residential Bill (250 m³ p.a.)	\$ 1,032	\$ 1,069	\$ 1,106	\$ 1,145	\$ 1,184	\$ 1,224	\$ 1,266	\$ 1,309	\$ 1,352	\$ 1,395
\$ Increase	\$ 33	\$ 36	\$ 37	\$ 39	\$ 39	\$ 40	\$ 42	\$ 43	\$ 43	\$ 43

Rate Budget Forecast as Projected in the 2019 Budget										
Annual % Rate Increase	3.9%	3.8%	3.8%	3.6%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Rate Impact:										
State-of-Good-Repair	2.5%	2.5%	2.5%	2.3%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%
Operating Expenses	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
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 12 Water Treatment Plants and 7 Wastewater Treatment Plants.

Budget Impacts

The 2020 Rate-Supported Budget expenditures are increasing by \$8.2 million or 4.0%. When combined with customer growth, this results in a 3.3% rate increase, which equates to a \$33 annual increase per typical household (consuming 250 m³ /year).

\$000s	2020 Budget					2019 Budget	Change	
	Direct Cost	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Rate Impact			
Water & Wastewater Services						Net Rate Impact	2020-2019	
Water Treatment	\$ 19,475	\$ 4,753	\$ 24,228	\$ (1,714)	\$ 22,513	\$ 22,741	\$ (228)	-1.0%
Wastewater Treatment	37,384	4,807	42,191	(2,351)	39,840	38,957	883	2.3%
Water Distribution	23,720	5,822	29,542	(2,004)	27,538	26,933	604	2.2%
Wastewater Collection	17,475	4,699	22,174	(1,327)	20,847	19,939	908	4.6%
Infrastructure Management	17,407	95,932	113,338	(10,287)	103,051	97,060	5,991	6.2%
Total	\$ 115,461	\$ 116,012	\$ 231,473	\$ (17,684)	\$ 213,789	\$ 205,631	\$ 8,158	4.0%
2019 Budget	113,801	109,446	223,247	(17,616)	205,631			
\$ Change	\$ 1,659	\$ 6,567	\$ 8,226	\$ (68)	\$ 8,158			
% Change	1.5%	6.0%	3.7%	0.4%	4.0%			
FTE					446.0	442.0	4.0	0.9%

The increase is mainly driven by investment in the State-of-Good-Repair capital program. In addition, 4.0 FTEs are proposed as strategic investments including a SCADA Specialist, Reliability Engineer, Operations Support Coordinator and Maintenance Planner which will support both the water and wastewater programs to maintain high-quality service levels and regulatory compliance, and support the maintenance programs in delivering the strategic objective of maintaining regional infrastructure in a state-of-good-repair.

Hydro is a major driver of the rate-supported budget, with rate-supported services using more than 108 million kilowatt hours of hydro per year, or approximately 83% of the Region's electricity consumption. As shown in the table below, hydro consumption has been increasing due to expansions at the treatment plants, enhancements to the level of treatment, and growth of the water and wastewater system. While hydro consumption has been increasing, hydro costs have been decreasing through the participation of five treatment plants and two 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. These savings have been incorporated into the 2020 budget with a reduction of \$1.2 million compared to 2019.

Rate-Supported Hydro Costs & Consumption							
	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2019 Projected	2020 Budget
Cost (\$000s)	\$ 13,890	\$ 16,192	\$ 15,198	\$ 13,949	\$ 16,016	\$ 15,016	\$ 14,816
Kilowatt hours (000s)	101,122	104,411	105,576	108,153	106,775	107,929	108,238

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 in accordance with the 2020 Development Financing Plan Framework (FN-46-19/PW-50-19/LPS112-19).

The State-of-Good-Repair program sets out the rehabilitation, upgrade and replacement needs for existing capital infrastructure, including the implementation of Phase 2 of the Region-wide Basement Flooding program (PW-22-15), which requires a total of \$35.8 million in capital funding over the next 6 years, and the accelerated water meter replacement program. 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 2020 10-year Water and Wastewater capital program is \$2.1 billion, with \$260.5 million allocated for 2020.

Water Treatment

Water Treatment is responsible for the reliable provision of clean, safe drinking water in accordance with all legislative requirements. Water Treatment operates and maintains 12 water treatment plants: 3 surface water (lake source) (Burlington, Burloak and Oakville) and 9 groundwater (well 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 manages water treatment facility assets through planned and preventative maintenance programs.

Budget Impacts

The 2020 Operating Budget for Water Treatment is \$22.5 million which reflects a net decrease of \$228,000 or 1.0%. This decrease is driven by hydro savings arising from 2 Water Treatment Plants participating in the Industrial Conservation Initiative, partially offset by inflationary cost increases to maintain service levels, and strategic investments for a SCADA Specialist, Reliability Engineer, and Operations Support Coordinator to support both the Water and Wastewater Treatment Programs, largely offset with reductions in purchased services.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Cost	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & revenues	Net Rate Impact	Net Rate Impact	2020-2019	
Plant Operations	\$ 14,452	\$ 3,924	\$ 18,376	\$ (1,714)	\$ 16,662	\$ 16,920	\$ (258)	-1.5%
Plant Maintenance	5,023	829	5,851	-	5,851	5,822	30	0.5%
Total	\$ 19,475	\$ 4,753	\$ 24,228	\$ (1,714)	\$ 22,513	\$ 22,741	\$ (228)	-1.0%
2019 Budget	19,873	4,561	24,434	(1,693)	22,741			
\$ Change	\$ (398)	\$ 192	\$ (206)	\$ (22)	\$ (228)			
% Change	-2.0%	4.2%	-0.8%	1.3%	-1.0%			

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 Town of Milton 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 SCADA system that is monitored 24/7.

The 2020 Water Plant Operations budget reflects a decrease of \$258,000 or 1.5% driven by hydro savings arising from two Water Treatment Plants participating in the Industrial Conservation Initiative, partially offset by inflationary increases to maintain service levels, and a strategic investment for a SCADA Specialist which will

support both the water and wastewater programs to maintain high-quality service levels and regulatory compliance. 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. 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. This is a result of water conservation programs, changes to the Ontario Building Code and increased environmental awareness among Halton's residents and businesses.

Energy costs represent a significant portion of the water treatment budget. Hydro consumption at water plants depends on the level of treatment as well as size, quantity, type and age of equipment. Enhancements to the level of treatment and expansions at the Region's water plants also impact annual electricity demand. In coordination with the local hydro utilities, the Public Works department has initiated an Energy and Resource Management Initiative and is implementing initiatives to reduce electricity use and improve energy conservation. Regional staff actively manages hydro use where possible and considers increased efficiencies and conservation for energy use to offset increased hydro pricing.

The Region has maintained an excellent compliance rating over the past 5 years and aims to continue this trend.

Water Plant Operations	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Megalitres of Treated Drinking Water (Ground Water based)	9,009	8,432	8,425	8,400	8,400
Megalitres of Treated Drinking Water (Surface Water Based)	56,790	53,495	54,911	53,300	53,900
Megalitres of Treated Drinking Water (Total)	65,799	61,927	63,336	61,700	62,300
Water Plant Operations Cost / Megalitre of Water Treated	\$229	\$243	\$231	\$266	\$267
Hydro Consumption / Megalitre of Water Treated	456.6	458.5	471.2	471.9	472.3
Percent of Compliance to Drinking Water Standards	100%	100%	100%	100%	100%

Water Plant Maintenance provides maintenance services for all 12 of the Region's water treatment plants through planned and preventative 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 water plants.

The Water Plant Maintenance budget for 2020 reflects an overall increase of \$30,000 or 0.5%, which is the result of inflationary cost increases, and strategic investments for a Reliability Engineer and Operations Support Coordinator, to support both the water and wastewater plant maintenance programs in delivering the strategic objective of maintaining regional infrastructure in a state-of-good-repair. These strategic investments are offset with equivalent reductions to purchased services, resulting in no net rate impact. By reducing reliance on external contractors and bringing more maintenance in-house, maintenance staff are better able to assess the status of assets and deliver a continuous high level of service because of their specialized familiarity with Halton equipment and operating conditions, gained through experience and training.

Throughout 2019 and continuing in 2020, staff are implementing the Reliability Centred Maintenance program in order to provide an optimum maintenance mix that drives towards zero unplanned operational interruptions, along with a focus on planning and scheduling to efficiently and effectively realize the maximum value of Halton Region's Water Treatment Assets.

The cost of maintenance is affected by the increasing size and complexity of the Region's water plants, legislative regulations, and equipment needed to service and maintain these plants. Through efficiencies and optimization of processes, the Water Plant Maintenance cost per ML of water treated has been relatively consistent as shown below.

Water Plant Maintenance	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Maintenance Hours by Type: Regular Maintenance	19,905	21,120	13,644	13,479	20,000
Maintenance Hours by Type: Urgent - Unscheduled	1,150	2,001	1,903	2,289	1,500
Water Plant Maintenance Cost / Megalitre of Water Treated	\$92	\$102	\$75	\$94	\$94

Water Plant Maintenance devotes a significant number of hours to proactive (regular) maintenance, ensuring that the critical components of the closely monitored and highly regulated drinking water systems are in working order and available when needed. Reactive (urgent) maintenance is performed as needed based on the criticality of the equipment. 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.

Wastewater Treatment

Wastewater Treatment is responsible for the safe, efficient and effective operation and maintenance of 7 Wastewater Treatment Plants (WWTPs) to remove contaminants in the wastewater stream prior to being discharged to the environment. Solids generated by the treatment process are transported to a centrally-located Biosolids Management Centre for further processing and final disposition, and to treat and dispose of solid organic matter recovered from the wastewater.

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 staff manage wastewater treatment facility assets through planned and preventative maintenance programs. Wastewater Treatment is also responsible for the treatment and disposition of solids generated from the wastewater treatment process through the Biosolids Management program.

Budget Impacts

The 2020 Operating Budget for Wastewater Treatment is \$39.8 million which represents a net increase of \$883,000 or 2.3%. The increase includes inflationary increases to maintain service levels and strategic investments for a SCADA Specialist, Reliability Engineer, and Operations Support Coordinator to support both the Water and Wastewater Treatment Programs, largely offset with reductions in purchased services.

\$000s	2020 Budget					2019 Budget	Change	
Wastewater Treatment	Direct Cost	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Rate Impact	Net Rate Impact	2020-2019	
Plant Operations	\$ 25,693	\$ 3,214	\$ 28,907	\$ (2,351)	\$ 26,556	\$ 25,635	\$ 921	3.6%
Plant Maintenance	8,867	839	9,706	-	9,706	9,633	73	0.8%
Biosolids Management	2,825	754	3,578	-	3,578	3,688	(110)	-3.0%
Total	\$ 37,384	\$ 4,807	\$ 42,191	\$ (2,351)	\$ 39,840	\$ 38,957	\$ 883	2.3%
2019 Budget	36,798	4,488	41,285	(2,328)	38,957			
\$ Change	\$ 586	\$ 320	\$ 906	\$ (23)	\$ 883			
% Change	1.6%	7.1%	2.2%	1.0%	2.3%			

Wastewater Plant Operations provides 24/7 operations for 3 secondary and 4 tertiary treatment plants to treat wastewater prior to being discharged to the environment. The 2020 Wastewater Treatment Operations budget is increasing by \$921,000 or 3.6%, resulting from increased costs for treatment chemicals, increased property taxes due to property reassessments, and a strategic investment for a SCADA Specialist which will support both the water and wastewater programs to maintain high-quality service levels and regulatory compliance. These increases are partially offset by savings in hydro due to the continued participation of 3 wastewater treatment plants in the Industrial Conservation Initiative, which allows eligible hydro customers to manage their global adjustment costs by reducing demand during peak periods.

The volume of wastewater treated has remained within normal levels of expected variation driven by changes in weather and water usage. This trend is a result of significant efforts by water conservation programs, the Region's efforts to remove the extraneous stormwater out of the system, changes to the Ontario Building Code, and an increased environmental awareness among Halton's residents and businesses. It is anticipated that flows will begin to increase as the population continues to grow. 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 flow monitoring in order 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.

Hydro consumption at the WWTPs 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 WWTPs, as well as expansions, can increase annual electricity demand. Halton staff actively manage hydro use where possible, and continue to seek efficiencies through conservation in electricity to offset increased hydro consumption. Hydro consumption per ML remained in line with the overall treatment costs due to expansion and upgrade activities resulting from regulatory requirements and growth pressures while the wastewater flows have remained relatively consistent.

Wastewater treatment consistently treats over 99.7% of wastewater to a secondary or better level of treatment. This treatment is a critical step in the protection of Halton's natural environment and its drinking and recreational water sources.

Wastewater Plant Operations	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Megalitres of Wastewater Treated	84,778	89,143	88,893	88,900	89,000
Wastewater Plant Operations Cost / Megalitre of Wastewater Treated	\$280	\$259	\$265	\$290	\$298
Hydro Consumption / Megalitre of Wastewater Treated	621	619	629	635	634
Treated Wastewater that Receives Secondary or Better Treatment Prior to Discharge into the Environment	99.9%	99.7%	99.6%	99.7%	100.0%

Wastewater Plant Maintenance provides maintenance services for all 7 of the Region's water treatment plants and the Biosolids Management Centre through planned and preventative 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 2020 Wastewater Treatment Maintenance budget reflects an increase of \$73,000 or 0.8% and includes inflationary increases and strategic investments for a Reliability Engineer and Operations Support Coordinator, to support both the water and wastewater plant maintenance programs in delivering the strategic objective of maintaining regional infrastructure in a state-of-good-repair. These strategic investments are offset with equivalent reductions to purchased services, resulting in no net rate impact. By reducing reliance on external contractors and bringing more maintenance in-house, maintenance staff are better able to assess the status of assets and deliver a continuous high level of service because of their specialized familiarity with Halton equipment and operating conditions gained through experience and training.

Throughout 2019 and continuing in 2020, staff are enhancing the planning and 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 emergency maintenance is unavoidable.

Wastewater Treatment Maintenance	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Maintenance Hours by Type: Regular Maintenance	26,324	26,814	20,641	15,842	31,000
Maintenance Hours by Type: Urgent - Unscheduled	3,488	4,524	3,754	6,741	4,000
Wastewater Plant Maintenance Cost / Megalitre of Wastewater Treated	\$131	\$100	\$99	\$110	\$111

Biosolids Management - Compared to 2019, the 2020 Biosolids Management budget has decreased by \$110,000 or -3.0%, mainly due to a decrease in haulage costs from the Biosolids Management Centre.

Solids Management	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Tonnes of Bio-solids Treated and Disposed	35,830	35,897	38,060	37,000	37,000
Cost / Tonne of Bio-solids Treated and Disposed	\$92	\$83	\$81	\$100	\$97

In general, tonnes of biosolids treated and disposed of have remained relatively constant.

Water Distribution

Water Distribution is responsible for the operation and maintenance of water infrastructure, and distributes approximately 63 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 water mains, 22 water reservoirs, 15 booster pumping stations, 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 emergencies 24/7.

Budget Impacts

The 2020 budget for Water Distribution is \$27.5 million which represents a net increase of \$604,000 or 2.2% over 2019. The increase includes inflationary increases to maintain service levels, and strategic investments for a Maintenance Planner to support maintenance operations at appropriate levels of service and ensure that the program meets and exceeds the safety and reliability standards for all electrical, mechanical and instrumentation work at all Region water distribution and wastewater collection stations, and a SCADA specialist which will support both the water and wastewater programs to maintain high-quality service levels and regulatory compliance.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Cost	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Rate Impact	Net Rate Impact	2020-2019	
Distribution Operations & Maintenance	\$ 14,972	\$ 2,988	\$ 17,960	\$ (1,701)	\$ 16,259	\$ 15,581	\$ 678	4.3%
Service Connections	1,540	99	1,639	(140)	1,499	1,600	(101)	-6.3%
Fire Suppression	561	102	663	(164)	499	633	(133)	-21.1%
Water Pumping Stations	6,648	2,632	9,281	-	9,281	9,119	161	1.8%
Total	\$ 23,720	\$ 5,822	\$ 29,542	\$ (2,004)	\$ 27,538	\$ 26,933	\$ 604	2.2%
2019 Budget	23,573	5,341	28,914	(1,981)	26,933			
\$ Change	\$ 147	\$ 481	\$ 627	\$ (23)	\$ 604			
% Change	0.6%	9.0%	2.2%	1.2%	2.2%			

Regional growth of the distribution network continues to increase the number of service connections, water meter, and fire hydrant assets being operated and maintained. Distribution infrastructure is expanding while per capita water consumption continues to decline. Decreased consumption results from Ontario Building Code updates that require efficient fixtures in new homes such as low-flow toilets, which contributes to the lower per household water use.

Furthermore, water efficiency awareness continues to grow among Halton residents and businesses. However, most compliance-related maintenance and operations are not tied to consumption and continue to increase with the addition of new infrastructure assets. Economic pressures on this budget include increased costs for contracted services driven by increased labour costs, as well as increased costs for parts and supplies due to fluctuations in commodity prices and market demand.

Distribution Operations and Maintenance includes all activities necessary to protect the integrity of the infrastructure network of water mains 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 that ensures an uninterrupted supply of safe drinking water. Operators also respond to customer requests for service, such as responding to frozen water service complaints and conducting water quality tests.

The 2020 budget shows an increase of \$678,000 or 4.3% mainly due inflationary increases and a strategic investment for a SCADA Specialist which will support both the water and wastewater programs to maintain high-quality service levels and regulatory compliance.

Distribution network infrastructure continues to increase in order to accommodate growth in the Region. As watermains, valves, fire hydrant, pumps and other assets are added to the system, operational and maintenance programs are expanded to ensure that the Region remains compliant with legislative drinking water standards and continues to deliver an uninterrupted supply of drinking water to residents and businesses.

Distribution Operations & Maintenance	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Annual Number of Water Main Breaks	115	127	86	90	100
Number of km's of Watermain Operated and Maintained	2,238	2,281	2,299	2,345	2,381
Megalitres of Drinking Water Distributed - m ³ (000's)	55,889	52,294	53,682	52,411	52,913
Number of Water Locates	35,321	31,401	7,862	6,825	5,460
Cost / km of Watermain Operated and Maintained	\$5,216	\$5,389	\$4,705	\$6,467	\$6,829
Number of Customer Service Complaints	822	597	410	475	450
Percent of Compliance to Drinking Water Standards in the Distribution System	99.9%	100.0%	100.0%	100.0%	100.0%

The cost to operate and maintain the distribution network is increasingly effected by external factors required to deliver services throughout the Region, such as the cost for energy, materials, supplies, and external services, as well as changing weather patterns.

Significant efforts continue to be made in order 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 continues to grow. 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.

Winter conditions can impact the number of watermain breaks that occur. Historical averages for years with reasonable winter weather have averaged 100 breaks per year. More extreme winter conditions were experienced in 2016 and 2017 with a higher than average number of breaks. Capital programs to replace aging watermains ensure that the integrity of the infrastructure is maintained and that in the absence of extreme winter conditions, the historical average of watermain breaks per year can be maintained or even reduced as experienced since 2018.

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. In 2020, staff are projecting average total consumption reflective of the past five years which includes both dry and wet seasonal conditions.

Working with service providers, Halton staff continues working to optimize the utility locate program. Efforts to optimize request processing at Ontario One Call is resulting in a significant reduction in the number of requests. Staff have also implemented process efficiencies that have reduced the number of hours Operations staff require for locates which has enabled these staff to be redeployed to other important distribution system activities.

Over the last 5 years, the Region has had a near perfect record 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.

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 2020 budget is decreasing by \$101,000 or 6.3%, resulting from an increase in repairs completed in-house versus relying on external contractors.

Service Connections	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Service Connections Operated and Maintained (000s)	155	160	163	162	164
Number of Water Meters Maintained (000s)	157	159	163	165	168

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.

As reported to Council in Report No. PW-45-19/FN-35-19 (re: Long Term Water Meter Strategy – Implementation Plan), staff have developed an implementation plan for the installation of a Region-Wide Advanced Meter Infrastructure System (AMI), which will begin in 2020 following procurement of a vendor. Benefits of AMI

technology include revenue protection, improved operational efficiency, enhanced customer service, improved distribution system performance monitoring and environmental benefits, and a reduction in the number of meter reading issues and service calls that meter technicians respond to. The planned replacement program for small meters will continue to be deferred in 2020. Meters that have reached or are nearing end-of-life will be replaced in conjunction with the installation of the Region-Wide AML system. The proactive maintenance program for large meters (40 mm and greater), which began in 2017, will continue, 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.

Fire Suppression refers to the maintenance, repair and testing of fire hydrants throughout the Region. In compliance with Ontario Regulation 213/07, preventive maintenance is performed on hydrants annually to ensure they are in good condition and functioning properly for the protection of Halton citizens.

The 2020 budget for fire suppression is decreasing by \$133,000 or 21.1% due to a reduction in the planned frequency of hydrant painting based on the hydrants being in good condition.

Fire Suppression	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Fire Hydrants Operated and Maintained	13,618	13,913	14,039	14,324	14,550

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. Preventive maintenance of older hydrants proactively identifies age-related deficiencies.

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 used to store and pump drinking water throughout the Region are in good condition and functioning properly. Outlying facilities include reservoirs that store drinking water to ensure an uninterrupted supply of water and fire protection, and booster pumping stations that 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 preventative maintenance programs, providing corrective and 24/7 emergency repair services, as well as coordinating contractors and specialized trades conducting maintenance work.

The 2020 budget is increasing by \$161,000 or 1.8%, mainly due to inflationary cost increases. The budget also includes a strategic investment for a Maintenance Planner to support maintenance operations at appropriate levels of service and ensure that the program meets and exceeds the safety and reliability standards for all electrical, mechanical and instrumentation work at all Region water distribution and wastewater collection stations. This strategic investment is offset with equivalent reductions to purchased services, resulting in no net rate impact.

Water Pumping Stations	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Pumping Stations Operated and Maintained	14	14	15	15	16

Optimization of the maintenance program will continue to be a focus in 2020. Optimization will include work process improvements as well as increased utilization of internal resources to complete work. Mechanical and electrical systems and instrumentation at reservoirs and booster pumping stations require preventive maintenance and corrective repairs to ensure pumps, valves, controls and instruments continue to function adequately.

Wastewater Collection

Wastewater Collection is responsible for collecting and conveying wastewater from residential, commercial and industrial customers in 7 separate catchment areas of the Wastewater Treatment Plants (WWTPs). Halton collects over 88 billion litres of wastewater (from households and businesses) in a safe, and environmentally responsible manner in accordance with all legislated requirements every year. Wastewater Collection operates and maintains more than 1,980 km of sewer mains and 80 pumping stations. Operations staff manages the wastewater collection system by undertaking preventive and reactive maintenance programs, providing customer service, and responding to emergencies 24/7.

Budget Impacts

The 2020 budget for Wastewater Collection budget is \$20.8 million, which reflects an increase of \$908,000 or 4.6% over 2019. The increase includes inflationary increases to maintain service levels, and strategic investments for a Maintenance Planner, offset with equivalent reductions to purchased services resulting no net rate impact, and a SCADA specialist which will support both the water and wastewater programs to maintain high-quality service levels and regulatory compliance.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Cost	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Rate Impact	Net Rate Impact	2020-2019	
Wastewater Collection								
Collection Operations & Maintenance	\$ 8,735	\$ 1,713	\$ 10,448	\$ (1,233)	\$ 9,214	\$ 8,670	\$ 544	6.3%
Lateral Connections	1,176	85	1,261	(94)	1,167	1,032	134	13.0%
Flood Mitigation Program	2,386	-	2,386	-	2,386	2,386	-	0.0%
Wastewater Pumping Stations	5,179	2,901	8,080	-	8,080	7,851	229	2.9%
Total	\$ 17,475	\$ 4,699	\$ 22,174	\$ (1,327)	\$ 20,847	\$ 19,939	\$ 908	4.6%
2019 Budget	16,979	4,287	21,267	(1,327)	19,939			
\$ Change	\$ 496	\$ 412	\$ 908	\$ 0	\$ 908			
% Change	2.9%	9.6%	4.3%	0.0%	4.6%			

Regional infrastructure continues to expand and there are a greater number of assets to be maintained each year. Furthermore, work related to the Basement Flooding Mitigation program continues to be a priority.

The Enhanced Basement Flooding Prevention Subsidy program provides subsidies region-wide for downspout and weeping tile disconnection as well as sanitary lateral repairs. These programs will reduce the volume of rainwater entering the sanitary system.

Collection Operations and Maintenance includes all of the activities necessary to protect the integrity of the infrastructure network of pipes and manholes, ensuring wastewater is effectively and efficiently collected and conveyed to the WWTPs. Wastewater Collection operators are responsible for completing preventive maintenance 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 manholes.

The 2020 budget is increasing by \$544,000 or 6.3%, due to inflationary increases and also due to an increased utilization of external contractors to allow for Operators to be deployed to other more complex collection system activities to ensure the most efficient use of resources. The budget also includes a strategic investment for a SCADA Specialist which will support both the water and wastewater programs to maintain high-quality service levels and regulatory compliance.

Collection Operations & Maintenance	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of km's of Wastewater Main Operated and Maintained	1,894	1,922	1,941	1,984	2,014
Number of Wastewater Locates	14,778	10,233	2,620	2,225	1,750
Cost per km of Wastewater Collection Network Operated and Maintained	\$5,575	\$4,899	\$4,639	\$4,131	\$4,575
Number of Customer Service Complaints	964	926	836	800	750

Collection network infrastructure continues to increase in order to accommodate growth in the Region. As sewer mains, manholes, 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 effected by external factors, such as the cost for energy, materials, supplies and external services which are required to deliver services throughout the region. Despite these pressures, the cost per kilometre of the wastewater collection network has remained relatively constant through significant efforts to mitigate the pressures of rising costs such as the optimization of operating and maintenance programs to ensure the most efficient use of resources.

Working with service providers and Ontario One Call, Halton staff are able to optimize the utility locate program resulting in a decrease in the number of requests. Coupled with process efficiencies implemented by the Region, and increased utilization of external contractors for low-risk locates, Operators will be able to be deployed to other important collection system activities to ensure the most efficient use of resources.

As a growing municipality, the kilometres of sewer mains within the wastewater collection network continues to expand. Operational programs continue to evolve to meet the demands of maintaining the infrastructure as efficiently as possible. The consistently low volume of complaints demonstrates that the Region successfully provides this service.

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. Collection operators and contracted service providers undertake Closed Circuit Television (CCTV) inspections to diagnose issues that prevent wastewater from flowing from buildings to sewer mains efficiently as well as repair the public section of cracked and broken laterals and clear blockages whenever issues are identified.

The 2020 budget is increasing by \$134,000 or 13.0% due an increase in the contract cost for wastewater connection repairs.

Lateral Connections	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Lateral Connections Maintained (000s)	114	114	116	117	119

The Region's infrastructure continues to expand in line with growth pressures. The increase in the number of service connections is reflective of the new homes and businesses being built. Operations respond to service requests due to blocked laterals 24/7. The 2020 program will include an increased focus on inspection and cleaning main lines to prevent blockages and backups. 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 program, Weeping Tile Disconnection Subsidy program, Lateral Lining Subsidy program and the Backwater Valve Subsidy program.

The 2020 budget continues to include the ongoing annual grant funding of \$2.4 million for the targeted downspout disconnect program, enhanced basement flooding prevention subsidy, and ex-gratia grant programs.

The Region established the Downspout Disconnection program and Weeping Tile Disconnection Subsidy program in 2016, to encourage property owners to complete private-side disconnections. Program participation results in the prevention of water entering the sanitary system during rain events. Preventing this source of water from entering the sanitary sewer system reduces the risks of basement flooding.

Flood Mitigation Program	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Weeping Tiles Disconnected	29	58	54	50	80
Number of Downspouts Disconnected	1,678	813	1,429	1,400	150

The Region has a comprehensive subsidy program that provides subsidies for:

- Downspout and weeping tile disconnection.
- Lateral lining and repairs.
- Backwater valve installation.

Wastewater Pumping Stations Operations and Maintenance refers to the activities that are carried out to ensure that the pumping stations that convey wastewater are in good condition and functioning properly. The 2020 budget includes an increase of \$229,000 or 2.9%, resulting from inflationary increases, and a strategic investment for a Maintenance Planner to support maintenance operations at appropriate levels of service and ensure that the program meets and exceeds the safety and reliability standards for all electrical, mechanical and instrumentation work at all Region water distribution and wastewater collection stations. This strategic investment is offset with equivalent reductions to purchased services, resulting in no net rate impact.

Operators and skilled trades complete daily inspections, checks and maintenance to ensure that pumps, generators and other equipment are maintained and functioning properly. Through planned and preventative reliability centred maintenance programs, providing corrective and 24/7 emergency repair services, and coordinating contractors and specialized trades to conduct maintenance work, critical equipment is maintained to ensure uninterrupted service.

Pumping station maintenance practices have been improved to mitigate the risk of by-passes. Pump stations have also been upgraded to improve performance during high flow events such as rain storms. Improved alarm protocols have led to a faster response time by Operations staff to resolve issues that could result in by-pass events.

Wastewater Pumping Stations	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Pumping Stations Operated and Maintained	79	79	79	80	82
Number of By-passes at pumping stations	0	8	4	5	4

In 2020, staff will focus on optimizing Reliability Centred Maintenance programs to ensure critical infrastructure is maintained to ensure break-downs are minimized and service life of the assets are maximized. Optimization work will include improvements to work process flows and completing more maintenance using internal resources. Within pumping stations, there is more than 2,300 critical pieces of equipment in operation to convey the wastewater collected from homes and businesses across the region to the treatment plants. Upgrading or expanding the stations, rather than building new ones, is one method the Region is utilizing to efficiently meet the demands of growth.

Infrastructure Management

Infrastructure Management includes all planning and policy activities related to the Region's Water and Wastewater assets. These activities include monitoring asset conditions as well as developing and implementing infrastructure renewal plans through the Asset Management program. The estimated net book value of these assets as of December 31, 2018, was \$3.9 billion. The Public Works Asset Management Update, 2017 (PW-28-17) and 2020 Budget Directions (FN-28-19), outline the objective of the annual budget development and goals to invest appropriately in the state-of-good-repair program to maintain the condition of the assets as infrastructure ages and expands due to growth. Public Works staff continue to implement the Public Works Asset Management Road Map Implementation Plan - Optimized Decision Making.

As such, key activities of Infrastructure Management include the Water and Wastewater State-of-Good-Repair (Non-Development) capital program, growth plans such as the Water and Wastewater Servicing Master Plan, maintaining asset information and inventory records, and developing and enforcing Regional Water and Wastewater Works policies.

Budget Impacts

The Infrastructure Management budget reflects a net increase of \$6.0 million or 6.2%, 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.

\$000s	2020 Budget					2019 Budget	Change	
	Direct Cost	Capital & Other Expenditures	Total Gross Expenditures	Subsidies & Revenue	Net Rate Impact	Net Rate Impact	2020-2019	
State of Good Repair System Growth Planning	\$ -	\$ 112,533	\$ 112,533	\$ (9,482)	\$ 103,051	\$ 97,060	\$ 5,991	6.2%
Development Review Engineering & Construction Information Management	1,696	(1,696)	-	-	-	-	-	0.0%
	1,109	(308)	801	(801)	-	-	-	0.0%
	12,033	(12,033)	0	-	-	-	-	0.0%
	2,568	(2,564)	4	(4)	-	-	-	0.0%
Total	\$ 17,407	\$ 95,932	\$ 113,338	\$ (10,287)	\$ 103,051	\$ 97,060	\$ 5,991	6.2%
2019 Budget	16,578	90,769	107,347	(10,287)	97,060			
\$ Change	\$ 829	\$ 5,162	\$ 5,991	\$ 0	\$ 5,991			
% Change	5.0%	5.7%	5.6%	0.0%	6.2%			

State-of-Good-Repair includes the operating contribution required to finance the 10-Year State-of-Good-Repair Water and Wastewater capital program. As noted in the Public Works Asset Management Program Update, 2017 (PW-28-17), the first 3 years of the 2020 capital plan are prioritized by applying a risk-based approach while timing of projects in years 4 through 10 have been identified through the application of life cycle models.

The 2020 10-Year Water and Wastewater State-of-Good-Repair (Non-Development) capital program will invest \$1.2 billion to renew the existing water and wastewater infrastructure assets, which are explained in further detail in the Capital Budget section below. These investments address infrastructure in poor condition where there is risk to providing reliable, safe, sustainable, suitable and cost efficient services, as outlined in the Public Works Asset Management Program Update, 2017 (PW-28-17) and 2020 Budget Directions (FN-28-19).

State of Good Repair	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Percent of Water Infrastructure Rated as Good and Very Good	64%	82%	82%	82%	82%
Percent of Wastewater Infrastructure Rated as Good and Very Good	60%	73%	73%	73%	73%
Water Loss Rate - Percent	15.1%	15.6%	15.2%	15.2%	14.9%
Number of Watermain Breaks / 100 KM's of Watermain	5.1	5.6	3.7	4.7	4.6
Number of Main Line Wastewater Back-Ups / 100 KM of Pipe	1.37	1.87	2.47	0.50	1.00

As reported through FN-24-18 re: Asset Management Planning Regulation (O. Reg. 588/17), the purpose of O. Reg. 588/17 is to support a consistent approach to asset management planning across Ontario. Halton Region's asset management practices have evolved throughout the years and staff are working to review and align existing practices with the new regulation requirements.

As part of this review, the Region updated condition ratings for all Regional assets to be consistent across all service areas. Asset conditions should be objective and repeatable. The Region's condition ratings align to the National Standard ranging from 1 (the asset is in a very good condition) to 5 (the asset is in a very poor condition).

Halton's asset management program has resulted in most infrastructure assets being rated as 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 endeavors to reduce construction impacts on residents and businesses and achieve lowest project delivery costs by bundling water, sewer, and road replacement components as large contracts where practical.

Region-wide capital investments and outreach programs, such as the Basement Flooding Mitigation program (including downspout disconnection, weeping tile disconnection), lateral linings, and manhole capital improvement programs will result in reduced volume of extraneous water entering into the wastewater network. Rainwater infiltration and inflow (I&I) is a significant risk to the performance of the wastewater system and can lead to basement flooding. Accordingly, investments in these programs are necessary to optimize sewer capacity.

The Region anticipates a reduction in the water system losses through the reduction in non-revenue water uses. Non-revenue water uses can include, but are not limited to, water lost from pipe leaks or main breaks, water used by the Region to commission or flush water mains, inaccuracies in water billing and water theft. The reduction in these losses is anticipated as a result of the optimization of maintenance programs such as dead end flushing, the replacement of water mains with a high break history or that are in poor condition, and the replacement of aging water meters. In addition, through Report No. PW-27-19 (re: Drinking Water System By-law), Regional Council repealed and replaced two by-laws with the Drinking Water System By-law which includes higher penalties for contravening provisions in the by-law including infractions such as illegal connections.

The Region will be selecting and beginning implementation of an Automated Metering Infrastructure (AMI) system in 2020. Once the system is fully implemented and water meters are AMI-enabled, the consumption data obtained via AMI can be used to support distribution system improvement efforts such as water loss management through analysis such as district metering.

The Region maintains a relatively young distribution network with an average age of 25 years. The age of the network contributes to Halton's overall low watermain break rate. The 2020, ten-year Water and Wastewater State-of-Good-Repair (Non-Development) capital investments and distribution network growth contributes to the low target for watermain breaks per 100 km. Investments include small-diameter watermain replacements, primarily renewing pipes that are aging and in poor condition.

In 2019, Public Works retained a consultant to execute a comprehensive review, refinement and documentation of the approach to capital cost estimating for Public Work' State of Good Repair (renewing existing infrastructure) and Growth (Development) Capital Budget process. The scope of work included infrastructure projects for transportation including storm water assets, waste management, fleet vehicles, water and wastewater (linear and vertical). Public Works' goal is to develop a consistent cost estimating model that will form the basis for annual budget programming. The model will evaluate and capture whole-life cost for infrastructure projects, including renewal and/or rehabilitation projects, growth (development) projects and enhancement projects. For growth projects, the baseline benchmark cost estimates will be applied in the development of the Region's master infrastructure plans and development charge technical background studies for the update to the Development Charges By-law.

System Growth Planning includes growth related to infrastructure to deliver the 2020 Allocation program to 2022. With respect to accommodation of growth to the Year 2041, the Integrated Growth Management Strategy (IGMS) is underway, which is a multi-year, multi-step process that integrates growth management with infrastructure master plan development and the associated financial impacts to inform where to grow within the Region and how much. The 2020 budget for System Growth Planning is increasing by \$58,000 or 4.2%, resulting from inflationary increases.

Development Review predicts that the number of development related applications and permits processed will remain steady at the existing (2019) levels in 2020, despite Halton Region's continued growth and the past trend of an increasing number of reviews and applications being processed. The Region's growth projections align with this assumption.

The 2020 budget for Development Review is increasing by \$43,000 or 4.5% for inflationary increases.

Development Review	2016 Actual	2017 Actual	2018 Actual	2019 Projected	2020 Projected
Number of Development Applications Reviewed	238	285	300	404	500
Number of Permits Processed	518	528	445	317	450

Capital Project Delivery—Public Works builds safe and sustainable municipal infrastructure for internal clients (water and wastewater systems, water and wastewater treatment), and external clients (development industry). In addition to building new infrastructure, state-of-good-repair projects remain a priority for renewal of aging infrastructure in order to operate at targeted levels of service, mitigate disruptions to residents and businesses, and to maintain compliance with legislated requirements.

The 2020 budget for Capital Delivery is increasing by \$569,000 or 4.0%, resulting from inflationary increases. The Region continues to deliver an aggressive capital program that aims to both support growth and maintain existing infrastructure in a state-of-good-repair. The capital program continues to introduce larger and more complex projects year-to-year. Managing the increasing volume of capital works with balanced consistency and a standardized approach across the entire group is extremely challenging. To address this, the Engineering Management Office was recently formed to ensure that a standardized, consistent, quality-based and transparent capital program delivery model is followed, that meets the growing public expectation of highly effective, accurate, timely and unified communication on capital projects as well as delivering exceptional customer service that exceeds the expectations of the community.

Information Management includes the organization of and control over the structure, processing and delivery of information used in the operation, maintenance and development of Halton’s water and wastewater infrastructure.

The 2020 budget for Information Management is increasing by \$85,000 or 3.8% due to inflationary increases.

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 in accordance with the 2020 Allocation Program.

The State-of-Good-Repair program sets out the rehabilitation, upgrade and replacement needs for existing capital infrastructure, including the implementation of Phase 2 of the Region-wide Basement Flooding program (PW-22-15), which requires a total of \$35.8 million in capital funding over the next 6 years, and \$49.6 million in 2020 for the implementation of the Long Term Water Meter Strategy (PW-45-19/FN-35-19). 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 2020 10-year Water and Wastewater capital program. The 10-year total is \$2.1 billion, with \$260.5 million allocated for 2020.

2020 Capital Budget & Forecast											
Summary of Rate Capital Budget & Financing (\$000s)											
	Gross Cost	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Development											
Water	\$ 444,415	\$ 68,311	\$ 4,158	\$ 14,913	\$ 143,178	\$ 59,507	\$ 47,589	\$ 74,069	\$ 9,842	\$ 12,345	\$ 10,503
Wastewater	418,225	50,858	19,275	10,199	106,908	14,816	115,701	65,957	3,671	30,267	573
Sub-total	862,640	119,169	23,433	25,112	250,086	74,323	163,290	140,026	13,513	42,612	11,076
State-Of-Good-Repair											
Water	525,732	103,526	48,148	48,976	50,468	49,725	36,891	49,269	31,695	50,487	56,547
Wastewater	685,229	37,840	46,115	46,628	91,183	69,990	66,680	72,003	82,050	85,017	87,723
Sub-total	1,210,961	141,366	94,263	95,604	141,651	119,715	103,571	121,272	113,745	135,504	144,270
Total	\$ 2,073,601	\$ 260,535	\$ 117,696	\$ 120,716	\$ 391,737	\$ 194,038	\$ 266,861	\$ 261,298	\$ 127,258	\$ 178,116	\$ 155,346
Financing											
External Rcvry/Other	\$ 9,860	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986	\$ 986
Dev't Charges - Res.	579,640	82,678	12,454	13,964	161,960	58,843	106,818	97,860	10,098	26,767	8,198
Rate Capital Reserves	1,293,697	148,365	99,921	101,164	173,708	120,274	121,731	128,767	112,759	143,724	143,284
Infrstr. Invstmnt Rvl. Fnd.	190,404	28,506	4,335	4,602	55,083	13,935	37,326	33,685	3,415	6,639	2,878
Total	\$ 2,073,601	\$ 260,535	\$ 117,696	\$ 120,716	\$ 391,737	\$ 194,038	\$ 266,861	\$ 261,298	\$ 127,258	\$ 178,116	\$ 155,346

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

2020 Water & Wastewater Capital Budget

The 2020 Water and Wastewater Capital Budget totals \$260.5 million, consisting of \$119.2 million for the Development program and \$141.4 million for the State-of-Good-Repair (non-Development) program.

The **\$119.2 million Development program** in 2020 is \$5.6 million higher than the 2020 forecast included in the 2019 budget and includes the following:

- \$22.5 million for 750mm WM on Trafalgar Road from 22nd Side Rd to 10th Side Road (Zone G6L)
- \$9.3 million for West River WWPS - Capacity Upgrade to 120L/s including 450mm inlet WWM to station
- \$8.7 million for 750mm WWM on new road alignment from Louis St. Laurent to Britannia Road
- \$7.0 million for 750mm WWM on 9th Line from Argyll Road to 10th Side Road - Georgetown South Connection
- \$6.9 million for 600mm WWM on new North Oakville road from Burnhamthorpe Road to Dundas St

The **\$141.4 million State-of-Good-Repair program** has increased from the 2019 forecast by \$45.5 million. The 2020 budget incorporates significant investments of \$52.8 million for water distribution and wastewater collection systems rehabilitation and replacements, \$51.4 million for the new water meter and replacement installation program including AMI deployment, \$26.6 million for plant/facilities infrastructure upgrades, replacements and maintenance and \$2.8 million for the SCADA Master Plan implementation. The 2020 budget includes the following major projects:

- \$49.6 million for AMI development and implementation of a detailed AMI plan, deployment and meter replacement (PW-45-19/FN-35-19)
- \$6.0 million for the Basement Flooding Mitigation Program (PW-22-15).
- \$5.0 million for 400mm WM on Bronte Street from 500m north of Main Street to Steeles Avenue
- \$4.6 million for 300m WM and WWM on Ninth Line from UMR to 1000m north of UMD (Hydro Corridor)
- \$4.5 million for Burloak WPP - Replacement of Membranes
- \$3.2 million for Bailie Booster Station and Yard Piping Renewal
- \$2.2 million for 200mm WM on Prince Charles Drive from Windsor Road to Delrex Boulevard
- \$2.1 million for 200mm and 300mm WWM on Prince Charles Drive from Rexway Drive to Delrex Boulevard
- \$2.0 million for Water System Optimization and Artificial Intelligence Software for Distribution System
- \$1.9 million for TSSA Upgrades - Wastewater Pump Stations
- \$1.9 million for 300mm WM on James Street from Martha Street to Brant Street
- \$1.9 million for 200mm WWM on Woodward Avenue from Riverplace Crescent to Elm Avenue
- \$1.7 million for 150mm WM on Canterbury Drive from Kerns Road to Tyandaga Park Drive

10-Year Water & Wastewater Capital Budget and Forecast

The 2020 10-year Water and Wastewater program totals \$2.1 billion, consisting of \$0.9 billion (41.6%) for the Development program and \$1.2 billion (58.4%) for the State-of-Good-Repair program.

The **\$0.9 billion 10-year Development program** is a \$0.1 billion decrease from the 2019 program. The 10-year program includes:

- \$314.8 million to service Region-wide capacity-related infrastructure.
- \$408.5 million to service Greenfield area related infrastructure.
- \$67.5 million to service built boundary areas related infrastructure.
- \$71.7 million for employment land servicing related infrastructure.

Implementation of the \$0.9 billion Development program will also address State-of-Good-Repair needs for existing infrastructure in the amount of \$92.6 million. Combined with the non-Development State-of-Good-Repair program discussed below, the total 10-year (2020-2029) State-of-Good-Repair program is \$1.3 billion.

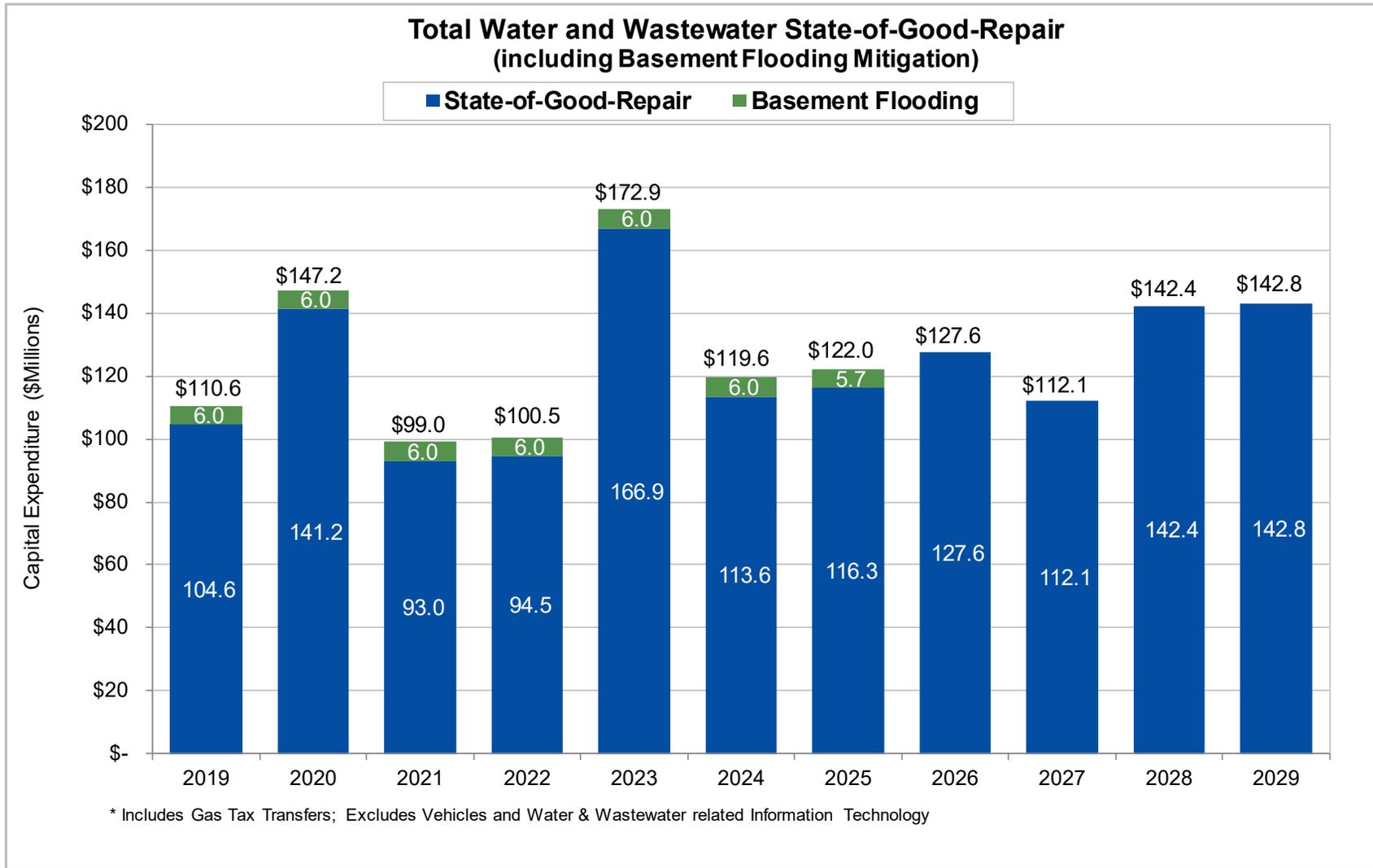
The **\$1.2 billion 10-year State-of-Good-Repair program** is a \$53.2 million increase from the 2019 program. The 2020 Plan has been prepared based on Public Works Asset Management Plan. As discussed earlier, the 10-year State-of-Good-Repair program will continue to be updated through the annual budget process based on 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:

- \$338.8 million for water distribution and wastewater collection systems rehabilitation and replacements, including the basement flooding mitigation program of \$35.8 million.
- \$714.9 million for plants/facilities infrastructure upgrades, replacements, including \$34.8 million for plant maintenance.
- \$68.7 million for new water meter installations and replacements.
- \$40.8 million for SCADA Master Plan implementation and other SCADA related projects.

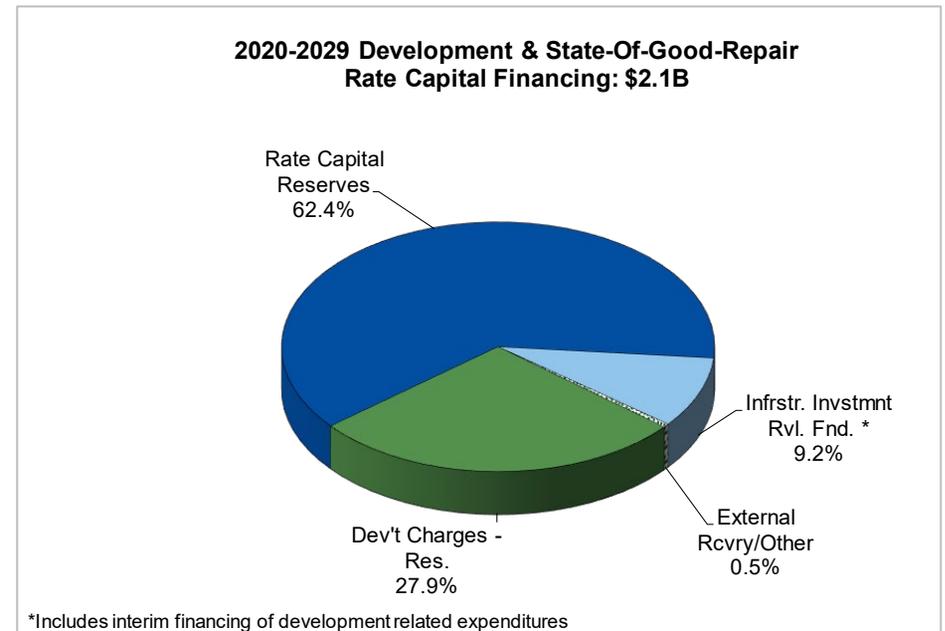
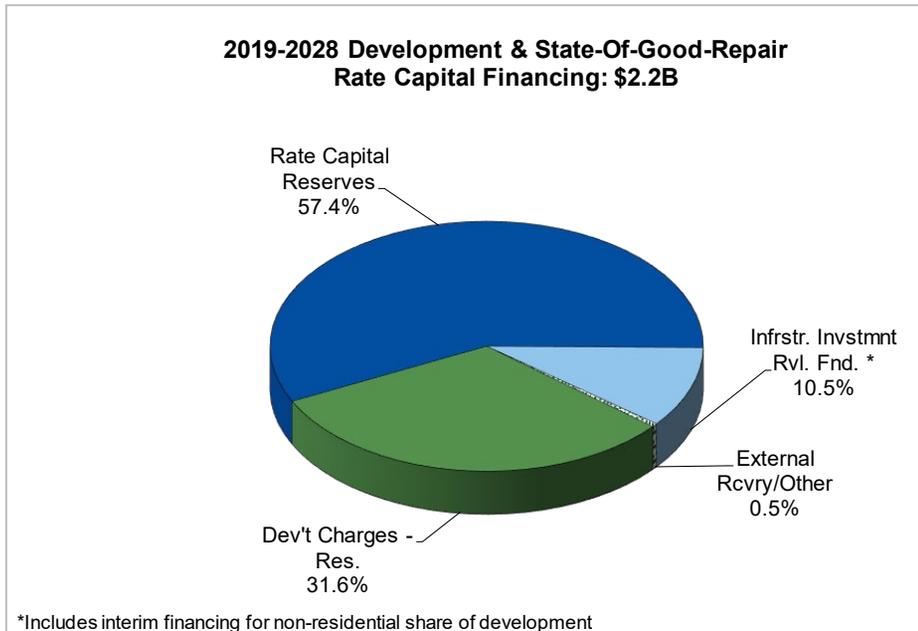
The following graph illustrates the state-of-good-repair (\$1.3 billion), including the Development-related State-of-Good-Repair infrastructure needs of \$92.6 million over the next 10 years.



10-Year Water & Wastewater Capital Financing

The following charts present a breakdown of the 2020 10-year financing plan for the Water and Wastewater capital program, compared to the 2019 plan.

Financing of the 2020 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 2020 Budget Directions (FN-28-19).



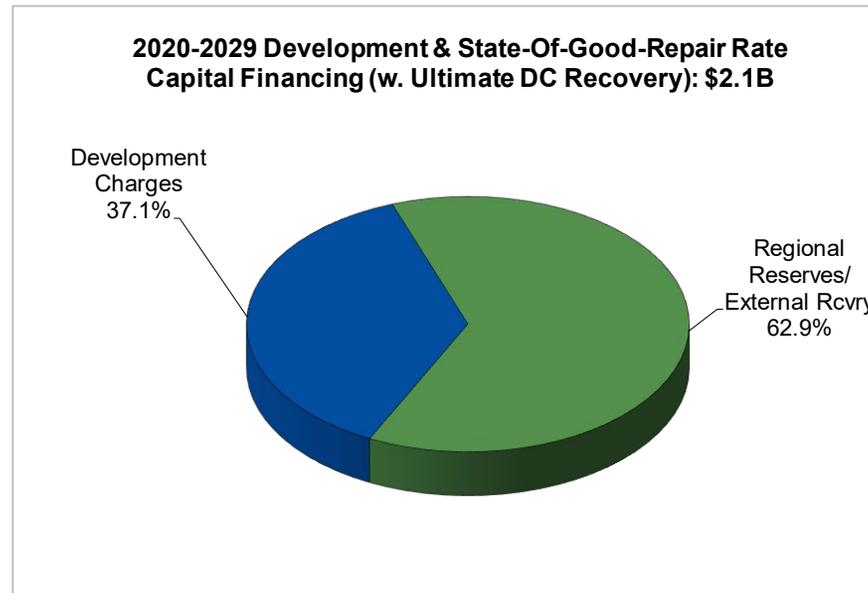
The Rate Capital reserves (62.4%) (including Operating transfers and Gas Tax funds) and the External Recoveries (0.5%) provide the financing for the State-of-Good-Repair program, while residential DCs (27.9%) and the Revolving Fund (9.2%) are a main source of funding for the Development-related program.

The 2020 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 Gas Tax 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 2020 Water and Wastewater budget increased the total operating contributions to \$96.2 million in support of the water/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 2020 10-year Development program is lower than the 2019 program on a percentage basis due to the increase in the state-of-good repair program based on Public Work's Asset Management Strategy. The Financing of the Development Program will not proceed until the implementation of the 2020 Allocation Program.

The 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 2020 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 2019, the Region's investment from the Revolving Fund is anticipated to be \$235.4 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 \$2.1 billion, \$1.3 billion (62.9%) is related to the State-of-Good-Repair capital program and the balance of \$0.8 billion (37.1%) servicing growth. Accordingly, the growth-related cost will be fully funded by DCs (37.1%) and the State-of-Good-Repair program will be funded by the reserves (62.9%) supported by water and wastewater rates and external recoveries.



State-of-Good-Repair Water & Wastewater Capital Financing

The 10-year State-of-Good-Repair Water and Wastewater capital program identifies \$1.2 billion, with \$141.4 million required in 2020. In the 2020 Budget Forecast, the funding required for the State-of-Good-Repair program will be financed by external recoveries (\$9.9 million) and capital reserves (\$1.1 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, Gas Tax funding 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 2020.

Development Water & Wastewater Capital Financing

The 2020 10-year Development Water and Wastewater program totals \$0.9 billion and reflects the Region's infrastructure staging plan prepared in anticipation of future Allocation Programs. The program consists of the following:

- **\$723.4 million for servicing Greenfield and Region-wide Capacity.** This program will facilitate future allocation programs. The program will consist of \$314.8 million of capacity-related projects that will benefit Region-wide and \$408.5 million of distribution/collection projects with Greenfield area specific benefits. The implementation timing of the projects will be dependent upon the timing of future Allocation Programs.

- **\$71.7 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 \$71.7 million has been identified in the 2020 budget forecast to facilitate servicing of future employment lands. The implementation timing and scope of the projects required for the next phases of development will continue to be dependent upon an acceptable financing plan approved by Council.
- **\$67.5 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 2020 10-year capital program incorporates the water and wastewater growth-related infrastructure program at an estimated cost of \$0.9 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 \$0.9 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 Infrastructure Investment Revolving Fund (Revolving Fund).

Development Water/Wastewater Capital 2020-2029 (\$Millions)				
Program	Total	Res.	Non-Res.	Non-Growth
		DC	Revlv. Fund	Regional Rsrv
Water	\$ 444.4	\$ 331.6	\$ 104.0	\$ 8.8
Wastewater	418.2	248.1	86.4	83.8
Total	\$ 862.6	\$ 579.6	\$ 190.4	\$ 92.6

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 2020 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 2020 Budget and Forecast:

Residential Development Financing (\$579.6 million):

- **The Residential-led Greenfield development** in the future allocation areas (e.g. Milton, Burlington, Oakville, 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 DC's collected at subdivision agreement.

Non-Residential Development (\$190.4 million):

- **Non-residential cost in Residential-led and Built-boundary areas (\$171.8 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 Revolving Fund to interim finance these costs.
- **Non-residential Share of Employment areas (\$18.6 million)** – the Region will provide front-end financing through the 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 (\$92.6 million):

- **Non-growth (benefit to existing taxpayers) share (\$92.6 million)** – This represents the state-of-good-repair requirements needed to be addressed when existing infrastructure is expanded for growth. \$92.6 million will be financed from capital reserves. Of the \$92.6 million required, \$55.7 million (60.2%) is scheduled for the first five years of the forecast period including:
 - Mid-Halton WWTP expansion from 125 ML/d to 175 ML/d (\$36.2 million).
 - Agnes St WWPS Strategy - Design and Construction (\$5.8 million).
 - West River WWPS - Capacity Upgrade to 120 L/s WWPS - Design and Construction, including 450 mm inlet WWM to the station on Service Rd from West River St to West River WWPS (\$5.8 million).
 - New 2400 mm WWM inlet to Skyway WWTP parallel to QEW (\$3.5 million).
 - Twinning of 525 - 600 mm WWM from Elgin St South along Black Creek alignment to Acton WWTP (\$1.8 million).
 - 7.5 ML storage expansion at Waterdown Reservoir (\$1.5 million).

Halton Region

Budget and Business Plan 2020

Strategic Investments



Key Investments 2007-2019

While focusing on maintaining existing levels of service during this period (2007-2019), 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 2019 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 78 staff and 30,626 relief hours, 4 more paramedic service stations since 2007, and 36 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).
- Increasing immunization rates of school-aged children, through enforcement of the *Immunization of School Pupils Act* (ISPA) (MO-25-18 re: Enforcement of the *Immunization of School Pupils Act* 2017-18, and MO-31-19 re: Immunization Enforcement Update for 2018-2019).

Social & Community Services

- Additional 1,084 subsidized child care spaces in Children's Services to maintain levels of service.
- An increased total of 1,701 new housing opportunities created through programs such as the Halton In-Situ Program (HIP) and new unit acquisitions, since 2008, in partnership with the Federal and Provincial governments.
- 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 Services (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 \$2.7 million in 2019, which is an increase of 281%. Since 2012, the HRCIF has committed \$13.5 million through 226 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, serving 152 seniors in 2019.
- 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 2018, this provided relief for 43 households.
- Subsidized Passes for Low Income Transit program (SPLIT) implemented with a total Regional funding contribution of \$4.5 million since 2011, in order to provide affordable transit to Halton's low-income residents.
- Investment in the Our Kids Network increased to \$385,000 in 2017, to support continued efforts in community research and knowledge mobilization.

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 a total estimated 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).
- Museum Master Plan (LPS62-14 re: A New Approach for the Halton Region Museum) short-term strategies implemented including a critical review of the collection, improved collections management and educational programming.
- Co-location Arrangement to Support Halton Businesses to Go Global (LPS97-16) which will offer scale-up and go-global business support services delivered by Haltech and Halton Region Economic Development from one location at Halton Regional Centre.
- 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 LPS23-16).

Public Works

- As part of the Region's transportation capital and road resurfacing programs, Active Transportation has been embedded into the projects to promote increased non-motorized travel throughout Halton. When the Active Transportation Master Plan (ATMP) (PW-17-15) was approved, it was estimated that the Region would require approximately \$108 million over a 16-year period (2016-2031).
- Increase in the number of road lane kilometres from 878 in 2007 to 1,124 projected in 2019.
- Enhancements to Waste Management to implement Organics, enhanced multi-residential waste collection, garbage bag tag program, increased bulk waste collection, special waste days and additional types of acceptable recyclable materials including plastic bags in the blue box beginning in 2018, with an increase in waste diversion from 42% in 2007 to 58% projected for 2019.
- Completed the development of a long-term strategy for water meter reading, billing, and replacement (PW-18-18/FN-25-18) and implementation plan (PW-45-19/FN-35-19) that will ensure meter infrastructure will support radio frequency reading (remote) technology in the future. This included replacement of approximately 12,500 pulse meters and applicable large meters.
- Increased annual capital program for State-of-Good-Repair water, wastewater and transportation from \$74.9 million in 2007 to \$160.0 million in 2019
- Annual investment of \$62,000 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.
- An investment of \$85.3 million (2016-2025) in the Region-wide Basement Flooding Mitigation Program to help prevent future flooding
- Conversion of approximately 6,461 existing High Pressure Sodium streetlights to LED technology over 5 years (2016-2020). 5,850 streets lights are projected to be converted to LED by 2019
- The Region's Road Operations section undertook a feasibility study and the findings were reported to Regional Council in 2018 (PW-10-18 re: Regional Advanced Traffic Management System (ATMS, Our File: PR-3205A)), which recommended the implementation of the ATMS at a cost of \$12.0 million between 2019 and 2022 for this initiative. This implementation essentially sets the stage for establishing Regional Roads as smart corridors.

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).
- Implementation and development of the Development Financing Plans (CS-73-08/PWE31-08; CS-49-09/PW-20-09/LPS80-09; CS-20-12; and FN-46-19/PW-50-19/LPS112-19) and the Allocation Programs (2008/2009 and 2012) since 2008 in order to accommodate residential growth of almost 23,000 units

(single-detached) family unit equivalent), providing over \$2.0 billion of water, wastewater and transportation capital infrastructure programs without financial impact to existing taxpayers.

- 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.

Key Investments in 2020

The 2020 budget continues to focus on maintaining service levels for core services, while making strategic investments to address program needs and risk reduction, and maintaining the tax rate increase for Regional Services at or below the rate of inflation. The following proposed Tax-Supported Strategic Investments and Rate-Supported Strategic Investments business cases in the 2020 budget are presented in detail for Council's consideration and review.

Tax-Supported Strategic Investments

2020 Tax Supported Strategic Investments									
Dept	Division	Title	FTE	Personnel Costs	Gross Impact	Savings	Recoveries	Subsidies / Revenue	Tax Impact
HLT	Healthy Schools & Communities	Ontario Seniors Dental Care Program (OSDCP)	3.0	\$ 411,100	\$ 1,238,000	\$ -	\$ -	\$ (1,238,000)	\$ -
HLT	Paramedic Services	Community Health Assessment Program (CHAP)	1.0	124,300	133,900	-	-	(133,900)	-
SCS	Employment & Social Services	Integrated Case Managers	2.0	198,100	198,100	-	-	-	198,100
SCS	Human Services Planning & Program Support	Data and Decision Support Advisor	1.0	143,300	145,800	-	-	-	145,800
SCS	Human Services Planning & Program Support	Halton Region Community Investment Fund (HRCIF)	-	-	322,300	-	-	-	322,300
SCS	Services for Seniors	Clinical Practice Supervisor	1.0	143,300	148,400	-	-	-	148,400
SCS	Services for Seniors	Registered Nurse	1.0	119,900	122,700	-	-	-	122,700
PW	Road Operations	Traffic Operations Technologist	1.0	109,900	112,700	-	-	-	112,700
PW	Waste Management	Landfill Coordinator	1.0	90,400	90,400	(54,000)	-	-	36,400
PW	Waste Management	Waste Management Operator I	1.0	85,200	85,200	-	-	-	85,200
LPS	Legal Services	Assistant Corporate Counsel	1.0	174,400	174,400	-	(116,300)	-	58,100
LPS	Legal Services	Senior Realty Officer	1.0	143,300	149,300	-	(149,300)	-	-
Tax Total			14.0	\$ 1,743,200	\$ 2,921,200	\$ (54,000)	\$ (265,600)	\$ (1,371,900)	\$ 1,229,700

Seniors Dental Care Program

Funding Source	Tax
-----------------------	-----

Program Details

Department	Health
Division	Healthy Schools & Communities
Program	Oral Health
Cost Centre	412321

Complement Details

Position Title	Various Dental Staff
FTE Impact	3.0
Relief Hours Impact	0.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 411,100	\$ 411,100
Materials & Supplies	92,700	83,500
Purchased Services	666,400	675,600
Financial & Rent Expenses	67,800	67,800
Grants & Assistance	-	-
Total Direct Costs	1,238,000	1,238,000
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	1,238,000	1,238,000
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	(1,238,000)	(1,238,000)
Non-Subsidy Revenue	-	-
Total Revenue	(1,238,000)	(1,238,000)
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 3.0 permanent dental staff and associated costs to implement the new Ontario Seniors Dental Care Program (OSDCP), utilizing 100% base funding from the Ministry of Health.

Need:

In April 2019, as part of the provincial budget, the Ontario government announced the creation of the OSDCP which, when fully implemented, will provide comprehensive dental care to eligible low-income seniors. In June 2019, the province notified Halton Region that up to \$1,238,000 in annual funding would be provided to the Health Department to implement the OSDCP. This provincial allocation of funding for OSDCP was confirmed in the 2019 Ministry of Health funding schedules for the Public Health Funding and Accountability Agreement (PHFAA).

The PHFAA includes the Ministry of Health program policies and guidelines for the development and implementation of the OSDCP, including: client eligibility requirements; the dental services to be provided such as preventative services, restorative services, endodontic and periodontic services at no cost to the client, and prosthodontics (e.g., dentures); and Public Health program delivery conditions such as expenditures eligible for provincial funding for the delivery of the OSDCP. Eligible expenditures include costs to support the delivery of clinical services, which are to be provided by salaried or contracted Public Health staff.

In August 2019, Public Health submitted a capital funding request to the Ministry of Health for one-time, 100% funding for the establishment of a dental clinic in Halton. Staff will continue to work towards implementing the OSDCP as soon as possible. In 2020, program budget needs will be further defined as planning and implementation progress. Modifications to the budget may be requested as part of the 2021 budget approval process.

Implications:

If this request is not approved, the new dental program for low-income seniors created by the Province in 2019 will not be implemented in Halton and the approved base funding of \$1,238,000 from the Ministry of Health will be returned. Seniors in Halton will not have access to the OSDCP's services in Halton.

Alternatives:

Continue with the Dental Care Counts (DCC) program currently provided by the Region, which provides emergency dental care only.

Reference:

MO-21-19 Re: Ontario Seniors Dental Care Program

MO-33-19 Re: Update: Ontario Seniors Dental Care Program

Community Health Assessment Program

Funding Source	Tax
-----------------------	-----

Program Details

Department	Health
Division	Paramedic Services
Program	Operations
Cost Centre	440302

Complement Details

Position Title	Paramedic
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OPSEU (EMS)

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 124,300	\$ 124,300
Materials & Supplies	9,600	9,600
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	133,900	133,900
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	133,900	133,900
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	(133,900)	(133,900)
Non-Subsidy Revenue	-	-
Total Revenue	(133,900)	(133,900)
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 Paramedic FTE to expand the Community Health Assessment Program (CHAP), with no net Regional Impact.

Need:

The Hamilton Niagara Haldimand Brant LHIN has agreed to provide the Paramedic Services division with funding to expand CHAP to the City of Burlington (Report No. MO-01-19). The LHIN will fund 1.0 permanent FTE to assume the lead role for the program.

CHAP is a health assessment and health promotion program for residents living in seniors' buildings. It focuses on cardiovascular disease, diabetes, and falls risk assessment, and empowers the residents to take action to address identified risk factors of these chronic diseases. This funding will be utilized to deliver a variety of programs, including CP@clinic, CP@home and remote patient monitoring (Report NO. MO-24-19).

Implications:

The Paramedic Services division and local hospitals are experiencing significant increases in patient volumes. CHAP has been shown to reduce paramedic calls and emergency department visits. With this opportunity to expand the program, it is anticipated that potentially 250 to 300 clients will be enrolled in the various programs.

Alternatives:

This position will be continue to be filled by a Paramedic on a temporary assignment.

Reference:

MO-01-19 Re: Community Paramedic Programs

MO-24-19 Re: Community Paramedic Program Update

Integrated Case Managers

Funding Source	Tax
-----------------------	-----

Program Details

Department	Social & Community Services
Division	Employment & Social Services
Program	Ontario Works
Cost Centre	321001

Complement Details

Position Title	Integrated Case Manager
FTE Impact	2.0
Relief Hours Impact	0.0
Personnel Group	CUPE (SS)

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 198,100	\$ 198,100
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	198,100	198,100
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	198,100	198,100
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 198,100	\$ 198,100

Business Case

Recommendation:

Approve 2.0 FTE Integrated Case Managers to support the intake team who are the initial point of contact when an individual applies for assistance through the provincially mandated Ontario Works (OW) program as well as the regionally funded Low-Income and Subsidized Passes for Low Income Transit (SPLIT) programs. Through the intake team, applicants are pre-screened for program eligibility and scheduled to meet with an Integrated Case Manager who confirms the information provided and obtains required documentation.

Need:

Prior to an individual being determined eligible for OW assistance, a health related item through the Low-Income program or a subsidized bus pass, individuals must meet with an Integrated Case Manager to complete an application. Over the last five years, the number of individuals applying for OW assistance has increased by 10.9% and the number of individuals applying for a subsidized bus pass has more than tripled. While the OW caseload has grown by 6.4% from 2015 to 2019, the number of individuals receiving assistance (including spouses and children) increased by 26.8% over this same period of time. This growth in the number of OW beneficiaries is reflective of a changing caseload. Family sizes have increased and recipients are staying on assistance longer due to more complex barriers to employment (e.g. mental health, addictions, low literacy levels, etc.). The number of cases in receipt of OW assistance for more than 24 months has increased by 31.3% from 2015 to 2019 with the average time on assistance increasing from 22 to 26 months. Due to the increased caseload and associated workload, it has become challenging to provide the Region's historically excellent customer service. The time from when an applicant initially contacts Halton Region to apply for assistance to when a determination of eligibility is made has increased. It has also grown difficult for Integrated Case Managers to schedule required, ongoing face to face meetings with clients due to an increased need to meet with new applicants. The pressures within the OW program are compounded by the fact that the Provincial subsidies for the OW program have been held at the 2018 levels.

These new resources, coupled with a re-alignment of existing staff, will allow the Employment and Social Services division to refine its intake service delivery model in a way that will reduce wait times for new applicants. In addition, the refinement of the intake model will also allow case management staff to meet provincially mandated service standards. These new resources will allow the Region to sustain the programs and deliver excellent customer service to Halton's most vulnerable residents.

Implications:

If the FTEs are not approved, the Region's current service delivery model and standards may continue to deteriorate. There would continue to be a need for ongoing increased costs associated with overtime and temporary staff. Low staff morale resulting in staff turnover and increased absenteeism due to stress/burnout will also result in increased administrative and training costs. In addition, clients in crisis will experience longer wait times to receive much needed financial assistance which could result in increased pressures on emergency shelters, food banks and other social services.

Alternatives:

Service reduction; the ongoing use of temporary staff; and, overtime.

Reference:

N/A

Data and Decision Support Advisor

Funding Source	Tax
-----------------------	-----

Program Details

Department	Social & Community Services
Division	Human Services Planning & Program Support
Program	Service Integration
Cost Centre	321120

Complement Details

Position Title	Data and Decision Support Advisor
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 143,300	\$ 143,300
Materials & Supplies	2,500	400
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	145,800	143,700
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	145,800	143,700
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 145,800	\$ 143,700

Business Case

Recommendation:

Approve a 1.0 FTE Data and Decision Support Advisor (DDSA) in the Human Services Planning & Program Support unit to support the Halton Community Safety and Well-Being (CSWB) Plan and strategic initiatives within the Social & Community Services department.

Need:

The Halton CSWB Plan is derived from a model of evidence-based issue identification, prioritization and response. Data and decision support is currently being provided through a temporary contract position jointly funded with the Halton Regional Police Service (HRPS) with one-time funding available in 2018-2019. A permanent FTE is required to ensure the ongoing operationalization of Halton's CSWB model and to meet a range of CSWB planning objectives. Specifically, the DDSA will develop and monitor CSWB indicators to assess the health, safety and well-being of Halton over time; support CSWB Action Tables with evidence informed planning and data analytics; monitor the effectiveness of CSWB strategies; support evidence-based issue identification; and lead a multi-sector data and decision support group to enhance information sharing and collaboration among key partners in the human services sector.

In addition to Halton's CSWB Plan, the DDSA will provide decision support to the Social & Community Services department as part of the Human Services Planning & Program Support unit. This will include supporting strategic change and business transformation to modernize the delivery of human services.

Implications:

Halton is required by legislation to develop, implement and monitor its CSWB Plan. A permanent DDSA position will ensure that Halton is well-positioned to deliver on Halton's CSWB objectives and measure progress, as identified as a priority in the Strategic Business Plan 2019-2022. It will also establish capacity within the Social & Community Services department to ensure strategic change and business transformation are supported by evidence-based practices and data.

Alternatives:

Utilize outside consultants to address data and decision support needs within the CSWB model. This may result in increased net costs and would not build the internal capacity needed to address ongoing data and decision support needs within the Social & Community Services department.

Reference:

SS-11-19/MO-15-19 Re: Update on Halton Community Safety and Well-Being Plan

Halton Region Community Investment Fund

Funding Source	Tax
-----------------------	-----

Program Details

Department	Social & Community Services
Division	Human Services Planning & Program Support
Program	HRCIF
Cost Centre	524400

Complement Details

Position Title	
FTE Impact	
Relief Hours Impact	
Personnel Group	

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ -	\$ -
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	322,300	322,300
Total Direct Costs	322,300	322,300
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	322,300	322,300
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 322,300	\$ 322,300

Business Case

Recommendation:

Approve a \$322,309 increase in funding to the Halton Region Community Investment Fund (HRCIF) from the current approved budget of \$2.7 million to a total of \$3.0 million.

Need:

The HRCIF provides funding to non-profit human service programs and initiatives that support the health, safety and well-being of Halton residents. In 2019, the HRCIF funded nearly 60 programs that support priority populations throughout Halton, this includes grants to enhance access to mental health and addiction services; support the well-being of children, youth and older adults; and strengthen food security among residents with low incomes. The HRCIF is also supporting initiatives that are responding to priorities that have been identified through Halton's Community Safety and Well-Being (CSWB) planning framework. As described in Report No. SS-10-19 re: "Halton Region Community Investment Fund - 2019 Funding Recommendations", this includes \$500,000 of HRCIF funding that was reserved to provide in-year grants to CSWB initiatives in 2019.

In 2020, an increase to the HRCIF will further enhance Halton's capacity to respond to CSWB priorities in collaboration with the Halton Regional Police Service and a wide range of community partners. HRCIF funding will be allocated in consultation with a Halton System Leadership Group that was convened in 2018 to lead the ongoing implementation of CSWB planning initiatives in Halton.

Further alignment between the HRCIF and Halton CSWB Plan is a priority in the 2019-2022 Strategic Business Plan.

Implications:

An increase of \$322,309 will enhance the capacity of the HRCIF to address CSWB priorities through a collaborative, multi-sector approach.

Alternatives:

Maintain the program at 2019 funding levels. This limits flexibility to address priorities identified through CSWB planning.

Reference:

SS-11-19/MO-15-19 Re: Update on Halton Community Safety and Well-Being Plan

SS-10-19 Re: Halton Region Community Investment Fund - 2019 Funding Recommendations

SS-07-19 Re: Alignment of Halton Region Community Investment Fund and Community Safety and Well-Being Plan

Clinical Practice Supervisor

Funding Source

Tax

Program Details

Department	Social & Community Services
Division	Services for Seniors
Program	Long Term Care
Cost Centre	331030

Complement Details

Position Title	Clinical Practice Supervisor
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 143,300	\$ 143,300
Materials & Supplies	4,300	-
Purchased Services	800	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	148,400	143,300
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	148,400	143,300
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 148,400	\$ 143,300

Business Case

Recommendation:

Approve 1.0 FTE for a Professional Practice Supervisor in the Services for Seniors division.

Need:

The introduction of this position responds to the significantly increasing medical and behavioral complexities of residents in long-term care. This trend is evident in the Ministry of Long-term Care's Case Mix Index (CMI) for the Region's 3 Long-Term Care Homes. The CMI is a numeric representation of the care needs of residents. All 3 Homes have seen significant increases in their CMI since 2014-15. Higher CMI rates have resulted in marginally higher provincial subsidy, but unfortunately provincial funding has not kept pace with resident care requirements. This has resulted in greater risks for poor resident outcomes, regulatory non-compliance, litigation, and reputational risk.

The position will be responsible for ensuring the Home's adherence to established clinical practice, supporting compliance with legislated and regulated standards, and developing new clinical best practices for resident care. The position will be an integral component of the Homes staffing model, working closely with Medical Directors, physicians and clinical partners.

An important component of this position is to provide additional support and expert clinical advice to registered nursing staff in the Homes. The position will evaluate potential gaps in clinical knowledge and performance, develop remediation (education, policy development, coaching and mentoring), support Senior Nurse Managers, and advance overall nursing and personal care. It is anticipated that this additional clinical support will positively impact recruitment and retention of nursing staff.

Implications:

In conjunction with the requested strategic investment in a Registered Nurse, this investment will further stabilize and strengthen the provision of high quality care in all 3 Homes. It is anticipated that these roles will support the division's recruitment and retention strategies.

Alternatives:

There are limited opportunities to adjust the existing staffing model. Additional training and professional development of staff can be considered but comes with increased costs, specifically backfill costs for staff receiving training.

Reference:

N/A

Registered Nurse

Funding Source

Tax

Program Details

Department	Social & Community Services
Division	Services for Seniors
Program	Long Term Care
Cost Centre	331301

Complement Details

Position Title	Registered Nurse
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	ONA (LTC)

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 119,900	\$ 119,900
Materials & Supplies	2,800	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	122,700	119,900
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	122,700	119,900
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 122,700	\$ 119,900

Business Case

Recommendation:

Approve 1.0 FTE Registered Nurse in the Services for Seniors division for additional nursing supports.

Need:

The introduction of this position responds to the significantly increasing medical and behavioral complexities of residents in long-term care. This trend is evident in the Ministry of Long-term Care's Case Mix Index (CMI) for the Region's 3 Long-Term Care Homes. The CMI is a numeric representation of the care needs of residents. All 3 Homes have seen significant increases in their CMI since 2014-15. Higher CMI rates have resulted in marginally higher provincial subsidy, but unfortunately provincial funding has not kept pace with resident care requirements, which has resulted in greater risks for poor resident outcomes, regulatory non-compliance, litigation, and reputational risk.

This new position, in concert with an internal realignment of 2 existing positions, will significantly strengthen clinical practice and improve resident care. The position will play a critical role in providing timely clinical assessments, skilled nursing care and proactive management of residents' changing conditions. Registered nurses are responsible for developing resident care plans, implementing physician ordered treatment plans, managing changes of resident condition and implementing early interventions. These functions are essential in ensuring that residents receive timely and appropriate medical treatment, clinical interventions, proactive management of complex behaviours and ongoing care based on their needs and abilities. In conjunction with the internal re-alignments of registered staff, this investment will allow 1.0 net new registered nurse at each of the Region's Homes.

Implications:

In conjunction with the requested strategic investment in a Clinical Practice Supervisor, this investment will further stabilize and strengthen the provision of high quality care in all 3 Homes. It is anticipated that these roles will support the division's recruitment and retention strategies.

Alternatives:

There are limited opportunities to adjust the existing staffing model. Additional training and professional development of staff can be considered but comes with costs, specifically backfill costs for staff receiving training.

Reference:

N/A

Traffic Operations Technologist

Funding Source	Tax
-----------------------	-----

Program Details

Department	Public Works
Division	Waste Management & Road Operations
Program	Road Operations
Cost Centre	258000

Complement Details

Position Title	Traffic Operations Technologist
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 109,900	\$ 109,900
Materials & Supplies	2,800	300
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	112,700	110,200
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	112,700	110,200
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 112,700	\$ 110,200

Business Case

Recommendation:

Approve a Traffic Operations Technologist to operate the Regional Advanced Traffic Management System (ATMS). It's recommended that a Traffic Operations Technologist be added within the Roads Operations and Maintenance section to address the need of operating the new ATMS during peak periods and as needed on weekends and off peak periods for incident management purposes.

Need:

Staff are currently working to develop procurement documents and specifications to tender for the Region's ATMS and Traffic Monitoring Centre (TMC). Once implemented, the Region's ATMS will provide Regional staff with the ability to actively manage traffic by undertaking real-time traffic monitoring and traffic signal control Region-wide from one central location, implement strategies in real-time to reduce impacts and minimize congestions to road users, assist in the provision of emergency of services and coordination with the Emergency Operations Centre, disseminate information to the public, improve traffic efficiency, reduce carbon emissions, save energy and provide a safer and more efficient transportation network to the public while assisting in the demands of growth. Improving traffic flow and safety on Regional roads is a priority identified in the 2019-2022 Strategic Business Plan. Currently there is not enough staff resources to adequately manage the new ATMS requirements which is anticipated to be implemented by the end of 2019 or early 2020. As part of the procurement process and development of the specifications for the ATMS, the Region's consultant will develop a phasing plan to identify staffing needs as the various phases of the system are implemented over the next 4 years (2019-2022). At the present time, staff anticipate the need for at least one FTE - a Traffic Operations Technologist, who will actively manage and monitor the ATMS on a daily basis and will undertake system reporting and analysis as well as regular traffic operational tasks as part of the Traffic Operations and Safety group within Road Operations.

Implications:

Without an increase in the resources for traffic operations to coordinate with the implementation of the ATMS system, staff will not be able to proactively monitor areas of traffic congestion related to such things as incidents, growth and signal equipment failures in order to make real time changes to the traffic signal network and move traffic more efficiently. Currently, changes are made reactively through public complaints and, without additional resources, the full capability of the future ATMS will not be realized.

Alternatives:

It will not be possible to adequately manage the ATMS within existing resources. Overtime is also not viable as a long-term option as this position will require availability during early morning and late evening periods and as necessary on evenings and weekends to deal with incidents on 400 series highways and roads.

Reference:

PW-10-18 Re: Regional Advanced Traffic Management System (ATMS) R-3205A

Landfill Coordinator

Funding Source

Tax

Program Details

Department	Public Works
Division	Waste Management
Program	Administration
Cost Centre	257000

Complement Details

Position Title	Landfill Coordinator
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 90,400	\$ 90,400
Materials & Supplies	-	-
Purchased Services	(54,000)	(54,000)
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	36,400	36,400
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	36,400	36,400
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 36,400	\$ 36,400

Business Case

Recommendation:

Approve 1.0 FTE; Landfill Coordinator, within Waste Management to ensure the Region continues to support Waste Management operations and programs at appropriate levels of service.

Need:

The Waste Management Landfill operations are currently supported by one permanent Works Clerk and one additional temporary Works Clerk, which is necessary to ensure service levels are maintained and to assist with program support and customer service in Waste Management Landfill Operations and at the Halton Waste Management Site. The Halton Waste Management Site currently services over 200,000 customers annually. A permanent and consistent solution is required to manage growing customer service expectations, provide Waste Management program support and consistent and reliable service.

This position is essential to provide ongoing day-to-day responsive support to meet the operational and administrative needs of the Halton Waste Management Site. The Landfill Coordinator position is also critical to ensuring accurate compilation, processing and reporting of financial activities, assisting with operating and capital budget preparation and ensuring compliance of Waste Operations contracts through receiving, preparing, reconciling, and processing of Solid Waste invoices and payment certificates. Through these responsibilities, the Landfill Coordinator will be able to increase the efficiency and effectiveness of the Waste Management team. This investment has been partially offset with a reduction of \$54,000 in temporary employment agencies, reducing the net impact to \$36,420.

Implications:

Continued reliance on external temporary staffing would be required, with reduced control over the quality of work. High staff turnover leads to gaps in service delivery and inconsistent customer service.

Alternatives:

Continue to hire temporary staffing. This is not a sustainable long-term solution as noted in the discussion above.

Reference:

N/A

Waste Management Operator I

Funding Source	Tax
-----------------------	-----

Program Details

Department	Public Works
Division	Waste Management
Program	Administration
Cost Centre	257500

Complement Details

Position Title	Waste Management Operator I
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 85,200	\$ 85,200
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	85,200	85,200
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	85,200	85,200
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 85,200	\$ 85,200

Business Case

Recommendation:

Approve 1.0 FTE Waste Management Operator I for operation of expanded Container Station services at the Halton Waste Management Site (HWMS), as identified in the 2018 Solid Waste Management Strategy short term objectives. The Waste Management Operator I is required to provide customer service to over 160,000 customers annually, perform site maintenance functions, assist with Scalehouse Operations and ensure compliance with site regulations and policies, such as material diversion and safety.

Need:

Options to enhance the customer experience and optimize operations at the HWMS were identified in Report No. PW-12-18 (re: Solid Waste Management Strategy Short Term Options). Expansion of the existing public Container Station was identified to provide additional capacity for customer waste and recycling disposal needs. Expanded services are anticipated to be implemented in 2020 as part of the short term Strategy initiatives. Completing improvements to the HWMS and delivering the Solid Waste Management Strategy are priorities identified in the Strategic Business Plan 2019-2022.

Expanded services will assist with managing increased customer volumes and peak volume days with 1,300 - 1,500 customers, and provide increased disposal capacity with an additional 10 waste and recycling disposal bays for customers to utilize at the HWMS. An additional Waste Management Operator I is required for operations of these enhanced services to ensure customer service, diversion and safety standards are maintained at the Container Station and on the site. This position will allow the Region to service an additional 30 customers at any one time through the operation of the expanded service.

The Waste Management Operator I position at the expanded Container Station will ultimately be able to move customers through the HWMS in a consistent, reliable and more timely and efficient manner, while continuing to provide exceptional customer service. The position will also be responsible for site maintenance and Scalehouse Services.

Implications:

Without this additional resource, there would be insufficient resources to deliver the program and maintain customer service levels. Wait times at the existing Container Station, as a result of reaching maximum capacity, will increase and customer service expectation levels will be negatively impacted. Safety of customers using the disposal bins may also be impacted.

Alternatives:

Continue to operate with existing staff with the risk of inadequate service delivery and inability to utilize and staff the newly expanded Container Station services.

Reference:

PW-12-18 Re: Solid Waste Management Strategy Short Term Options

Assistant Corporate Counsel

Funding Source	Tax / Rate
----------------	------------

Program Details

Department	Legislative & Planning Services
Division	Legal Services
Program	
Cost Centre	641100

Complement Details

Position Title	Assistant Corporate Counsel
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 174,400	\$ 174,400
Materials & Supplies	-	-
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	174,400	174,400
Allocated Charges/Recoveries	(116,300)	(116,300)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	58,100	58,100
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 58,100	\$ 58,100

Business Case

Recommendation:

Approve 1.0 FTE Assistant Corporate Counsel to provide legal support to the Public Works (PW) department and support the increasing demands on Legal Services related to the Region's expanded Transportation and Water & Wastewater programs. This legal support will primarily provide advice and representation on capital construction project matters including contract drafting and review as well as claim management (*Construction Act* requests for adjudication, construction lien matters and court claims in respect of construction projects). This legal support will also, to a lesser extent, provide advice and recommendations in respect of a variety of public works matters (agreements, policies and litigation) unrelated to capital construction.

Need:

As Halton's population and infrastructure needs have grown, the volume of capital construction project matters has increased and correspondingly, the number of matters that are dealt with in an adversarial manner, requiring legal expertise. The Assistant Corporate Counsel will provide legal support to all divisions of the PW department, with an emphasis on providing support in respect of capital construction projects. The number, complexity and cost of these projects combined with a statutory-driven process for claims and liens (through the *Construction Act*), as well as court challenges, requires the provision of strategic legal advice through the process (from engagement of engineering consultants, to procurement and construction) and representation during challenges and claims. Further, changes to the *Construction Act*, including specific timelines to make payment and the introduction of mandatory interim adjudication, will create an increased workload and demand for Legal Services. Dedicated and consistent legal staff will be critical as the Region navigates its way through these changes.

Consistent in-house counsel who understand Halton contract documents, processes and overall approach to capital projects will enable Legal Services to provide high-value assistance to support the activities of the PW department, efficiently and effectively provide advice on legislative change that impacts the PW program areas and provide training and guidance on best practices to minimize litigation and claim exposure in respect of PW activities. Large, complex litigation will continue to be resourced through external counsel with assistance and oversight required from Legal Services.

This position will be recovered through the PW rate-supported and tax-supported operating budgets, with an impact of \$116,300 on the rate-supported budget, and \$58,100 on the tax-supported budget.

Implications:

Insufficient internal resources require that increased external counsel be retained to assist with PW matters without the development of internal consistency and expertise. This places an increased demand on existing staff to manage time sensitive and complex litigation, with an inconsistent liaison with PW staff. Further, the shortfall with respect to staff resourcing could result in adverse impacts to the capital projects themselves, including delays, errors and increased costs.

Alternatives:

The alternative to in-house legal services is to hire external legal counsel or to hire a temporary lawyer on contract. However, that would not be beneficial over the long term with respect to the Region retaining Halton-based PW/construction expertise, continuity and consistency. This may have the adverse result of impacting project delivery, implementation success and the ultimate delivery of Regional objectives.

Reference:

N/A

Senior Realty Officer

Funding Source	Tax / Rate
----------------	------------

Program Details

Department	Legislative & Planning Services
Division	Legal Services
Program	Realty Services
Cost Centre	630100

Complement Details

Position Title	Senior Realty Officer
FTE Impact	1.0
Relief Hours Impact	0.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 143,300	\$ 143,300
Materials & Supplies	2,600	2,100
Purchased Services	3,400	3,400
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	149,300	148,800
Allocated Charges/Recoveries	(149,300)	(148,800)
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	-	-
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 FTE Senior Realty Officer to ensure Realty Services is able to continue to provide timely and cost-effective acquisition services in support of Public Works (PW) and various other departments in the Region. Senior Realty Officers are positioned to support PW from Environmental Assessment stages of project conception and public consultation, through the engineering and design stage where project impacts are mitigated, and culminate in a cost-effective land acquisition program. This position is required to address significant and imminent increases in property requirements needed to accommodate several large capital infrastructure projects forecasted over the next 1 to 4 years, and beyond.

Need:

Over the past 2 to 3 years, the growing volume of infrastructure projects undertaken by PW have significantly increased demand on the Region's Realty Services. The result has been a noticeable increase in the number of properties the Region needs to expropriate. This statutory process is costly, both in terms of administrative resources required to undertake the process as well as the financial cost to implement it. Furthermore, the capital forecast prepared by PW has set out upcoming projects which are anticipated to increase Realty Service's total annual caseload by over 30% within the next 2 years. In addition, reliance on Realty Services has increased in recent years to meet the securement objectives for Housing-related assets. These types of property acquisitions are high in value, can be considerably more complex than Realty Services' core business, and require more attention than typical property matters.

For the majority of 2019, Realty Services has utilized an additional team member under contract, which has enabled the program to maintain service levels, despite the increased demand on the program area. The addition of the proposed Senior Realty Officer will help expand and develop a consistent, in-house Realty Services team that understands Halton's land acquisition strategy. This includes the standard documents and agreements, internal processes, statutory processes, and overall approach to capital projects. A well-established internal team is critical to the timely and efficient delivery of realty services needed to support the Region.

This position will support property acquisitions for capital projects, and will therefore be recovered from the capital budget.

Implications:

Without the addition of the proposed position, which would largely be dedicated to the acquisition of property requirements needed to support PW infrastructure projects and Housing-related securement, the Region will need to rely more heavily on the Expropriations Act and external consultants in land acquisition. This will mean increased costs in acquisition due to the reliance on external consultants (i.e. fees, commissions and statutory costs) and a potential associated increase in resident complaints stemming from property matters due to the adversarial nature of the expropriations process.

Alternatives:

External negotiation firms or increased reliance on the *Expropriations Act* which will likely result in increased costs and resident complaints due to the nature of the statutory process.

Reference:

N/A

Rate-Supported Strategic Investments

2020 Rate Supported Strategic Investments							
Dept	Division	Title	FTE	Personnel Costs	Gross Impact	Savings	Rate Impact
PW	Water & Wastewater System Services	Maintenance Planner	1.0	\$ 117,000	\$ 119,600	\$ (119,600)	\$ -
PW	Water & Wastewater Treatment	SCADA Specialist	1.0	126,500	128,900	-	128,900
PW	Water & Wastewater Treatment	Reliability Engineer	1.0	143,300	145,900	(145,900)	-
PW	Water & Wastewater Treatment	Operations Support Coordinator	1.0	117,000	119,400	(119,400)	-
LPS	Legal Services	Assistant Corporate Counsel	-		116,300	-	116,300
Rate Total			4.0	\$ 503,800	\$ 630,100	\$ (384,900)	\$ 245,200

Maintenance Planner

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	Water & Wastewater System Services
Program	Water, Wastewater stations
Cost Centre	229000

Complement Details

Position Title	Maintenance Planner
FTE Impact	1.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 117,000	\$ 117,000
Materials & Supplies	2,600	300
Purchased Services	(119,600)	(117,300)
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 Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 FTE Maintenance Planner within the Water and Wastewater System Services to support maintenance operations at appropriate levels of service and ensure that the program meets and exceeds the safety and reliability standards for all electrical, mechanical and instrumentation work at all Region water distribution and wastewater collection stations.

Need:

The number of assets in Halton's water and wastewater systems has increased due to continued rapid growth. Additional in-house staff are required to support essential maintenance activities. Preventive maintenance plans are increasing in complexity and volume in conjunction with technology needs and system expansions. This position is required to ensure that customer levels of service are delivered and asset maintenance needs are met. With emphasis on continually improving maintenance systems, business processes, training and performance management practices, it is important to build new capabilities to deliver the Region's strategic objectives. The Maintenance Planner will be dedicated to planning, reviewing and analyzing, KPI management, root cause analysis and managing maintenance programs to ensure effective and efficient work is completed by internal resources while reducing reliance on contracted services. This investment will have an effective net zero cost on the maintenance program as costs will be offset by equivalent reductions in purchased services.

To deliver the strategic intent of a reliability centred maintenance program, the Maintenance Planner will deliver the following outcomes: coordinate the planning and scheduling processes to sustain equipment reliability through leveraged individual trade capacities, customer requirements and material availability, liaising with Operations, Team Supervisors, Engineering, other Utilities and contractors as required; develop policies and procedures to facilitate asset renewal strategies, key performance measures, and reliability standards; ensure lifecycle plans are maximized and equipment-related maintenance activities are captured, maintained and updated in the lifecycle model/database; ensure that all equipment has the optimum maintenance strategies that meet or exceed the Original Equipment Manufacturers (OEM) guidelines; review the performance of all assets by manufacturer, make, and model to ascertain reliability and overall performance and provide assessment on the competitiveness of the service; and incorporates the Ministry of Environment (MOE), Ministry of Labour (MOL) and Drinking Water Quality Management System (DWQMS) requirements into the Maintenance Program and supports the inspection and audit processes by providing plans, documents and data, as required.

Implications:

Without a Maintenance Planner dedicated to planning, reviewing and analyzing, managing and proactively planning maintenance programs, effective and efficient work may not be completed exposing Halton to the risk of equipment failure, reduced levels of service, non-compliance with legislation requirements and increased costs. Increasing reliance on external resources would be required to complete mechanical work.

Alternatives:

Continue to operate without a Maintenance Planner and the ability to plan and manage the maintenance programs and a growing backlog of work which will require increased use of staff overtime or external resources to prevent adverse impacts to the lifecycle of assets. Neither option is preferred as Halton's ability to properly manage the quality of work and customer levels of service delivery would be reduced.

Reference:

N/A

SCADA Specialist

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	Water & Wastewater Treatment
Program	Plant Capital and Engineering - SCADA
Cost Centre	236100

Complement Details

Position Title	SCADA Specialist
FTE Impact	1.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 126,500	\$ 126,500
Materials & Supplies	2,400	300
Purchased Services	-	-
Financial & Rent Expenses	-	-
Grants & Assistance	-	-
Total Direct Costs	128,900	126,800
Allocated Charges/Recoveries	-	-
Corporate Support	-	-
Transfer to Reserves - Operating	-	-
Transfer from Reserves - Operating	-	-
Gross Operating Expenditures	128,900	126,800
Transfer to Reserves - Capital	-	-
Transfer from Reserves - Capital	-	-
Debt Charges	-	-
Capital Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ 128,900	\$ 126,800

Business Case

Recommendation:

Approve 1.0 FTE SCADA Specialist within the Water and Wastewater Treatment division to ensure the Region continues to support the implementation of Halton's Supervisory Control and Data Acquisition (SCADA) System Master Plan to maximize the business value of our assets, provide reliable, remote and efficient operations, and keep the SCADA system in a state-of-good-repair.

Need:

The SCADA system is a critical component of our water treatment and distribution, and wastewater collections and treatment. In order to maintain our high quality service levels and regulatory compliance, our SCADA system needs to be highly reliable, integrated and sustainable, providing enterprise-wide monitoring and process control. Each year more of our Region's assets are brought under SCADA control and the reliability of the system is under the control of a dedicated SCADA team.

In 2018, the Region completed a SCADA Systems Master Plan. The goal was to define a 10-year program to maintain the reliability of the SCADA system and establish new initiatives to meet emerging needs and optimize the use of resources, both internal and external. The increased SCADA infrastructure is used to reliably support the 100% success rate in delivering safe water to the Region as well as support the reliability centred maintenance program. The SCADA plan includes the replacement of aging infrastructure, both hardware and software, to ensure critical equipment remains operational at all times. The SCADA team is an integral part of the implementation of the SCADA master plan.

Implications:

The Region's internal SCADA staff support the SCADA system 24/7. Without additional SCADA specialist staff, the Region will have to rely more heavily on external consultants to complete SCADA work. This adds risk to the Region as it erodes the in-house knowledge of the internal workings of the SCADA system making 24/7 support more difficult. A larger percentage of maintenance work being completed externally increases the amount of quality control required by internal staff and decreases in-house skills and knowledge.

Alternatives:

Continue to operate with fewer than needed staff and allow a growing backlog of SCADA maintenance be completed by external resources at a higher cost. It is not an option to significantly defer maintenance of the SCADA systems due to the need to maintain regulatory compliance at all times.

Reference:

N/A

Reliability Engineer

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	Water & Wastewater Treatment
Program	Water & Wastewater Plant Maintenance
Cost Centre	237200

Complement Details

Position Title	Reliability Engineer
FTE Impact	1.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2019 Impact	2020 Impact
Personnel Services	\$ 143,300	\$ 143,300
Materials & Supplies	2,600	300
Purchased Services	(145,900)	(143,600)
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 Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 FTE Reliability Engineer within the Water and Wastewater Treatment Plant Maintenance section to deliver upon the Strategic Objective of maintaining regional infrastructure in a state-of-good-repair. It is recommended that a Reliability Engineer be added within the Water & Wastewater Treatment plant maintenance section to provide support towards lifecycle optimization of plant assets so those assets meet or exceed the safety and reliability standards for all electrical, mechanical and instrumentation components across all 22 facility locations.

Need:

The number of assets in Halton Water and Wastewater treatment has increased due to continued rapid growth. Additional in-house staff are required to support maintenance activities as preventive maintenance plans are increasing in complexity and volume in conjunction with technology and the expansion of the systems. This position is required to ensure that levels of service are delivered and asset maintenance needs are met. With emphasis on continually improving maintenance systems, business processes, training and performance management practices, it's important to build new capabilities to deliver the Region's Strategic Objectives and to focus on extending the useful life through improved maintenance decisions.

This investment will have an effective net zero cost on the maintenance program, as costs will be offset by equivalent reductions in purchased services. This position is expected to have a significant impact on the maintenance program delivery and reduce overall costs associated with treatment equipment lifecycle by predicting maintenance needs to realize the maximum value of assets. To deliver the strategic intent of a reliability centred maintenance program, the following outcomes are to be delivered; develop and maintain criticality framework for plant equipment; identify and implement changes to how equipment is cared for by applying risk based analysis to determine the optimum maintenance tactics at the lowest cost; optimize preventive and predictive inspection intervals and tasks based on age and condition to extend the life of plant equipment and defer capital; and coordinate and standardize how root cause analysis data is utilized to reduce the ratio of reactive work versus proactive work.

Implications:

Without additional support staff, efficient and proactive work may not be completed exposing Halton to the risk of equipment failure, reduced levels of service, and non-compliance with legislation requiring documented maintenance activities. In addition, continued increased reliance on external resources would be required to complete mechanical work and prevent large backlogs of incomplete work. Subsequently, Halton would experience further reduced control over the quality of work and reduced in-house knowledge and skill.

Alternatives:

Continue to operate with fewer than needed staff and a growing backlog of work which will require increased use of staff overtime or external resources to prevent adverse impacts to the life cycle of plant assets. Neither option is preferred as Halton's ability to properly manage the quality of work and customer levels of service delivery would be reduced.

Reference:

N/A

Operations Support Coordinator

Funding Source	Rate
----------------	------

Program Details

Department	Public Works
Division	Water & Wastewater Treatment
Program	Water & Wastewater Plant Maintenance
Cost Centre	237200

Complement Details

Position Title	Operations Support Coordinator
FTE Impact	1.0
Personnel Group	OCT/MMSG

Funding Impact

Operating	2020 Impact	2021 Impact
Personnel Services	\$ 117,000	\$ 117,000
Materials & Supplies	2,400	300
Purchased Services	(119,400)	(117,300)
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 Expenditures	-	-
Subsidy Revenue	-	-
Non-Subsidy Revenue	-	-
Total Revenue	-	-
Net Program Expenditures	\$ -	\$ -

Business Case

Recommendation:

Approve 1.0 FTE Operations Support Coordinator within the Water and Wastewater Treatment Plant Maintenance program to ensure maintenance operations continue to be supported at appropriate levels of service. It is recommended that the Operations Support Coordinator be added to provide operational maintenance support for proactive maintenance inspection and standards development and reactive maintenance root cause analysis to ensure the Maintenance program meets and exceeds the safety and reliability standards for all electrical, mechanical and instrumentation work across all 22 facility locations.

Need:

The number of assets in Halton water and wastewater treatment has increased due to continued rapid growth. Additional in-house staff are required to support maintenance activities as preventive maintenance plans are increasing in complexity and volume in conjunction with technology needs and system expansions. These positions are required to ensure that levels of service are delivered and asset maintenance needs are met. With emphasis on continually improving maintenance systems, business process, training and performance management practices, it's important build new capabilities to deliver the Regions strategic objectives.

This investment will have an effective net zero cost on the maintenance program as costs will be offset by equivalent reductions in purchased services. To deliver the strategic intent of a reliability centred maintenance program the following outcomes are to be delivered; develop and sustain a program of root cause analysis to reduce and prevent reoccurrences of equipment failures that negatively affect reliability and risk to the level of service; support purchasing processes and ensure timely preparation of agreement documents for both renewals and new business requirements; facilitate weekly Team Oriented Problem Solving (TOPS) events with cross functional teams to correct any safety, environmental, quality or equipment losses reported through the SAP system and deficiency reports; and coordinate with both the Electrical Safety Authority and Technical Standards and Safety Authority to align the business unit with emerging standards and historical deficiency management.

It is expected that these efforts will cumulatively reduce lifecycle and program costs associated with treatment asset maintenance.

Implications:

Without additional support staff, efficient work may not be completed, which would expose the Region to the risk of equipment failure, reduced levels of service, and non-compliance with legislation requiring documented maintenance activities. In addition, continued increased reliance on external resources would be required to complete mechanical work and prevent large backlogs of incomplete work. Subsequently, Halton would experience further reduced control over the quality of work and reduced in-house knowledge and skills.

Alternatives:

Continue to operate with fewer than needed staff and a growing backlog of work which will require increased use of staff overtime or external resources to prevent adverse impacts to the lifecycle of plant assets. Neither option is preferred as Halton's ability to properly manage the quality of work and customer levels of service delivery would be reduced.

Reference:

N/A

Halton Region

Budget and Business Plan 2020

Operating Budget



Tax-Supported Budget Summary

Tax Supported Budget Summary									
	2019	2020			Change in Budget				
	Approved Budget	Base Budget	Strategic Investments	Requested Budget	2020 Base / 2019 Approved		2020 Requested / 2019 Approved		
Regional Services	\$ 267,704,260	\$ 275,563,814	\$ 1,229,764	\$ 276,793,578	\$ 7,859,554	2.9%	\$ 9,089,317	3.4%	
Police Services	155,383,287	159,790,282	2,184,341	161,974,623	4,406,995	2.8%	6,591,336	4.2%	
Total	\$ 423,087,548	\$ 435,354,096	\$ 3,414,105	\$ 438,768,201	\$ 12,266,549	2.9%	\$ 15,680,654	3.7%	

Schedule may not add due to rounding

Summary of Tax Changes (With 1.7% Weighted Assessment Growth)				
	2020			2020
	Base Budget	Strategic Investments	Requested Budget	Budget Directions
Regional Services	1.2%	0.5%	1.7%	2.0%
Police Services	1.1%	1.4%	2.5%	
Total	1.2%	0.8%	2.0%	

Schedule may not add due to rounding

Net Program Expenditures - Tax

The following tables set out the net expenditure by program at a detailed level.

Net Dollars	2017	2018	2019		2020			Change in Budget				
	Actuals	Actuals	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Approved		2020 Requested to 2019 Approved		
Health												
Public Health Resources	\$ 2,092,307	\$ 1,905,585	\$ 2,466,544	\$ 2,612,892	\$ 2,402,305	\$ -	\$ 2,402,305	\$ (64,239)	-2.6%	\$ (64,239)	-2.6%	
Healthy Environments & Communicable Diseases	4,978,651	4,461,733	5,884,660	5,133,545	5,805,909	-	5,805,909	(78,751)	-1.3%	(78,751)	-1.3%	
Healthy Families	5,158,695	5,001,727	4,707,239	4,536,787	4,683,608	-	4,683,608	(23,631)	-0.5%	(23,631)	-0.5%	
Healthy Schools & Communities	3,808,152	4,798,547	3,818,893	4,036,852	3,628,801	-	3,628,801	(190,092)	-5.0%	(190,092)	-5.0%	
Total Public Health	16,037,805	16,167,592	16,877,336	16,320,076	16,520,623	-	16,520,623	(356,713)	-2.1%	(356,713)	-2.1%	
Paramedic Services	19,007,034	20,838,224	21,355,980	21,599,080	22,359,085	-	22,359,085	1,003,105	4.7%	1,003,105	4.7%	
Total Health	35,044,840	37,005,815	38,233,316	37,919,156	38,879,708	-	38,879,708	646,392	1.7%	646,392	1.7%	
Social & Community Services												
Children's Services	10,841,921	10,243,094	10,330,087	9,658,587	10,734,656	-	10,734,656	404,569	3.9%	404,569	3.9%	
Employment & Social Services	6,358,088	6,098,764	6,364,451	6,462,161	6,721,091	198,120	6,919,211	356,640	5.6%	554,760	8.7%	
Housing Services	37,058,781	36,019,335	35,962,355	35,953,595	36,254,155	-	36,254,155	291,800	0.8%	291,800	0.8%	
Human Services Planning & Program Support	5,859,284	6,279,535	7,270,727	7,180,507	7,468,701	468,109	7,936,810	197,974	2.7%	666,083	9.2%	
Services for Seniors	18,548,462	18,937,261	18,270,571	19,061,151	19,546,912	271,070	19,817,982	1,276,341	7.0%	1,547,411	8.5%	
Total Social & Community Services	78,666,535	77,577,990	78,198,191	78,316,001	80,725,515	937,299	81,662,814	2,527,324	3.2%	3,464,623	4.4%	
Legislative & Planning Services												
Planning Services	10,262,942	11,083,821	10,774,060	10,337,560	12,009,481	-	12,009,481	1,235,421	11.5%	1,235,421	11.5%	
Economic Development	3,182,271	3,256,054	3,849,673	3,646,533	4,033,010	-	4,033,010	183,337	4.8%	183,337	4.8%	
Total Legislative & Planning Services	13,445,214	14,339,875	14,623,733	13,984,093	16,042,491	-	16,042,491	1,418,758	9.7%	1,418,758	9.7%	
Public Works												
Waste Management	41,403,823	42,313,250	43,003,453	43,003,453	44,146,304	121,640	44,267,944	1,142,851	2.7%	1,264,491	2.9%	
Road Operations	51,032,882	52,390,650	55,048,825	54,812,875	56,795,794	170,825	56,966,619	1,746,968	3.2%	1,917,793	3.5%	
Total Public Works	92,436,705	94,703,899	98,052,278	97,816,328	100,942,098	292,465	56,966,619	2,889,819	2.9%	3,182,284	3.2%	
Corporate Administration												
Corporate Administration	(1,554,350)	(1,231,054)	-	(655,000)	-	-	-	-	0.0%	-	0.0%	
Total Corporate Administration	\$ (1,554,350)	\$ (1,231,054)	\$ -	\$ (655,000)	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%	

Schedule may not add due to rounding

Net Dollars	2017	2018	2019		2020			Change in Budget				
	Actuals	Actuals	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Approved		2020 Requested to 2019 Approved		
Non-Program Items & Fiscal Transactions												
Supplementary Tax Revenue	\$ (7,793,003)	\$ (8,159,237)	\$ (6,500,000)	\$ (6,500,000)	\$ (6,500,000)	\$ -	\$ (6,500,000)	\$ -	0.0%	\$ -	0.0%	
Other Tax Revenue	(4,439,679)	(5,222,163)	(4,050,000)	(4,550,000)	(4,400,000)	-	(4,400,000)	(350,000)	12.5%	(350,000)	12.5%	
Tax Write-Off Provision	6,645,387	2,099,828	4,700,000	4,700,000	4,700,000	-	4,700,000	-	0.0%	-	0.0%	
Tax Policy Expenditures	1,172,270	1,247,208	548,000	548,000	548,000	-	548,000	-	0.0%	-	0.0%	
Assessment Services	8,945,423	9,287,898	9,601,600	9,571,600	9,889,100	-	9,889,100	287,500	3.0%	287,500	3.0%	
<i>Provincial Offences Act</i>	(1,941,297)	(3,037,597)	(2,327,852)	(2,827,852)	(2,327,852)	-	(2,327,852)	-	0.0%	-	0.0%	
Net Interest Earnings	(7,750,800)	(7,750,800)	(7,750,800)	(7,750,800)	(7,750,800)	-	(7,750,800)	-	0.0%	-	0.0%	
General Expenditures	24,408,127	36,267,734	32,290,919	32,617,858	32,269,820	-	32,269,820	(21,099)	-0.1%	(21,099)	-0.1%	
Total Non-Prog Items & Fiscal Transactions	19,246,427	24,732,873	26,511,867	25,808,806	26,428,268	-	26,428,268	(83,599)	-0.3%	(83,599)	-0.3%	
Boards & Agencies												
Conservation Authorities	9,262,610	9,167,659	10,084,218	10,084,218	10,529,943	-	10,529,943	445,725	4.4%	445,725	4.4%	
Royal Botanical Gardens	759,930	771,329	786,756	786,756	802,491	-	802,491	15,735	2.0%	15,735	2.0%	
North Halton Mental Health Clinic	-	-	1,213,900	978,900	1,213,300	-	1,213,300	(600)	0.0%	(600)	0.0%	
Total Boards and Agencies	10,022,540	9,938,988	12,084,874	11,849,874	12,545,734	-	12,545,734	460,860	3.8%	460,860	3.8%	
Net Regional Impact Expenditure	247,307,911	257,068,386	267,704,260	265,039,259	275,563,814	1,229,764	276,793,578	7,859,554	2.9%	9,089,317	3.4%	
Halton Regional Police Service												
Police Services	134,472,571	141,464,664	147,847,030	145,972,030	152,403,659	2,184,341	154,588,000	4,556,629	3.1%	6,740,970	4.6%	
Police Services - Debt Charges	5,100,093	5,091,226	4,168,776	4,168,776	4,166,228	-	4,166,228	(2,548)	-0.1%	(2,548)	-0.1%	
Police Services - Reserves/Capital Transfers	5,367,366	3,514,920	3,367,481	3,367,481	3,220,395	-	3,220,395	(147,086)	-4.4%	(147,086)	-4.4%	
Total Halton Regional Police Service	144,940,030	150,070,809	155,383,287	153,508,287	159,790,282	2,184,341	161,974,623	4,406,995	2.8%	6,591,336	4.2%	
Net Regional Levy Requirement	\$ 392,247,941	\$ 407,139,195	\$ 423,087,548	\$ 418,547,546	\$ 435,354,096	\$ 3,414,105	\$ 438,768,201	\$ 12,266,549	2.9%	\$ 15,680,654	3.7%	

Schedule may not add due to rounding

Net Dollars	2017	2018	2019		2020			Change in Budget			
	Actuals	Actuals	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Approved		2020 Requested to 2019 Approved	
Corporate Administration Program Costs:											
Finance											
Budgets & Tax Policy	\$ 1,963,546	2,190,343	\$ 2,648,432	\$ 2,619,509	\$ 2,763,575	\$ -	\$ 2,763,575	\$ 115,143	4.3%	\$ 115,143	4.3%
Capital & Development Financing	2,144,484	2,394,679	2,142,530	2,118,517	2,278,230	-	2,278,230	135,700	6.3%	135,700	6.3%
Financial Services & Payroll	3,660,931	3,854,270	4,158,160	4,108,550	4,425,134	-	4,425,134	266,974	6.4%	266,974	6.4%
Purchasing Services & Stores	2,754,173	2,616,671	2,760,942	2,730,678	2,953,445	-	2,953,445	192,503	7.0%	192,503	7.0%
Total Finance	10,523,135	11,055,964	11,710,064	11,577,254	12,420,384	-	12,420,384	710,320	6.1%	710,320	6.1%
Strategic Transformation Group											
Business Transformation	1,200,877	1,258,238	2,504,829	2,285,296	2,688,326	-	2,688,326	183,497	7.3%	183,497	7.3%
Communications and Customer Service	5,526,642	5,699,643	6,174,766	6,051,082	6,439,396	-	6,439,396	264,630	4.3%	264,630	4.3%
Energy, Fleet and Facilities	18,866,808	19,026,706	20,566,294	20,539,177	20,947,062	-	20,947,062	380,768	1.9%	380,768	1.9%
Information Technology	13,403,762	14,166,715	15,240,579	15,020,023	16,133,586	-	16,133,586	893,007	5.9%	893,007	5.9%
Total Strategic Transformation Group	38,998,090	40,151,302	44,486,468	43,895,577	46,208,369	-	46,208,369	1,721,901	3.9%	1,721,901	3.9%
Legislative & Planning Services											
Legal Services	6,729,534	6,943,896	7,109,062	7,325,702	7,563,644	323,740	7,887,384	454,582	6.4%	778,322	10.9%
Total Legislative & Planning Services	6,729,534	6,943,896	7,109,062	7,325,702	7,563,644	323,740	7,887,384	454,582	6.4%	778,322	10.9%
Office of the CAO											
Business Planning & Corporate Initiatives	1,587,855	1,628,630	1,516,138	1,485,422	1,566,602	-	1,566,602	50,464	3.3%	50,464	3.3%
Human Resources	4,732,697	4,639,851	5,422,408	5,368,772	5,601,475	-	5,601,475	179,066	3.3%	179,066	3.3%
Internal Audit	580,155	607,604	687,419	656,335	711,880	-	711,880	24,461	3.6%	24,461	3.6%
Strategic Policy & Government Relations	970,458	977,182	1,182,803	1,129,230	1,228,703	-	1,228,703	45,900	3.9%	45,900	3.9%
Total Office of the CAO	7,871,166	7,853,267	8,808,768	8,639,758	9,108,659	-	9,108,659	299,891	3.4%	299,891	3.4%
Office of the Chair & Regional Council											
Office of the Chair	247,832	255,709	282,116	281,386	285,921	-	285,921	3,805	1.3%	3,805	1.3%
Regional Council	1,296,974	1,390,322	1,549,500	1,549,500	1,604,540	-	1,604,540	55,040	3.6%	55,040	3.6%
Total Office of the Chair & Regional Council	1,544,806	1,646,031	1,831,616	1,830,886	1,890,461	-	1,890,461	58,845	3.2%	58,845	3.2%
Total Corporate Administration Costs	\$ 65,666,731	\$ 67,650,460	\$ 73,945,978	\$ 73,269,177	\$ 77,191,517	\$ 323,740	\$ 77,515,257	\$ 3,245,539	4.4%	\$ 3,569,279	4.8%

Schedule may not add due to rounding

Net Program Expenditures – by Committee

The following tables set out the net expenditure by program at a detailed level.

Net Dollars	2017	2018	2019		2020			Change in Budget				
	Actuals	Actuals	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Approved		2020 Requested to 2019 Approved		
Health & Social Services												
Health:												
Public Health Resources	\$ 2,092,307	\$ 1,905,585	\$ 2,466,544	\$ 2,612,892	\$ 2,402,305	\$ -	\$ 2,402,305	\$ (64,239)	-2.6%	\$ (64,239)	-2.6%	
Healthy Environments & Communicable Disease	4,978,651	4,461,733	5,884,660	5,133,545	5,805,909	-	5,805,909	(78,751)	-1.3%	(78,751)	-1.3%	
Healthy Families	5,158,695	5,001,727	4,707,239	4,536,787	4,683,608	-	4,683,608	(23,631)	-0.5%	(23,631)	-0.5%	
Healthy Schools & Communities	3,808,152	4,798,547	3,818,893	4,036,852	3,628,801	-	3,628,801	(190,092)	-5.0%	(190,092)	-5.0%	
Total Public Health	16,037,805	16,167,592	16,877,336	16,320,076	16,520,623	-	16,520,623	(356,713)	-2.1%	(356,713)	-2.1%	
Paramedic Services	19,007,034	20,838,224	21,355,980	21,599,080	22,359,085	-	22,359,085	1,003,105	4.7%	1,003,105	4.7%	
Total Health	35,044,840	37,005,815	38,233,316	37,919,156	38,879,708	-	38,879,708	646,392	1.7%	646,392	1.7%	
Social & Community Services:												
Children's Services	10,841,921	10,243,094	10,330,087	9,658,587	10,734,656	-	10,734,656	404,569	3.9%	404,569	3.9%	
Employment & Social Services	6,358,088	6,098,764	6,364,451	6,462,161	6,721,091	198,120	6,919,211	356,640	5.6%	554,760	8.7%	
Housing Services	37,058,781	36,019,335	35,962,355	35,953,595	36,254,155	-	36,254,155	291,800	0.8%	291,800	0.8%	
Human Services Planning & Program Support	5,859,284	6,279,535	7,270,727	7,180,507	7,468,701	468,109	7,936,810	197,974	2.7%	666,083	9.2%	
Services for Seniors	18,548,462	18,937,261	18,270,571	19,061,151	19,546,912	271,070	19,817,982	1,276,341	7.0%	1,547,411	8.5%	
Total Social & Community Services	78,666,535	77,577,990	78,198,191	78,316,001	80,725,515	937,299	81,662,814	2,527,324	3.2%	3,464,623	4.4%	
Total Health & Social Services	\$ 113,711,375	\$ 114,583,805	\$ 116,431,507	\$ 116,235,157	\$ 119,605,223	\$ 937,299	\$ 120,542,522	\$ 3,173,715	2.7%	\$ 4,111,014	3.5%	

Schedule may not add due to rounding

Net Dollars	2017	2018	2019		2020			Change in Budget			
	Actuals	Actuals	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Approved		2020 Requested to 2019 Approved	
Planning & Public Works - Tax											
Legislative & Planning Services:											
Planning Services	\$ 10,262,942	\$ 11,083,821	\$ 10,774,060	\$ 10,337,560	\$ 12,009,481	\$ -	\$ 12,009,481	\$ 1,235,421	11.5%	\$ 1,235,421	11.5%
Total Legislative & Planning Services	10,262,942	11,083,821	10,774,060	10,337,560	12,009,481	-	12,009,481	1,235,421	11.5%	1,235,421	11.5%
Public Works - Tax:											
Waste Management	41,403,823	42,313,250	43,003,453	43,003,453	44,146,304	121,640	44,267,944	1,142,851	2.7%	1,264,491	2.9%
Road Operations	51,032,882	52,390,650	55,048,825	54,812,875	56,795,794	170,825	56,966,619	1,746,968	3.2%	1,917,793	3.5%
Total Public Works - Tax	92,436,705	94,703,899	98,052,278	97,816,328	100,942,098	292,465	101,234,563	2,889,819	2.9%	3,182,284	3.2%
Total Planning & Public Works - Tax	102,699,647	105,787,721	108,826,339	108,153,889	112,951,579	292,465	113,244,044	4,125,240	3.8%	4,417,705	4.1%
Planning & Public Works - Rate											
Public Works - Rate:											
Water and Wastewater	187,040,659	198,208,305	205,630,895	204,280,895	213,543,888	245,170	213,789,058	7,912,993	3.8%	8,158,163	4.0%
Total Public Works - Rate	187,040,659	198,208,305	205,630,895	204,280,895	213,543,888	245,170	213,789,058	7,912,993	3.8%	8,158,163	4.0%
Total Planning & Public Works - Rate	187,040,659	198,208,305	205,630,895	204,280,895	213,543,888	245,170	213,789,058	7,912,993	3.8%	8,158,163	4.0%
Total Planning & Public Works - Tax & Rate	\$ 289,740,307	\$ 303,996,025	\$ 314,457,234	\$ 312,434,784	\$ 326,495,467	\$ 537,635	\$ 327,033,102	\$ 12,038,233	3.8%	\$ 12,575,868	4.0%

Schedule may not add due to rounding

Net Dollars	2017	2018	2019		2020			Change in Budget				
	Actuals	Actuals	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Approved		2020 Requested to 2019 Approved		
Administration & Finance												
Corporate Administration:												
Corporate Administration	\$ (1,554,350)	\$ (1,231,054)	\$ -	\$ (655,000)	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	0.0%	
Total Corporate Administration	(1,554,350)	(1,231,054)	-	(655,000)	-	-	-	-	0.0%	-	0.0%	
Legislative & Planning Services:												
Economic Development	3,182,271	3,256,054	3,849,673	3,646,533	4,033,010	-	4,033,010	183,337	4.8%	183,337	4.8%	
Total Legislative & Planning Services	3,182,271	3,256,054	3,849,673	3,646,533	4,033,010	-	4,033,010	183,337	4.8%	183,337	4.8%	
Non-Program Items & Fiscal Transactions:												
Supplementary Tax Revenue	(7,793,003)	(8,159,237)	(6,500,000)	(6,500,000)	(6,500,000)	-	(6,500,000)	-	0.0%	-	0.0%	
Other Tax Revenue	(4,439,679)	(5,222,163)	(4,050,000)	(4,550,000)	(4,400,000)	-	(4,400,000)	(350,000)	12.5%	(350,000)	12.5%	
Tax Write-Off Provision	6,645,387	2,099,828	4,700,000	4,700,000	4,700,000	-	4,700,000	-	0.0%	-	0.0%	
Tax Policy Expenditures	1,172,270	1,247,208	548,000	548,000	548,000	-	548,000	-	0.0%	-	0.0%	
Assessment Services	8,945,423	9,287,898	9,601,600	9,571,600	9,889,100	-	9,889,100	287,500	3.0%	287,500	3.0%	
<i>Provincial Offences Act</i>	(1,941,297)	(3,037,597)	(2,327,852)	(2,827,852)	(2,327,852)	-	(2,327,852)	-	0.0%	-	0.0%	
Net Interest Earnings	(7,750,800)	(7,750,800)	(7,750,800)	(7,750,800)	(7,750,800)	-	(7,750,800)	-	0.0%	-	0.0%	
General Expenditures	24,408,127	36,267,734	32,290,919	32,617,858	32,269,820	-	32,269,820	(21,099)	-0.1%	(21,099)	-0.1%	
Total Non-Prog Items & Fiscal Transactions	19,246,427	24,732,873	26,511,867	25,808,806	26,428,268	-	26,428,268	(83,599)	-0.3%	(83,599)	-0.3%	
Boards & Agencies:												
Conservation Authorities	9,262,610	9,167,659	10,084,218	10,084,218	10,529,943	-	10,529,943	445,725	4.4%	445,725	4.4%	
Royal Botanical Gardens	759,930	771,329	786,756	786,756	802,491	-	802,491	15,735	2.0%	15,735	2.0%	
North Halton Mental Health Clinic	-	-	1,213,900	978,900	1,213,300	-	1,213,300	(600)	0.0%	(600)	0.0%	
Total Boards and Agencies	10,022,540	9,938,988	12,084,874	11,849,874	12,545,734	-	12,545,734	460,860	3.8%	460,860	3.8%	
Total Administration & Finance	30,896,889	36,696,860	42,446,414	40,650,213	43,007,012	-	43,007,012	560,598	1.3%	560,598	1.3%	
Net Regional Impact Expenditure	\$ 434,348,570	\$ 455,276,690	\$ 473,335,155	\$ 469,320,154	\$ 489,107,702	\$ 1,474,934	\$ 490,582,636	\$ 15,772,547	3.3%	\$ 17,247,481	3.6%	
Total Halton Regional Police Service	144,940,030	150,070,809	155,383,287	153,508,287	159,790,282	2,184,341	161,974,623	4,406,995	2.8%	6,591,336	4.2%	
Net Regional Levy & Rate Requirement	\$ 579,288,600	\$ 605,347,500	\$ 628,718,443	\$ 622,828,441	\$ 648,897,984	\$ 3,659,275	\$ 652,557,260	\$ 20,179,542	3.2%	\$ 23,838,817	3.8%	

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				
	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change 2020 Requested to 2019 Approved		2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change 2020 Requested to 2019 Approved		2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change 2020 Requested to 2019 Approved	
Finance															
Budgets & Tax Policy	\$ 2,184,666	\$ 2,642,195	\$ 2,756,663	\$ 114,468	4.3%	\$ (1,319,765)	\$ (1,617,357)	\$ (1,682,297)	\$ (64,940)	4.0%	\$ 864,901	\$ 1,024,838	\$ 1,074,366	\$ 49,528	4.8%
Capital & Development Financing	2,798,864	2,740,149	2,884,969	144,821	5.3%	(2,072,905)	(2,301,265)	(2,405,535)	(104,270)	4.5%	725,959	438,884	479,434	40,551	9.2%
Financial Services & Payroll	4,004,609	4,275,426	4,541,571	266,145	6.2%	(756,737)	(726,697)	(761,014)	(34,317)	4.7%	3,247,872	3,548,729	3,780,557	231,828	6.5%
Purchasing Services & Stores	2,701,179	2,944,744	3,137,031	192,287	6.5%	(873,980)	(1,139,134)	(1,210,814)	(71,680)	6.3%	1,827,200	1,805,611	1,926,217	120,606	6.7%
Total Finance	11,689,319	12,602,514	13,320,234	717,720	5.7%	(5,023,387)	(5,784,453)	(6,059,660)	(275,207)	4.8%	6,665,932	6,818,061	7,260,574	442,513	6.5%
Strategic Transformation Group															
Business Transformation	1,258,238	2,503,775	2,686,934	183,159	7.3%	-	-	-	-	0.0%	1,258,238	2,503,775	2,686,934	183,159	7.3%
Communications & Customer Service	5,701,583	6,190,455	6,455,513	265,058	4.3%	(14,379)	(253,539)	(254,666)	(1,127)	0.4%	5,687,204	5,936,916	6,200,847	263,931	4.4%
Energy, Fleet and Facilities	21,806,976	23,098,359	23,511,469	413,110	1.8%	(11,654,036)	(12,408,240)	(12,637,346)	(229,106)	1.8%	10,152,940	10,690,118	10,874,123	184,004	1.7%
Information Technology	14,465,967	15,582,097	16,530,690	948,593	6.1%	(2,489,707)	(2,699,276)	(3,053,849)	(354,573)	13.1%	11,976,260	12,882,821	13,476,841	594,020	4.6%
Total Strategic Transformation Group	43,232,764	47,374,686	49,184,606	1,809,920	3.8%	(14,158,122)	(15,361,055)	(15,945,861)	(584,806)	3.8%	29,074,642	32,013,631	33,238,745	1,225,114	3.8%
Legislative & Planning Services															
Legal Services	7,762,694	7,344,530	8,111,329	766,799	10.4%	(4,127,176)	(3,691,790)	(4,317,048)	(625,258)	16.9%	3,635,518	3,652,740	3,794,281	141,541	3.9%
Total Legislative & Planning Services	7,762,694	7,344,530	8,111,329	766,799	10.4%	(4,127,176)	(3,691,790)	(4,317,048)	(625,258)	16.9%	3,635,518	3,652,740	3,794,281	141,541	3.9%
Office of the CAO															
Business Planning & Corporate Initiatives	1,615,955	1,504,857	1,555,172	50,315	3.3%	(543)	-	-	-	0.0%	1,615,412	1,504,857	1,555,172	50,315	3.3%
Human Resources	5,586,194	6,377,632	6,570,204	192,573	3.0%	(1,694,931)	(1,829,825)	(1,894,552)	(64,727)	3.5%	3,891,263	4,547,807	4,675,653	127,846	2.8%
Internal Audit	602,731	682,304	719,520	37,216	5.5%	-	-	(12,000)	(12,000)	100.0%	602,731	682,304	707,520	25,216	3.7%
Strategic Policy & Government Relations	969,346	1,174,002	1,219,739	45,737	3.9%	-	-	-	-	0.0%	969,346	1,174,002	1,219,739	45,737	3.9%
Total Office of the CAO	8,774,226	9,738,795	10,064,636	325,841	3.3%	(1,695,474)	(1,829,825)	(1,906,552)	(76,727)	4.2%	7,078,752	7,908,970	8,158,084	249,114	3.1%
Office of the Chair & Regional Council															
Office of the Chair	255,709	282,116	285,921	3,805	1.3%	-	-	-	-	0.0%	255,709	282,116	285,921	3,805	1.3%
Regional Council	1,398,850	1,601,250	1,614,540	13,290	0.8%	(8,528)	(51,750)	(10,000)	41,750	100.0%	1,390,322	1,549,500	1,604,540	55,040	3.6%
Total Office of the Chair & Regional Council	1,654,559	1,883,366	1,900,461	17,095	0.9%	(8,528)	(51,750)	(10,000)	41,750	100.0%	1,646,031	1,831,616	1,890,461	58,845	3.2%
Total Corporate Administration	\$ 73,113,562	\$ 78,943,891	\$ 82,581,266	\$ 3,637,375	4.6%	\$ (25,012,687)	\$ (26,718,874)	\$ (28,239,121)	\$ (1,520,248)	5.7%	\$ 48,100,875	\$ 52,225,017	\$ 54,342,145	\$ 2,117,127	4.1%

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 Expenditures			
	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved
Health												
Public Health Resources	\$ 4,103,934	\$ 4,569,045	\$ 4,484,751	\$ (84,294) -1.8%	\$ 849,834	\$ 890,015	\$ 910,070	\$ 20,055 2.3%	\$ -	\$ -	\$ -	\$ - 0.0%
Healthy Environments & Communicable Disease	10,928,508	11,432,663	11,370,229	(62,434) -0.5%	2,897,734	3,139,514	3,139,000	(514) 0.0%	204,666	11,166	11,166	- 0.0%
Healthy Families	7,300,126	8,075,976	8,060,582	(15,394) -0.2%	3,104,189	2,608,135	2,599,898	(8,237) -0.3%	-	-	-	- 0.0%
Healthy Schools & Communities	8,017,781	6,978,409	8,248,554	1,270,145 18.2%	2,263,661	2,205,777	1,983,580	(222,197) -10.1%	-	18,500	18,500	- 0.0%
Total Public Health	30,350,350	31,056,093	32,164,116	1,108,023 3.6%	9,115,418	8,843,441	8,632,548	(210,893) -2.4%	204,666	29,666	29,666	- 0.0%
Paramedic Services	30,400,269	32,321,650	33,169,314	847,664 2.6%	4,993,047	5,269,805	5,833,064	563,259 10.7%	3,383,502	3,302,700	3,424,197	121,497 3.7%
Total Health	60,750,619	63,377,743	65,333,430	1,955,687 3.1%	14,108,465	14,113,246	14,465,612	352,366 2.5%	3,588,168	3,332,366	3,453,863	121,497 3.6%
Social & Community Services												
Children's Services	66,349,128	71,478,664	69,698,704	(1,779,960) -2.5%	6,984,518	3,043,096	3,222,011	178,915 5.9%	50,000	50,000	50,000	- 0.0%
Employment & Social Services	30,503,402	29,660,394	30,478,058	817,664 2.8%	2,596,885	2,685,313	2,828,433	143,120 5.3%	-	-	-	- 0.0%
Housing Services	43,608,342	42,858,605	43,039,613	181,008 0.4%	6,718,308	1,689,160	2,080,070	390,910 23.1%	7,800,000	7,800,000	6,900,000	(900,000) -11.5%
Human Services Planning & Program Support	5,434,575	6,494,231	7,024,100	529,869 8.2%	844,961	776,496	912,710	136,214 17.5%	-	-	-	- 0.0%
Services for Seniors	56,946,768	56,087,896	57,443,704	1,355,808 2.4%	10,514,141	10,922,552	11,353,909	431,357 3.9%	2,381,323	2,082,123	2,234,323	152,200 7.3%
Total Social & Community Services	202,842,215	206,579,790	207,684,179	1,104,389 0.5%	27,658,812	19,116,617	20,397,133	1,280,516 6.7%	10,231,323	9,932,123	9,184,323	(747,800) -7.5%
Legislative & Planning Services												
Planning Services	5,703,752	7,120,687	7,299,028	178,341 2.5%	3,154,480	3,402,387	3,654,953	252,566 7.4%	3,434,391	1,280,250	2,165,250	885,000 69.1%
Economic Development	2,480,703	2,885,950	3,060,380	174,430 6.0%	1,063,162	1,133,353	1,230,346	96,993 8.6%	-	-	-	- 0.0%
Legal Services	6,770,189	6,860,922	7,622,573	761,651 11.1%	(6,517,898)	(6,625,454)	(7,398,628)	(773,174) 11.7%	-	-	-	- 0.0%
Total Legislative & Planning Services	15,546,552	17,285,149	18,416,931	1,131,782 6.5%	(2,701,786)	(2,507,304)	(2,948,279)	(440,975) 17.6%	3,434,391	1,280,250	2,165,250	885,000 69.1%
Public Works												
Waste Management	38,538,400	38,401,797	40,242,701	1,840,904 4.8%	4,913,429	4,922,630	4,979,557	56,927 1.2%	6,950,179	6,907,005	7,024,486	117,481 1.7%
Road Operations	23,391,095	16,151,894	16,763,565	611,671 3.8%	1,432,291	3,200,161	3,686,858	486,697 15.2%	30,062,961	36,068,191	36,893,916	825,725 2.3%
Total Public Works	61,929,494	54,553,691	57,006,266	2,452,575 4.5%	6,345,720	8,122,791	8,666,415	543,624 6.7%	37,013,140	42,975,196	43,918,402	943,206 2.2%
Finance												
Budgets & Tax Policy	2,196,089	2,647,967	2,763,110	115,144 4.3%	(2,238,196)	(2,647,967)	(2,763,110)	(115,144) 4.3%	-	-	-	- 0.0%
Capital Development & Financing	2,776,499	2,726,560	2,831,030	104,470 3.8%	(2,089,081)	(2,141,960)	(2,239,030)	(97,070) 4.5%	-	-	-	- 0.0%
Financial Services & Payroll	4,002,383	4,281,261	4,548,235	266,974 6.2%	(3,682,347)	(4,158,011)	(4,424,985)	(266,974) 6.4%	-	-	-	- 0.0%
Purchasing Services & Stores	2,500,235	2,735,884	2,898,004	162,120 5.9%	(2,426,825)	(2,701,284)	(2,863,404)	(162,120) 6.0%	-	-	-	- 0.0%
Total Finance	11,475,205	12,391,672	13,040,379	648,707 5.2%	(10,436,449)	(11,649,222)	(12,290,529)	(641,307) 5.5%	-	-	-	- 0.0%

Schedule may not add due to rounding

	Total Direct Costs				Other Expenditures				Capital Expenditures			
	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved
Office of the CAO												
Business Planning & Corporate Initiatives	1,624,756	1,512,121	1,562,550	50,429 3.3%	(2,266,829)	(1,512,121)	(1,562,550)	(50,429) 3.3%	-	-	-	- 0.0%
Human Resources	5,327,896	6,350,404	6,542,713	192,310 3.0%	(5,915,410)	(6,350,404)	(6,542,713)	(192,310) 3.0%	-	-	-	- 0.0%
Internal Audit	601,680	683,370	723,709	40,339 5.9%	(641,071)	(683,370)	(723,709)	(40,339) 5.9%	-	-	-	- 0.0%
Strategic Policy & Government Relations	967,008	1,182,280	1,227,409	45,129 3.8%	(977,567)	(1,182,280)	(1,227,409)	(45,129) 3.8%	-	-	-	- 0.0%
Total Office of the CAO	8,521,340	9,728,175	10,056,382	328,207 3.4%	(9,800,877)	(9,728,175)	(10,056,382)	(328,207) 3.4%	-	-	-	- 0.0%
Strategic Transformation Group												
Business Transformation	1,258,160	2,504,609	2,684,664	180,055 7.2%	(1,435,266)	(2,504,609)	(2,684,664)	(180,055) 7.2%	-	-	-	- 0.0%
Communications & Customer Service	5,649,009	6,190,845	6,456,272	265,427 4.3%	(6,103,909)	(6,172,676)	(6,436,976)	(264,300) 4.3%	-	-	-	- 0.0%
Energy, Fleet & Facilities	15,703,441	17,370,328	17,547,183	176,854 1.0%	(17,068,334)	(18,965,110)	(19,254,529)	(289,419) 1.5%	4,145,163	4,119,139	4,262,063	142,924 3.5%
Information Technology	10,334,921	11,983,858	12,631,521	647,663 5.4%	(13,013,922)	(15,053,879)	(16,001,283)	(947,404) 6.3%	3,088,309	3,308,821	3,608,562	299,741 9.1%
Total Strategic Transformation Group	32,945,532	38,049,640	39,319,639	1,269,999 3.3%	(37,621,432)	(42,696,273)	(44,377,451)	(1,681,178) 3.9%	7,233,472	7,427,960	7,870,625	442,665 6.0%
Office of the Chair & Regional Council												
Office of the Chair	247,424	272,871	276,691	3,820 1.4%	(267,975)	(272,871)	(276,691)	(3,820) 1.4%	-	-	-	- 0.0%
Regional Council	1,398,318	1,601,250	1,614,540	13,290 0.8%	(1,369,768)	(1,601,250)	(1,614,540)	(13,290) 0.8%	-	-	-	- 0.0%
Total Office of the Chair & Regional Council	1,645,742	1,874,121	1,891,231	17,110 0.9%	(1,637,743)	(1,874,121)	(1,891,231)	(17,110) 0.9%	-	-	-	- 0.0%
Boards & Agencies												
Conservation Authorities	9,167,659	10,084,218	10,529,943	445,725 4.4%	-	-	-	- 0.0%	-	-	-	- 0.0%
Royal Botanical Gardens	771,329	786,756	802,491	15,735 2.0%	-	-	-	- 0.0%	-	-	-	- 0.0%
North Halton Mental Health Clinic	-	1,040,000	1,040,000	- 0.0%	-	173,900	173,300	(600) -0.3%	-	-	-	- 0.0%
Total Boards & Agencies	9,938,988	11,910,974	12,372,434	461,460 3.9%	-	173,900	173,300	(600) -0.3%	-	-	-	- 0.0%
Halton Regional Police Service												
Halton Regional Police Service	152,034,707	157,545,591	164,449,951	6,904,360 4.4%	2,721,457	1,675,461	1,817,886	142,425 8.5%	7,243,364	7,536,257	7,386,623	(149,634) -2.0%
Halton Regional Police Service	152,034,707	157,545,591	164,449,951	6,904,360 4.4%	2,721,457	1,675,461	1,817,886	142,425 8.5%	7,243,364	7,536,257	7,386,623	(149,634) -2.0%
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	2,099,828	4,700,000	4,700,000	- 0.0%	-	-	-	- 0.0%	-	-	-	- 0.0%
Tax Policy Expenditures	1,264,158	548,000	548,000	- 0.0%	-	-	-	- 0.0%	-	-	-	- 0.0%
Assessment Services	9,287,898	9,601,600	9,889,100	287,500 3.0%	-	-	-	- 0.0%	-	-	-	- 0.0%
Provincial Offences Act Revenue	-	-	-	- 0.0%	-	-	-	- 0.0%	-	-	-	- 0.0%
Net Interest Earnings	(55,835)	-	-	- 0.0%	50,016,990	43,632,199	43,632,199	- 0.0%	-	-	-	- 0.0%
General Expenditures	2,196,564	3,843,120	3,843,120	- 0.0%	18,058,543	9,478,445	8,370,625	(1,107,820) -11.7%	16,270,898	26,201,639	27,284,004	1,082,365 4.1%
Total Non-Prog Items & Fiscal Transactions	14,792,613	18,692,720	18,980,220	287,500 1.5%	68,075,533	53,110,644	52,002,824	(1,107,820) -2.1%	16,270,898	26,201,639	27,284,004	1,082,365 4.1%
Net Regional Tax Levy	\$ 572,423,007	\$ 591,989,266	\$ 608,551,042	\$16,561,776 2.8%	\$ 56,711,701	\$ 27,857,564	\$ 25,959,297	\$ (1,898,266) -6.8%	\$ 85,014,757	\$ 98,685,791	\$ 101,263,090	\$ 2,577,299 2.6%

Schedule may not add due to rounding

	Total Gross Expenditures				Total Revenue				Net Program Expenditures			
	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved
Health												
Public Health Resources	\$ 4,953,768	\$ 5,459,060	\$ 5,394,821	\$ (64,239) -1.2%	\$ (3,048,183)	\$ (2,992,516)	\$ (2,992,516)	\$ - 0.0%	\$ 1,905,585	\$ 2,466,544	\$ 2,402,305	\$ (64,239) -2.6%
Healthy Environments & Communicable Disease	14,030,909	14,583,343	14,520,395	(62,948) -0.4%	(9,569,176)	(8,698,683)	(8,714,486)	(15,803) 0.2%	4,461,733	5,884,660	5,805,909	(78,751) -1.3%
Healthy Families	10,404,314	10,684,111	10,660,480	(23,631) -0.2%	(5,402,587)	(5,976,872)	(5,976,872)	- 0.0%	5,001,727	4,707,239	4,683,608	(23,631) -0.5%
Healthy Schools & Communities	10,281,443	9,202,686	10,250,634	1,047,948 11.4%	(5,482,896)	(5,383,793)	(6,621,833)	(1,238,040) 23.0%	4,798,547	3,818,893	3,628,801	(190,092) -5.0%
Total Public Health	39,670,434	39,929,200	40,826,330	897,130 2.2%	(23,502,842)	(23,051,864)	(24,305,707)	(1,253,843) 5.4%	16,167,592	16,877,336	16,520,623	(356,713) -2.1%
Paramedic Services	38,776,817	40,894,155	42,426,575	1,532,420 3.7%	(17,938,594)	(19,538,175)	(20,067,490)	(529,315) 2.7%	20,838,224	21,355,980	22,359,085	1,003,105 4.7%
Total Health	78,447,251	80,823,355	83,252,905	2,429,550 3.0%	(41,441,436)	(42,590,039)	(44,373,197)	(1,783,158) 4.2%	37,005,815	38,233,316	38,879,708	646,392 1.7%
Social & Community Services												
Children's Services	73,383,646	74,571,760	72,970,715	(1,601,045) -2.1%	(63,140,552)	(64,241,673)	(62,236,059)	2,005,614 -3.1%	10,243,094	10,330,087	10,734,656	404,569 3.9%
Employment & Social Services	33,100,287	32,345,707	33,306,491	960,784 3.0%	(27,001,523)	(25,981,256)	(26,387,280)	(406,024) 1.6%	6,098,764	6,364,451	6,919,211	554,760 8.7%
Housing Services	58,126,649	52,347,765	52,019,683	(328,082) -0.6%	(22,107,314)	(16,385,410)	(15,765,528)	619,881 -3.8%	36,019,335	35,962,355	36,254,155	291,800 0.8%
Human Services Planning & Program Support	6,279,535	7,270,727	7,936,810	666,083 9.2%	-	-	-	- 0.0%	6,279,535	7,270,727	7,936,810	666,083 9.2%
Services for Seniors	69,842,232	69,092,571	71,031,936	1,939,365 2.8%	(50,904,971)	(50,822,000)	(51,213,954)	(391,954) 0.8%	18,937,261	18,270,571	19,817,982	1,547,411 8.5%
Total Social & Community Services	240,732,350	235,628,530	237,265,635	1,637,105 0.7%	(163,154,360)	(157,430,339)	(155,602,821)	1,827,517 -1.2%	77,577,990	78,198,191	81,662,814	3,464,623 4.4%
Legislative & Planning Services												
Planning Services	12,292,623	11,803,324	13,119,231	1,315,907 11.1%	(1,208,802)	(1,029,264)	(1,109,750)	(80,486) 7.8%	11,083,821	10,774,060	12,009,481	1,235,421 11.5%
Economic Development	3,543,865	4,019,303	4,290,726	271,423 6.8%	(287,811)	(169,630)	(257,716)	(88,086) 51.9%	3,256,054	3,849,673	4,033,010	183,337 4.8%
Legal Services	252,292	235,468	223,945	(11,523) -4.9%	(341,860)	(235,468)	(223,945)	11,523 -4.9%	(89,568)	-	-	- 0.0%
Total Legislative & Planning Services	16,279,157	16,058,095	17,633,902	1,575,807 9.8%	(1,838,473)	(1,434,362)	(1,591,411)	(157,049) 10.9%	14,440,684	14,623,733	16,042,491	1,418,758 9.7%
Public Works												
Waste Management	50,402,008	50,231,432	52,246,744	2,015,312 4.0%	(8,088,758)	(7,227,979)	(7,978,800)	(750,821) 10.4%	42,313,250	43,003,453	44,267,944	1,264,491 2.9%
Road Operations	54,886,347	55,420,246	57,344,339	1,924,093 3.5%	(2,495,697)	(371,420)	(377,720)	(6,300) 1.7%	52,390,650	55,048,825	56,966,619	1,917,793 3.5%
Total Public Works	105,288,354	105,651,678	109,591,083	3,939,405 3.7%	(10,584,455)	(7,599,399)	(8,356,520)	(757,121) 10.0%	94,703,899	98,052,278	101,234,563	3,182,284 3.2%
Finance												
Budgets & Tax Policy	(42,108)	-	-	-	-	-	-	- 0.0%	(42,108)	-	-	- 0.0%
Capital Development & Financing	687,418	584,600	592,000	7,400 1.3%	(392,627)	(584,600)	(592,000)	(7,400) 1.3%	294,791	-	-	- 0.0%
Financial Services & Payroll	320,036	123,250	123,250	- 0.0%	(153,389)	(123,250)	(123,250)	- 0.0%	166,648	-	-	- 0.0%
Purchasing Services & Stores	73,410	34,600	34,600	- 0.0%	(87,339)	(34,600)	(34,600)	- 0.0%	(13,929)	-	-	- 0.0%
Total Finance	1,038,756	742,450	749,850	7,400 1.0%	(633,354)	(742,450)	(749,850)	(7,400) 1.0%	405,402	-	-	- 0.0%

Schedule may not add due to rounding

	Total Gross Expenditures				Total Revenue				Net Program Expenditures			
	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	2018 Actuals	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved
Office of the CAO												
Business Planning & Corporate Initiatives	(642,073)	-	-	- 0.0%	(360)	-	-	- 0.0%	(642,432)	-	-	- 0.0%
Human Resources	(587,515)	-	-	- 0.0%	-	-	-	- 0.0%	(587,515)	-	-	- 0.0%
Internal Audit	(39,390)	-	-	- 0.0%	-	-	-	- 0.0%	(39,390)	-	-	- 0.0%
Strategic Policy & Government Relations	(10,558)	-	-	- 0.0%	-	-	-	- 0.0%	(10,558)	-	-	- 0.0%
Total Office of the CAO	(1,279,536)	-	-	0.0%	(360)	-	-	0.0%	(1,279,896)	-	-	0.0%
Strategic Transformation Group												
Business Transformation	(177,106)	-	-	- 0.0%	-	-	-	- 0.0%	(177,106)	-	-	- 0.0%
Communications & Customer Service	(454,900)	18,169	19,296	1,127 6.2%	(1,940)	(18,169)	(19,296)	(1,127) 6.2%	(456,840)	-	-	- 0.0%
Energy, Fleet & Facilities	2,780,270	2,524,358	2,554,717	30,359 1.2%	(2,780,270)	(2,524,358)	(2,554,717)	(30,359) 1.2%	-	-	-	- 0.0%
Information Technology	409,308	238,800	238,800	- 0.0%	(232,202)	(238,800)	(238,800)	- 0.0%	177,106	-	-	- 0.0%
Total Strategic Transformation Group	2,557,572	2,781,327	2,812,813	31,486 1.1%	(3,014,412)	(2,781,327)	(2,812,813)	(31,486) 1.1%	(456,840)	-	-	0.0%
Office of the Chair & Regional Council												
Office of the Chair	(20,551)	-	-	- 0.0%	-	-	-	- 0.0%	(20,551)	-	-	- 0.0%
Regional Council	28,550	-	-	- 0.0%	(8,528)	-	-	- 0.0%	20,022	-	-	- 0.0%
Total Office of the Chair & Regional Council	7,999	-	-	0.0%	(8,528)	-	-	0.0%	(529)	-	-	0.0%
Boards & Agencies												
Conservation Authorities	9,167,659	10,084,218	10,529,943	445,725 4.4%	-	-	-	- 0.0%	9,167,659	10,084,218	10,529,943	445,725 4.4%
Royal Botanical Gardens	771,329	786,756	802,491	15,735 2.0%	-	-	-	- 0.0%	771,329	786,756	802,491	15,735 2.0%
North Halton Mental Health Clinic	-	1,213,900	1,213,300	(600) 0.0%	-	-	-	- 0.0%	-	1,213,900	1,213,300	(600) 0.0%
Total Boards & Agencies	9,938,988	12,084,874	12,545,734	460,860 3.8%	-	-	-	0.0%	9,938,988	12,084,874	12,545,734	460,860 3.8%
Halton Regional Police Service												
Halton Regional Police Service	161,999,529	166,757,309	173,654,460	6,897,151 4.1%	(11,928,719)	(11,374,022)	(11,679,836)	(305,814) 2.7%	150,070,809	155,383,287	161,974,623	6,591,336 4.2%
Halton Regional Police Service	161,999,529	166,757,309	173,654,460	6,897,151 4.1%	(11,928,719)	(11,374,022)	(11,679,836)	(305,814) 2.7%	150,070,809	155,383,287	161,974,623	6,591,336 4.2%
Non-Program Items & Fiscal Transactions												
Supplementary Tax Revenue	-	-	-	- 0.0%	(8,159,237)	(6,500,000)	(6,500,000)	- 0.0%	(8,159,237)	(6,500,000)	(6,500,000)	- 0.0%
Other Tax Revenue	-	-	-	- 0.0%	(5,222,163)	(4,050,000)	(4,400,000)	(350,000) 8.6%	(5,222,163)	(4,050,000)	(4,400,000)	(350,000) 8.6%
Tax Write-Off Provision	2,099,828	4,700,000	4,700,000	- 0.0%	-	-	-	- 0.0%	2,099,828	4,700,000	4,700,000	- 0.0%
Tax Policy Expenditures	1,264,158	548,000	548,000	- 0.0%	-	-	-	- 0.0%	1,264,158	548,000	548,000	- 0.0%
Assessment Services	9,287,898	9,601,600	9,889,100	287,500 3.0%	-	-	-	- 0.0%	9,287,898	9,601,600	9,889,100	287,500 3.0%
Provincial Offences Act Revenue	-	-	-	- 0.0%	(3,037,597)	(2,327,852)	(2,327,852)	- 0.0%	(3,037,597)	(2,327,852)	(2,327,852)	- 0.0%
Net Interest Earnings	49,961,154	43,632,199	43,632,199	- 0.0%	(57,711,954)	(51,383,000)	(51,383,000)	- 0.0%	(7,750,800)	(7,750,801)	(7,750,801)	- 0.0%
General Expenditures	36,526,005	39,523,204	39,497,749	(25,455) -0.1%	(275,221)	(7,232,285)	(7,227,929)	4,356 -0.1%	36,250,784	32,290,919	32,269,820	(21,099) -0.1%
Total Non-Program Items & Fiscal Transactions	99,139,044	98,005,003	98,267,048	262,045 0.3%	(74,406,172)	(71,493,137)	(71,838,781)	(345,644) 0.5%	24,732,873	26,511,866	26,428,267	(83,599) -0.3%
Net Regional Tax Levy	\$ 714,149,465	\$ 718,532,621	\$ 735,773,429	\$17,240,808 2.4%	\$(307,010,270)	\$(295,445,075)	\$(297,005,230)	\$ (1,560,155) 0.5%	\$ 407,139,195	\$ 423,087,547	\$ 438,768,200	\$15,680,654 3.7%

Schedule may not add due to rounding

Rate-Supported Budget Summary

Regional Water & Wastewater Services											
	2017	2018	2019		2020		Change in Budget				
Rate Supported Services	Actual	Actual	Approved Budget	Projected Actual	Base Budget	Strategic Investments	Requested Budget	2020 Base to 2019 Approved	2020 Requested to 2019 Approved		
Treatment	\$ 65,367,552	\$ 66,875,886	\$ 68,932,747	\$ 68,305,726	\$ 69,695,224	\$ 121,296	\$ 69,816,521	\$ 762,478	1.1%	\$ 883,774	1.3%
System Services	51,031,086	51,729,034	50,785,857	50,032,878	52,179,908	123,874	52,303,782	1,394,051	2.7%	1,517,925	3.0%
Infrastructure Planning & Policy	3,202,624	3,011,430	3,316,949	2,966,949	3,426,701	-	3,426,701	109,752	3.3%	109,752	3.3%
Engineering & Construction	10,017,173	10,338,917	13,112,862	12,112,862	13,845,613	-	13,845,613	732,750	5.6%	732,750	5.6%
Public Works Administration	474,379	463,835	446,366	326,366	470,900	-	470,900	24,534	5.5%	24,534	5.5%
Recoveries from Capital Projects	(14,071,665)	(16,592,517)	(19,889,514)	(18,889,515)	(20,923,676)	-	(20,923,676)	(1,034,161)	5.2%	(1,034,161)	5.2%
Gross Operating Expenditures	\$ 116,021,149	\$ 115,826,583	116,705,266	114,855,266	118,694,670	245,170	118,939,840	1,989,404	1.7%	2,234,574	1.9%
Capital Expenses											
Debt Charges	33,061,399	27,656,662	25,606,357	25,606,357	24,288,661	-	24,288,661	(1,317,696)	-5.1%	(1,317,696)	-5.1%
Transfers to Reserve	55,657,002	72,153,666	79,900,980	79,900,980	87,168,772	-	87,168,772	7,267,792	9.1%	7,267,792	9.1%
Transfers to Vehicle Reserve	1,386,100	1,420,800	1,456,300	1,456,300	1,492,700	-	1,492,700	36,400	2.5%	36,400	2.5%
Transfers to Gas Tax 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	(9,552,017)	(9,906,002)	(9,903,668)	(9,903,668)	(9,898,970)	-	(9,898,970)	4,698	0.0%	4,698	0.0%
Capital Expenditures	90,034,484	100,807,126	106,541,969	106,541,969	112,533,163	-	112,533,163	5,991,194	5.6%	5,991,194	5.6%
Total Gross Expenditures	\$ 206,055,632	\$ 216,633,709	223,247,235	221,397,235	231,227,833	245,170	231,473,003	7,980,598	3.6%	8,225,768	3.7%
Subsidy Revenue	(9,482,000)	(10,343,233)	(9,482,000)	(9,482,000)	(9,482,000)	-	(9,482,000)	-	0.0%	-	0.0%
Other Revenues											
Bulk Water Charges	(734,364)	(566,261)	(748,900)	(748,900)	(778,800)	-	(778,800)	(29,900)	4.0%	(29,900)	4.0%
Fees for Service	(4,029,973)	(2,771,019)	(2,645,640)	(2,645,640)	(2,671,273)	-	(2,671,273)	(25,633)	1.0%	(25,633)	1.0%
Sewer Discharge Agreements	(1,151,635)	(1,127,892)	(1,122,800)	(1,122,800)	(1,134,872)	-	(1,134,872)	(12,072)	1.1%	(12,072)	1.1%
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	(19,014,973)	(18,425,405)	(17,616,340)	(17,616,340)	(17,683,945)	-	(17,683,945)	(67,605)	0.4%	(67,605)	0.4%
Net Program Impact	\$ 187,040,659	\$ 198,208,305	\$ 205,630,895	\$ 204,280,895	\$ 213,543,888	\$ 245,170	\$ 213,789,058	\$ 7,912,993	3.8%	\$ 8,158,163	4.0%
Growth Impact:											
Customer Growth (1.5%)										(1,319,272)	-0.6%
Net Increase Requirement										\$ 6,838,892	3.3%

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 Expenditures				
	2018 Actual	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved		2018 Actual	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved		2018 Actual	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	
Treatment	\$ 51,429,009	\$ 57,748,781	\$ 58,073,105	\$ 324,324	0.6%	\$ 12,862,256	\$ 7,902,937	\$ 8,276,769	\$ 373,831	4.7%	\$ -	\$ -	\$ -	\$ -	0.0%
System Services	33,892,864	38,480,051	38,957,545	477,494	1.2%	16,453,495	11,357,163	12,391,553	1,034,391	9.1%	-	-	-	-	0.0%
Infrastructure Planning & Policy	5,259,788	6,197,064	6,452,084	255,020	4.1%	(4,509,425)	(5,392,096)	(5,647,116)	(255,020)	4.7%	-	-	-	-	0.0%
Engineering & Construction	7,712,822	10,394,243	10,794,787	400,544	3.9%	(7,712,822)	(10,394,243)	(10,794,787)	(400,544)	3.9%	-	-	-	-	0.0%
Public Works Administration	5,192,776	5,286,000	5,670,040	384,040	7.3%	(4,754,179)	(4,874,634)	(5,234,140)	(359,506)	7.4%	-	-	-	-	0.0%
Capital Financing	-	-	-	-	0.0%	-	-	-	-	0.0%	100,807,126	106,541,969	112,533,163	5,991,194	5.6%
Total Water & Wastewater Systems	103,487,259	118,106,139	119,947,561	1,841,422	1.6%	12,339,324	(1,400,873)	(1,007,721)	393,152	-28.1%	100,807,126	106,541,969	112,533,163	5,991,194	5.6%
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	\$ 103,487,259	\$ 118,106,139	\$ 119,947,561	\$ 1,841,422	1.6%	\$ 12,339,324	\$ (1,400,873)	\$ (1,007,721)	\$ 393,152	-28.1%	\$ 100,807,126	\$ 106,541,969	\$ 112,533,163	\$ 5,991,194	5.6%

Schedule may not add due to rounding.

	Total Gross Expenditures					Total Revenue					Net Program Expenditures				
	2018 Actual	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved		2018 Actual	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved		2018 Actual	2019 Approved Budget	2020 Requested Budget	Change in Budget 2020 Requested to 2019 Approved	
Treatment	\$ 64,291,265	\$ 65,651,718	\$ 66,349,874	\$ 698,155	1.1%	\$ -	\$ -	\$ -	\$ -		\$ 64,291,265	\$ 65,651,718	\$ 66,349,874	\$ 698,155	1.1%
System Services	50,346,359	49,837,214	51,349,099	1,511,885	3.0%	-	-	-	-		50,346,359	49,837,214	51,349,099	1,511,885	3.0%
Infrastructure Planning & Policy	750,362	804,968	804,968	0	0.0%	-	-	-	-		750,362	804,968	804,968	0	0.0%
Engineering & Construction	0	0	0	-	0.0%	-	-	-	-		0	0	0	-	0.0%
Public Works Administration	438,597	411,366	435,900	24,534	6.0%	-	-	-	-		438,597	411,366	435,900	24,534	6.0%
Capital Financing	100,807,126	106,541,969	112,533,163	5,991,194	5.6%	-	-	-	-		100,807,126	106,541,969	112,533,163	5,991,194	5.6%
Total Water & Wastewater Systems	216,633,709	223,247,235	231,473,003	8,225,768	3.7%	-	-	-	-		216,633,709	223,247,235	231,473,003	8,225,768	3.7%
Water & Wastewater Rate Revenues															
Subsidy Revenue	-	-	-	-	0.0%	(10,343,233)	(9,482,000)	(9,482,000)	-	0.0%	(10,343,233)	(9,482,000)	(9,482,000)	-	0.0%
Bulk Water Charges	-	-	-	-	0.0%	(566,261)	(748,900)	(778,800)	(29,900)	4.0%	(566,261)	(748,900)	(778,800)	(29,900)	4.0%
Fees for Service	-	-	-	-	0.0%	(2,771,019)	(2,645,640)	(2,671,273)	(25,633)	1.0%	(2,771,019)	(2,645,640)	(2,671,273)	(25,633)	1.0%
Sewer Discharge Agreements	-	-	-	-	0.0%	(1,127,892)	(1,122,800)	(1,134,872)	(12,072)	1.1%	(1,127,892)	(1,122,800)	(1,134,872)	(12,072)	1.1%
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%	(18,425,405)	(17,616,340)	(17,683,945)	(67,605)	0.4%	(18,425,405)	(17,616,340)	(17,683,945)	(67,605)	0.4%
Total Rate Impact	\$ 216,633,709	\$ 223,247,235	\$ 231,473,003	\$ 8,225,768	3.7%	\$ (18,425,405)	\$ (17,616,340)	\$ (17,683,945)	\$ (67,605)	0.4%	\$ 198,208,305	\$ 205,630,895	\$ 213,789,058	\$ 8,158,163	4.0%

Schedule may not add due to rounding.

Halton Region

Budget and Business Plan 2020

Community Profile



Welcome to Halton

Halton is a great place to live, work, raise a family and retire.

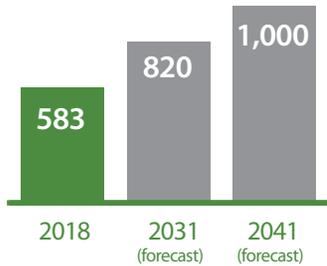
Halton combines vibrant agricultural communities and the charm of small-town life with the amenities, shopping and culinary delights of major urban centres. With Toronto to the east, Hamilton to the west and Lake Ontario to the south, the region is close to major cities, world-class educational institutions and markets in Canada and the United States. Accessible via three Canadian airports, railways, Provincial

highways, local roads and public transit, Halton offers countless opportunities to experience nature, arts, culture, heritage, leisure, sporting activities and more.

Residents of Burlington, Halton Hills, Milton and Oakville enjoy a high quality of life supported by cost-effective government programs and services. To learn more about Halton Region, please visit halton.ca.



POPULATION GROWTH²
(thousands)



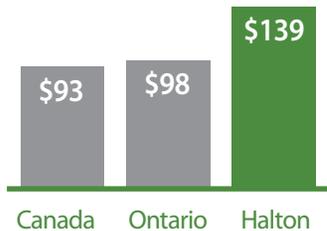
Halton Region is a growing community. To meet the requirements of the *Provincial Places to Grow Act, 2005* and *A Place to Grow: Growth Plan for the Greater Golden Horseshoe 2019*, Halton's population is expected to grow to one million by 2041.²

TOTAL CONSTRUCTION VALUE⁵
(billions)



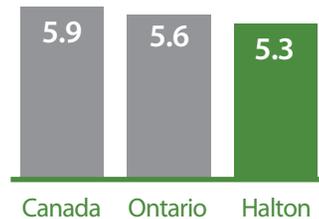
Over the past five years, Halton's total building permit construction value is \$10.3 billion.⁵

AVERAGE HOUSEHOLD INCOME³
(thousands)



Halton Region residents have a higher average household income than residents in the rest of the province. Residents are also well educated; 75 per cent of adults have some level of post-secondary education.³

UNEMPLOYMENT RATE⁶
(per cent)



In 2018, the unemployment rate in Halton averaged 5.3 per cent, lower than the national and provincial averages.

583,363

2018 POPULATION¹

217,058

NUMBER OF HOUSEHOLDS IN 2018¹

13,296

NUMBER OF BUSINESSES IN 2018⁴

5.3%

HALTON UNEMPLOYMENT RATE IN 2018⁶

67.4%

HALTON LABOUR FORCE PARTICIPATION RATE IN 2018⁶

229,130

JOBS IN HALTON IN 2018⁴

- 1 Halton Region Best Planning Estimates, June 2011 (forecasted)
- 2 *Provincial Places to Grow Act, 2005* and *A Place to Grow: Growth Plan for the Greater Golden Horseshoe 2019*
- 3 Statistics Canada Census 2016
- 4 Halton Region 2018 Employment Survey Preliminary Results (LPS27-19 - Economic Development - Economic Review 2018)
- 5 Statistics Canada, Building Permits Survey February 2018 (Publication 64-001-XWF) (LPS27-19 - Economic Development - Economic Review 2018)
- 6 Statistics Canada, Labour Force Survey Estimates (custom tabulation, three-month moving average, unadjusted), (LPS27-19 - Economic Development - Economic Review 2018)

Halton's Heritage

Founded in 1816, our community was originally named Halton County after William Halton, secretary to Francis Gore, who served intermittently as Lieutenant Governor of Upper Canada from 1806 to 1816.

When the County established its own governing council in 1853, it included the Nelson, Trafalgar, Esquesing and Nassageya Townships.

The County began to transition from lumber and wheat production to industrial manufacturing by the 1900s. The P. L. Robertson Company, maker of the Robertson screw, became one of Milton's top employers, and dairy and fruit farms started up in response to demand from nearby urban centres. The Oakville Ford Plant, constructed in 1952, created 5,000 jobs and has served as a major industrial employer ever since.

Government reforms in the late 1960s led to a reorganization at the local level. In 1974, Halton County was incorporated and reorganized into the Regional Municipality of Halton with four restructured municipalities: the City of Burlington, Town of Halton Hills, Town of Milton and Town of Oakville.

Historical pictures are from the Halton Heritage Services collection.

Top to bottom: **1)** The members of the No. 2 Limestone Patriotic Society photographed around a quilting frame in 1933. **2)** Staff in action at the Acton Free Press printing room in 1946. **3)** Group of employees in the Chapman Tannery on Main Street, Acton at the beginning of the 20th Century. **4)** The first Curator of the Halton County Museum, HJ Newman, in 1960.



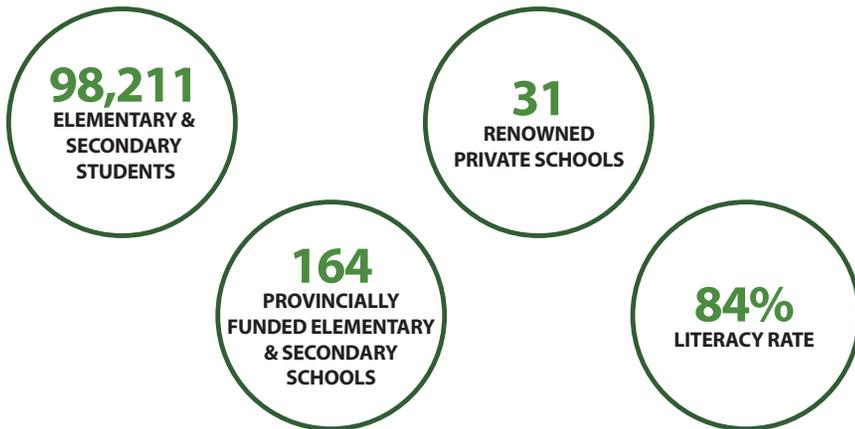
Education

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 DeGroot 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.



Post-secondary education

(age 25 to 64)¹



¹ Statistics Canada, Census 2016

Hospitals

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

Georgetown Hospital

The Georgetown Hospital opened in 1961, and its most recent improvements include upgrades to its roofs, windows, HVAC system, fire alarms and back-up generators completed in 2017. Halton Healthcare Services is currently planning for its redevelopment.

Milton District Hospital

The Milton District Hospital opened in 1959. It completed a 330,000 sq. ft. expansion in 2017, which added a new building for clinical services, 66 inpatient beds and a new Magnetic Resonance Imaging (MRI) machine to provide patient-centred care.

Oakville Trafalgar Memorial Hospital

The \$2 billion state-of-the-art Oakville Trafalgar Memorial Hospital offers a full range of health services. It opened in 2015, and in 2017, it was recognized by the American College of Surgeons for achieving excellent outcomes in surgical patient care.

Joseph Brant Hospital (Burlington)

Joseph Brant Hospital opened in 1961, and its most recent renovations use technology, open spaces and calming environments to support patient health. These upgrades include a new seven-storey patient tower completed in 2017 and the redevelopment of its existing North Tower in 2018.



Physician Engagement

Halton Region is dedicated to the health and well-being of all residents. Providing Halton doctors with valuable public health information is an important step towards reaching that goal. By collaborating with our Local Municipalities, hospitals, clinics and community representatives, as well as our local doctors, our Physician Engagement program supports physicians in caring for their patients, as well as helping to recruit (and retain) 312 new family doctors for Halton since 2003.

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 its 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.

Halton Global Business Centre

The Halton Global Business Centre, in collaboration with partners such as the Haltech Regional Innovation Centre, provides information and client services

on export development and scaling up business operations. Services include export counseling, market support, 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 between government agencies, industry organizations and local businesses, investment and site selection assistance, coordination of site visits and tours, and business expansion and relocation assistance.

Halton's Economic Development Strategy 2012-2021 identifies target sectors for business attraction and retention. The Region is currently focused on targeting the following six sectors for investment: financial services, technology, life sciences, advanced manufacturing, food and beverage, and professional services. To learn more, visit halton.ca

90%

of Halton based businesses anticipate steady or increased profits over the next 12 months¹.

INDUSTRIAL, COMMERCIAL AND INSTITUTIONAL DEVELOPMENT BUILDING PERMIT VALUE²

(millions)



Since 2008, Halton Region's Industrial, Commercial and Institutional (ICI) sectors have seen annual average growth of 11 per cent.

¹ 2018 Halton Business Conditions Survey

² Statistics Canada, Building Permits Survey

Top 10 Private Sector Employers in Halton in 2018

(Based on number of employees)

Business Name	Location	Sector
Ford Motor Company of Canada Ltd.	Oakville	Automotive Assembly & Headquarters
Gordon Food Service	Milton	Food Wholesale Distribution
Sofina Foods Inc.	Burlington	Food Processing
Karmax Heavy Stamping (Magna)	Milton	Automotive Parts Manufacturing
Siemens Canada Ltd.	Oakville	Engineering Technology & Headquarters
Evertz Microsystems Ltd.	Burlington	Electronic Manufacturing & Headquarters
Collins Aerospace	Oakville	Aerospace Parts Manufacturing
Mold Masters Ltd.	Halton Hills	Injection Mold Systems Technology
Aviva Canada	Oakville	Insurance Services
AMEC	Oakville	Engineering & Project Management Services

Source: Halton Economic Development, Halton Employment Survey

Principal Corporate Taxpayers in 2018

Regional Tax Levy
(Dollars in Thousands)

Company Name	Location	Regional Taxes	Local Taxes	Education Taxes
RioCan Real Estate Investment Trust	Burlington, Halton Hills, Milton, Oakville	\$3,390	\$3,955	\$6,824
SmartCentres Real Estate Investment Trust	Burlington, Halton Hills, Milton, Oakville	\$2,379	\$2,810	\$4,908
Canapen (Halton) Limited	Burlington	\$1,435	\$1,774	\$2,862
Homestead Land Holdings Limited	Oakville, Burlington	\$1,195	\$1,421	\$401
Choice Properties Real Estate Investment Trust	Burlington, Halton Hills, Milton, Oakville	\$1,171	\$1,269	\$2,340
Sun Life Financial	Burlington, Halton Hills, Milton, Oakville	\$1,106	\$1,166	\$2,187
Enbridge Inc.	Burlington, Halton Hills, Milton, Oakville	\$919	\$935	\$2,929
Drewlo Holdings Inc.	Burlington	\$799	\$988	\$496
Ford Motor Company	Oakville	\$787	\$869	\$1,495
Lowe's Companies, Inc.	Burlington, Milton	\$622	\$564	\$1,247

Source: Halton Tax Analysis Web Application Interface



Halton Region

Budget and Business Plan 2020

Policies & Procedures



Presentation of Halton Region's Financial Information

General guidelines

Halton Region prepares and presents financial statements in accordance with Generally Accepted Accounting Principles (GAAP) for local governments 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. Effective January 1, 2009, Halton Region reports tangible capital assets on annual financial statements as required by Public Sector Accounting Standard 3150, Tangible Capital Assets.

Halton Region's Fund-Based budget is converted to full accrual basis accounting in the following way:

1. The Capital Fund is reported through the Tangible Capital Asset accounts in the Consolidated Statement of Financial Position.
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 solid waste landfill closure and post-closure expenses.

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, 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. 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 and governance costs (Corporate Sustaining Chargebacks) are also allocated to all service areas based on a pro-rata share of the three most recent years' net controllable costs.



The use of this chargeback allocation method results in the distribution of net corporate support costs to direct service delivery areas.

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.

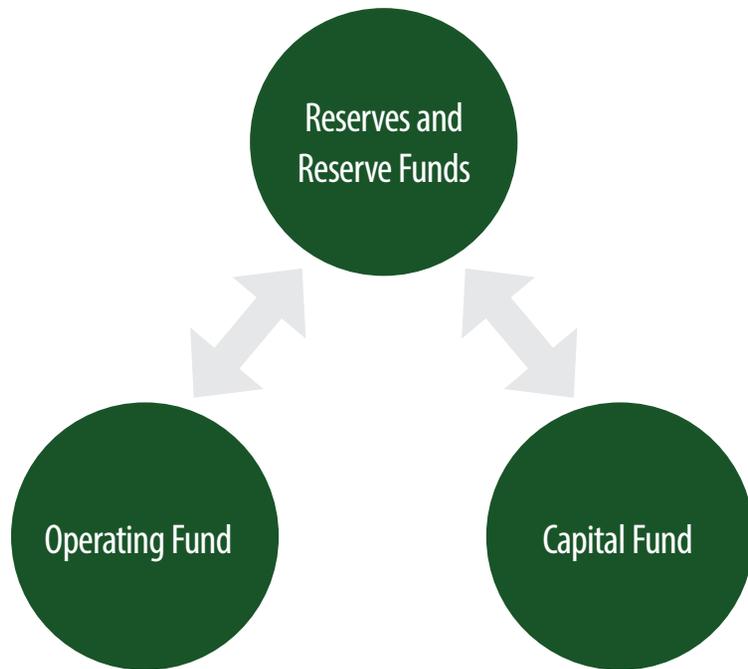
Reserves and Reserve Funds: The use of reserves is an integral part of the budget planning process and is an important financial tool in developing short- and long-term fiscal policies. Prudent use of reserves mitigates fluctuations in taxation and rate requirements and assists in stabilizing the impact of unanticipated occurrences as set out in Council Report CS-83-02, re: Regional Reserve Policy. General principles relating to the use of the reserves are set out in the front section of this document. 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.

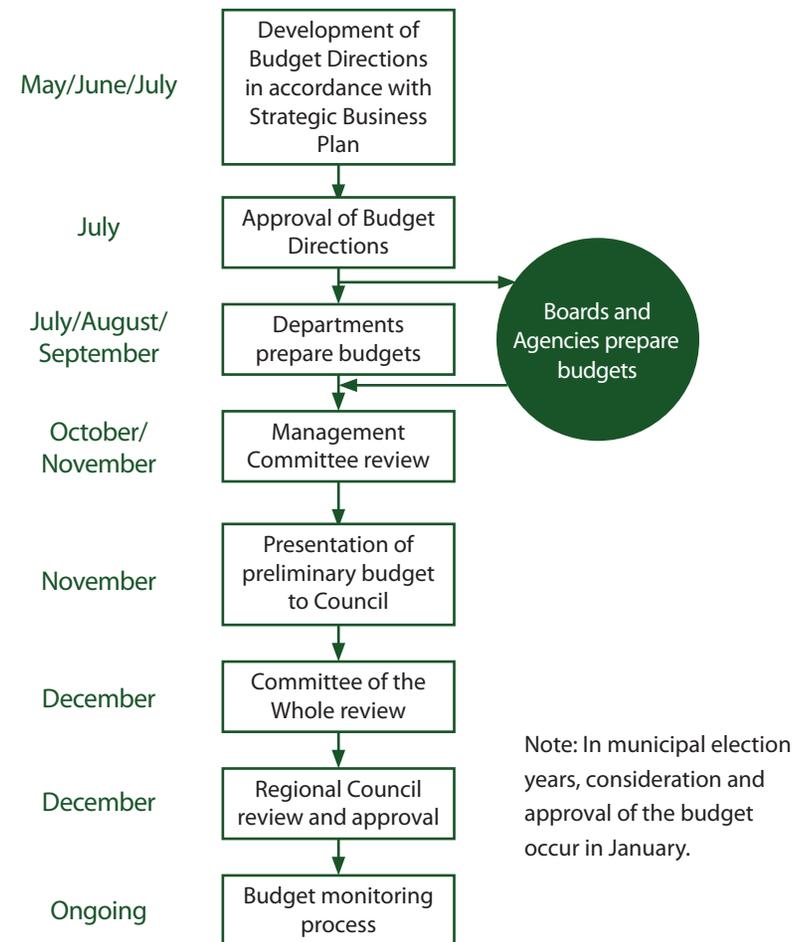
Fund relationships

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 Council-approved Strategic Business 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 by the Committee of the Whole and Regional Council. Staff also use this as a guide in developing the following year's budget process.





Operating departments prepare their preliminary budget requests based on the Council-approved Budget Directions Report and Strategic Business Plan. Preliminary budgets are prepared by all Regional departments with the help of the Budgets & Tax Policy Division of the Region's Finance Department. Regional staff prepare an annual Budget Information Package, which recommends cost and revenue increases for various budget components (e.g., general inflation, interest, etc.). This package also 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 Division 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 Division 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 Council in late November. The Committee of the Whole reviews the document prior to Council approval in December. In an election year, the committee begins reviewing the budget in January, with adoption targeted for late January. The Committee of the Whole 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 after it receives the recommendations from the Committee of the Whole.

The Committee and 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 2020 Budget and Business Plan:

November 20, 2019

- 2020 Budget and Business Plan Council Information Session

December 4, 2019

- 2020 Budget review at Regional Council Budget Workshop

December 11, 2019

- 2020 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 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 is 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 Council for year-to-date and year-end projections as at April 30, August 31 and December 31. 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 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 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 Council approval. One-time revenue is transferred to the appropriate reserves in accordance with 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 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 Halton's Commodity Price Hedging Policy as approved through Council Report No. CS-19-07.

The Region considers procuring price hedging agreements for electricity, natural gas, gasoline and diesel, as discussed below:

- Halton Region did not enter into a fixed price agreement for electricity in 2019 as it was determined that the Hourly Ontario Energy Price (HOEP) was the lowest cost option at the time.
- For natural gas, Halton Region has an annual fixed price contract expiring on October 31 of each year. In 2019, approximately 30 per cent of the annual volume was purchased on contract with the remaining 70 per cent purchased at the spot market price.

- 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 has a four 1-year term contract expiring in 2020 with Canada Clean Fuels to provide gasoline, diesel and biodiesel fuels. The contract is negotiated annually to facilitate challenges due to the volatile and fluctuating fuel market. A new competitive bid will be awarded prior to the expiration of the existing contract.

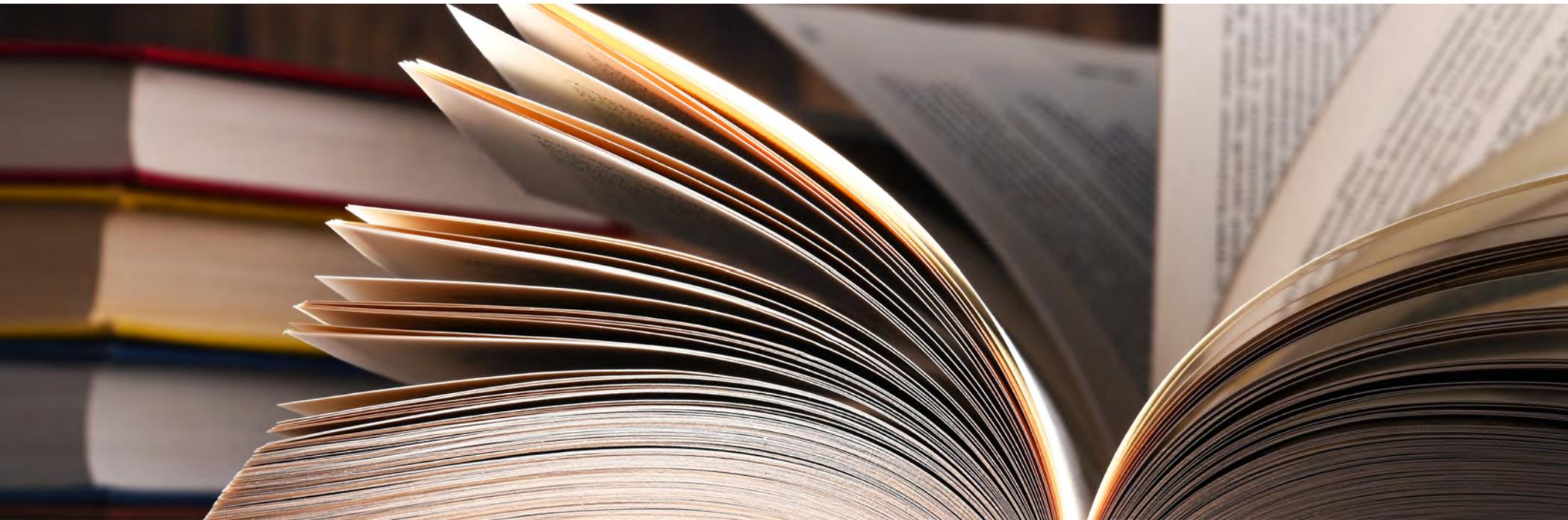
Staff will continue to work with consultants to determine the best procurement strategy by reviewing market conditions. As shown below, commodity costs have decreased for electricity mainly due to savings relating to the Industrial Conservation Initiative, which allows eligible customers to manage their global adjustment costs by reducing demand during peak periods. The increases for Natural Gas, Gasoline and Diesel are mainly driven by price increases.

Commodity (\$000s)	2016 Actual	2017 Actual	2018 Actual	2019 Budget	2019 Projected Actual	2020 Requested Budget	Changes in Budget (2020-2019)
Electricity	21,210	19,805	18,540	21,293	20,102	19,826	(1,467)
Natural Gas	601	755	761	881	915	940	60
Gasoline and Diesel	2,350	2,681	3,066	2,755	2,735	2,954	199

Halton Region

Budget and Business Plan 2020

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 and expenditures incurred, as opposed to budgeted revenues or expenditures for the fiscal year indicated.
Allocated Charges/Recoveries	Transactions related to allocating 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, and is considered by the Committee of the Whole and 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 Boards (PSAB)
Canadian Union of Public Employees (CUPE)	Canada's largest union, with more than 680,000 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. 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.

Term	Definition
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> .
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.
Generally Accepted Accounting Principles (GAAP)	Nationally recognized uniform principles, standards and guidelines for financial accounting and reporting.
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. The 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.

Term	Definition
Halton Regional Police Service (HRPS)	A police agency that contributes to the safety and well-being of the Region's 580,000 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.
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	A municipality 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).
Local Planning Appeal Tribunal (LPAT)	An adjudicative tribunal that hears cases in relation to a range of land use matters, heritage conservation and municipal governance.
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 Municipal Property Assessment Corporation Act, 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) and transfers from reserves, subsidies and other revenues. In other words, the amount to be either levied from property taxes or recovered through water & 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 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 65,000 registered nurses and allied health professionals and almost 18,000 nursing students providing care in hospitals, long-term care facilities, public health, the community, clinics and industry.

Term	Definition
Ontario Public Service Employees Union (OPSEU)	A union in Ontario for public sector workers. OPSEU has about 165,000 members across the province in hospitals, services for families and children, art galleries, ambulance services, school boards, municipal offices, mental health services, correctional services and more.
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.
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 Planning Act.
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 the Region’s reserve 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).

Term	Definition
Revenue	Funds that a government receives as income, including tax payments, fines, subsidies and interest income.
Strategic Business 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 the Council. The new plan covers the 2019 to 2022 Council term.
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, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets; 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 & Community Services, Planning Services, Economic Development, Waste Management, Roads Operations, Corporate Administration, Boards & Agencies and other non-program and fiscal transactions the net expenditures of which are funded by property taxes.
Wastewater Treatment Plant (WWTP)	Halton Region owns and operates seven Wastewater Treatment Plants that treat approximately 237,000 cubic metres of wastewater every day.
Water Purification Plant (WPP)	Halton-owned and operated state-of-the-art Water Purification Plants deliver safe, high-quality and cost-effective drinking water.

Acronyms

Acronym	Term
AHT	Anti-Human Trafficking
AMI	Advanced Meter Infrastructure System
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
BSO	Behavioural Supports Ontario
CAO	Chief Administrative Officer
CCEYA	<i>Child Care Early Years Act</i>
CH	Conservation Halton
CHAP	Community Health Assessment Program
CHPI	Community Homelessness Prevention Initiative

Acronym	Term
CHS	Comprehensive Housing Strategy
COCHI	Canada-Ontario Community Housing Initiative
CPI	Consumer Price Index
CSWB Plan	Community Safety and Well-Being Plan
CVA	Current Value Assessment
CVC	Credit Valley Conservation
DCA	<i>Development Charges Act</i>
DCC	Dental Care Counts
EAB	Emerald Ash Borer
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
HHS	Halton Healthcare Services

Acronym	Term
HIP	Halton In-Situ Program
HOEP	Hourly Ontario Energy Price
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
ISPA	<i>Immunization of School Pupils Act</i>
LCC	Licensed Child Care
LDC	Local Distribution Companies
LED	Light Emitting Diode
LHCC	Licensed Home Child Care
LHIN	Local Health Integration Network

Acronym	Term
LPAT	Local Planning Appeal Tribunal
LTC	Long-Term Care
MCCSS	Ministry of Children, Community and Social Services
MFIPPA	<i>Municipal Freedom of Information and Protection of Privacy Act</i>
ML/d	Megalitres per day (one Megalitre is equivalent to one million litres)
MLTC	Ministry of Long-Term Care
MNRF	Ministry of Natural Resources and Forestry
MOE	Ministry of the Environment
MOL	Ministry of Labour
MTCU	Ministry of Training, Colleges and Universities
NDMP	National Disaster Mitigation Program
NHMHC	North Halton Mental Health Clinic
OKN	Our Kids Network
OPHI	Ontario Priorities Housing Initiative
OPHS	Ontario Public Health Standards
OSDCP	Ontario Seniors Dental Care Program
OW	Ontario Works

Acronym	Term
PHFAA	Public Health Funding and Accountability Agreement
PIL	Payments-In-Lieu (of taxes)
PQI	Pavement Quality Index
RBG	Royal Botanical Gardens
RCCC	Regional Child Care Centre
RCM	Reliability Centred Maintenance
RGI	Rent-Geared-To-Income
ROW	Rights Of Way (taxes)
SCADA	Supervisory Control and Data Acquisition

Acronym	Term
SCRS	Strong Communities Rent Supplement
SDE	Single Detached Equivalents
SFOA	<i>Smoke Free Ontario Act</i>
SPLIT	Subsidized Passes for Low Income Transit
STI	Sexually Transmitted Infection
TB	Tuberculosis
THRC	The Halton Resource Connection
TODS	Tourism-Oriented Destination Signage
WEG	Wage Enhancement Grant